IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF ALABAMA
EASTERN DIVISION

JOHN A. ABRAMS, PRISCILLA W. ABRAMS, DEBRA CLARK, BARON J. LOWE, MELANIE D. LOWE, FREDRICK GLEN WILLIAMS, and KRISTY A. WILLIAMS,	)	
PLAINTIFFS,	)	
v.	)	**CASE NO. 3:12-cv-177-WHA**
THOMAS H. TUBERVILLE, JOHN DAVID STROUD, TS CAPITAL PARTNERS, TS CAPITAL PARTNERS, LLC, TS CAPITAL MANAGEMENT, LLC, TS CAPITAL FUND, L.P., AND TS CAPITAL GP, LLC	)	**JURY TRIAL DEMANDED**
DEFENDANTS.	)	

FIRST AMENDED COMPLAINT

Plaintiffs, John A. Abrams, Priscilla W. Abrams, Debra Clark, Baron J. Lowe, Melanie D. Lowe, Fredrick Glen Williams, and Kristy A. Williams ("Plaintiffs"), by their undersigned counsel, bring this action against Defendants Thomas H. Tuberville, John David Stroud, TS Capital Partners, TS Capital Partners, LLC, TS Capital Management, LLC, TS Capital Fund L.P., and TS Capital GP, LLC for damages, and as grounds state as follows:

THE PARTIES

INVESTORS

1. John A. Abrams ("John Abrams") is over the age of 19 years and resides in Wetumpka, Alabama.

2. Priscilla W. Abrams ("Priscilla Abrams") is over the age of 19 years and resides in Wetumpka, Alabama.

3. Debra Clark ("Debra Clark") is over the age of 19 years and resides in Lake Village, Arkansas.

4. Baron J. Lowe ("Baron Lowe") is over the age of 19 years and resides in Hendersonville, Tennessee. Baron Lowe was an employee of one or more of the Entity Defendants (as defined below) from or about January 2011 through September 2011.

5. Melanie D. Lowe ("Melanie Lowe") is over the age of 19 years and resides in Hendersonville, Tennessee.

6. Fredrick Glen Williams ("Glen Williams") is over the age of 19 years and resides in Auburn, Alabama. Glen Williams was an employee of one or more of the Entity Defendants from or about January 2011 thorough September 2011.

7. Kristy A. Williams ("Kristy Williams") is over the age of 19 years and resides in Auburn, Alabama.

DEFENDANTS

8. Thomas H. Tuberville (“Tuberville”) is over the age of 19 years and, upon information and belief, resides in Lubbock, Texas. Tuberville is a co-founder and one of the two principals and controlling persons of the Entity Defendants (as defined below) and their affiliates.

9. John David Stroud (“Stroud”) is over the age of 19 years and, upon information and belief, resides in Auburn, Alabama. Stroud is a co-founder and one of the two principals and controlling persons of the Entity Defendants and their affiliates.

10. TS Capital Partners, LLC is purportedly a limited liability company with its last known principal place of business at 2148 Moore's Mill Road, Auburn, Alabama.

11. TS Capital Fund, L.P. (the "TS Fund") is a limited partnership with its last known principal place of business at 2148 Moore's Mill Road, Auburn, Alabama.

12. TS Capital GP, LLC (the "General Partner") is a limited liability company with its last known principal place of business at 2148 Moore's Mill Road, Auburn, Alabama.

13. TS Capital Management, LLC ("TS Management") is a limited liability company with its last known principal place of business at 2148 Moore's Mill Road, Auburn, Alabama.

14. TS Capital Partners or TS Capital Partners, LLC ("TS Capital Partners") is a general partnership comprised of Tuberville and Stroud and is an affiliate of the other Entity Defendants with its last known principal place of business at 2148 Moore's Mill Road, Auburn, Alabama.

15. TS Capital Partners, TS Capital Partners, LLC, TS Capital Fund, L.P, TS Capital GP, LLC, and TS Capital Management, LLC are collectively referred to herein as the "Entity Defendants."

16. Prior to organizing the Entity Defendants with Tuberville, Stroud organized and sold interests in a hedge fund named Stroud Capital Fund, L.P., a Delaware limited partnership (the "Stroud Fund"). Stroud Capital Fund, L.P. had as its general partner Stroud Capital GP, LLC, a Delaware limited liability company, and it received investment management services from Stroud Capital Management, LLC, a Delaware limited liability company. Stroud Capital Fund, L.P, Stroud Capital GP, LLC, and Stroud Capital Management, LLC are collective referred to herein as the "Stroud Entities." The records of the Delaware Secretary of State reflect that the registration of each of the Stroud Entities to transact business in Delaware has been cancelled for failure to pay taxes due.

17. As detailed below, some, but not all of Plaintiffs initially invested in the Stroud Fund. Upon information and belief, the assets of the Stroud Fund and the other Stroud Entities, including Plaintiffs' funds invested therein, were transferred to TS Fund and the Entity Defendants in 2010. As the successors and assigns of the Stroud Entities, the Entity Defendants are liable for the debts and obligations of the Stroud Entities.

NATURE OF THE ACTION

18. Stroud and Tuberville formed the Entity Defendants to solicit investors in, manage, and operate one or more hedge funds. In connection with the sales to Plaintiffs of interests in such hedge fund(s), Defendants, by use of means or instrumentalities of interstate commerce and by use of the United States mails: (a) employed devices, schemes, and artifices to defraud Plaintiffs; (b) made untrue statements of material facts and omitted to state other material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaged in acts, practices or courses of business which operated as a fraud and deceit upon Plaintiffs.

19. Stroud, Tuberville, and the Entity Defendants have defrauded Plaintiffs, all of whom invested in one or more of the Entity Defendants, and have misused the assets of the Entity Defendants to further the interests of Stroud and Tuberville. Stroud and Tuberville acted contrary to the stated investment strategy of Defendants as represented to Plaintiffs and contrary to the best interests of Plaintiffs.

20. Defendants knew or reasonably believed that investments in the TS Fund and the underlying commodities and derivatives were not suited to some of Plaintiffs' needs, but nonetheless represented that TS Fund was a safe investment and recommended the TS Fund to those Plaintiffs and solicited Plaintiffs' investments therein. Defendants made material

misrepresentations and/or failed to disclose material information relating to the unsuitability of the TS Fund as an investment for those Plaintiffs.

21. Defendants negligently and/or wantonly breached their duties to Plaintiffs and as a proximate consequence Plaintiffs were substantially damaged. The General Partner, Stroud, and Tuberville have breached their fiduciary duties of care and loyalty to Plaintiffs, by not acting in good faith and contrary to the interests of the TS Fund and Plaintiffs, failing to adequately supervise the operations and legal compliance of the Entity Defendants, co-mingling the assets of the Entity Defendants with some of their personal assets, misappropriating the assets of the Entity Defendants, failing to file tax returns as required by the Entity Defendants, falsifying client statements and fund performance reports of the TS Fund, and/or otherwise failing to comply with applicable laws and regulations.

JURISDICTION AND VENUE

22. This civil action arises under United States law, namely, § 12(a)(2) of the Securities Exchange Act of 1933, § 10(b) of the Securities Exchange Act of 1934, and §§ 4b(a), 4b(e), and 4o(1) of the Commodities Exchange Act. Accordingly, the Court has original subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331 and 7 U.S.C. § 25(c). Additional claims in this action arise under Alabama law. This Court has supplemental jurisdiction over those claims pursuant to Alabama law, because they are so related to the claims in the action within the original jurisdiction of the Court that they form part of the same case or controversy under Article III of the United States Constitution. 28 U.S.C. § 1367(a).

23. Venue in the United States District Court for the Middle District of Alabama is proper under 28 U.S.C. § 1391(b)(2), as amended by the Federal Courts Jurisdiction and Venue Clarification Act of 2011. A substantial part of the events or omissions giving rise to the claims

occurred in the Middle District of Alabama. All Defendants are subject to personal jurisdiction in this judicial district.

FACTUAL ALLEGATIONS

Plaintiffs' Investments in the Entity Defendants

John and Priscilla Abrams

24. John Abrams is 64 years old. He has spent his career working as a bookkeeper for a timber company (22 years) and an office manager for an oil company (15 years). In approximately January 2003, John Abrams opened an IRA at Salomon Smith Barney through Stroud. Abrams transferred that IRA to A.G. Edwards, and then to Lehman Brothers, when Stroud went to work for those firms. Abrams' IRA was initially invested entirely in an annuity, to provide monthly distributions upon which he and his wife relied for part of their income. Eventually a portion of Abrams' IRA was invested in stocks, but the IRA remained primarily invested in annuities until it was transferred from Lehman Brothers to the Stroud Fund, as described below. Stroud was the account representative with respect to Abrams' IRA from its opening in 2003 until Stroud left Lehman Brothers in 2008.

25. In or about January 2008, John Abrams invested approximately $60,000 in the Stroud Fund. In or about September 2008, John Abrams transferred his IRA, in the approximate amount of $734,480.34, from Lehman Brothers to a Stroud Capital Management bank account at Wachovia Bank, to be invested in the Stroud Fund. Stroud did not tell Abrams that those funds would be invested any differently than they had previously been invested. In or about September 2008 by telephone, Stroud assured John Abrams that his IRA with Stroud Capital had been set up so that Abrams could continue receiving monthly distributions and annual payment of an insurance premium of $20,000. John Abrams is informed and believes that all of John Abrams'

funds invested with the Stroud Entities were transferred the TS Fund in 2010. In or about August 2011, the TS Fund and the General Partner delivered a subscription agreement for a limited partner interest in the TS Fund to John Abrams, which he signed and returned to Defendants. Therefore, the aggregate value of John Abrams' initial investments in the TS Fund was approximately $794,480. In or about April 2011, the Entity Defendants issued two Schedule K-1s to John Abrams, showing that he had capital accounts in "TS Capital Partners" totaling $815,764 as of December 31, 2010.

26. Priscilla Abrams is a retired school teacher, who had never invested in commodities prior to her investment in the TS Fund. As set forth above, Stroud knew that Priscilla Abrams and her husband relied on distributions from her husband's IRA as part of their income. In or about May 2009, Priscilla Abrams transferred her IRA, amounting to approximately $10,778.95, to Stroud Capital Management. Plaintiffs are informed and believe that all of Priscilla Abrams' funds invested with the Stroud Entities were transferred to one or more of the Entity Defendants in 2010. In or about August 2011, Defendants delivered a subscription agreement for a limited partner interest in the TS Fund to Priscilla Abrams, which she signed and returned to Defendants. In or about April 2011, the Entity Defendants issued a Schedule K-1 to Priscilla Abrams, showing that she had a capital account in "TS Capital Partners" of $16,092 as of December 31, 2010.

Debra Clark

27. In or about September 2010, Debra Clark transferred a traditional IRA, in the approximate amount of $94,003.70, and a Roth IRA, in the approximate amount of $20,342.10, to the Entity Defendants for investment in TS Fund. Also in or about September 2010, Debra Clark invested an additional approximately $165,000 in the Entity Defendants. In or about

March 2011, Debra Clark made a contribution of approximately $5,000 to her Roth IRA with the Defendant Entities. Therefore, the aggregate initial value of Debra Clark's investments in the Defendant Entities was approximately $284,345. A daily account statement provided by the Entity Defendants to Debra Clark via the TS Capital Website shows a total value of her investments in the Entity Defendants of $314,156.91 as of September 27, 2011.

28. Prior to investing in the Entity Defendants, Debra Clark had never invested in commodities. She and her husband Stan were excited about Debra's investing in a hedge fund of which Tuberville was a principal, as Stan told several of his friends.

29. In April 2011, while the National Futures Association ("NFA") was conducting an audit of the Entity Defendants, Stroud told Glen Williams that the NFA was asking for information about a $165,000 deposit. Stroud asked Williams, "Can I just say this is your money to make this go away?" or words to that effect. Williams told Stroud no. However, in 2010 Williams discovered that Stroud had misinformed the NFA by email that Williams had made the $165,000 deposit, despite the fact that Williams had told him not to do so. Williams discovered that the $165,000 deposit was actually made by Debra Clark. When Williams confronted Stroud about the matter, Stroud responded that Clark was not a qualified investor, and that he "had to lie to keep NFA from shutting down the company" or words to that effect.

Baron and Melanie Lowe

30. Prior to investing in the TS Fund, Baron and Melanie Lowe had never invested in commodities. On or about January 26, 2011, Baron Lowe transferred the proceeds of his 401(k) account, in the approximate amount of $249,261.61, to an IRA held by and invested in the Entity Defendants. In or about February 2011, Baron Lowe transferred his Roth IRA, in the approximate amount of $20,158.25, to the Entity Defendants. On or about April 4, 2011, Melanie

Lowe invested approximate $20,158.25 with the Entity Defendants. In or about March 2011, Baron Lowe and Melanie Lowe, as joint tenants, invested approximately $174,501.88 in the Entity Defendants. On or about May 10, 2011, Baron and Melanie Lowe invested the college savings accounts of their daughter and son, in the approximate amounts of $40,960.05 and $27,118.36, respectively, in the Entity Defendants. In or about June or July 2011, Baron Lowe and Melanie Lowe executed subscription agreements for limited partner interests in the TS Fund with respect the above-described transfers and deposits. Therefore, the aggregate initial value of Baron and Melanie Lowe's investments in the Defendant Entities was approximately $532,158. The most recent account statement in Baron and Melanie Lowe's possession with respect to their joint tenant account shows an account balance of $202,834.79 as of August 31, 2011, an increase from $174,501.88 for that account. Account statements provided by the Entity Defendants to Baron and Melanie Lowe for online viewing through the TS Capital Website until approximately August 2011 showed positive returns in all of Baron and Melanie Lowe's accounts with the Entity Defendants through approximately August 2011.

Glen and Kristy Williams

31. On or about August 10, 2010, Glen Williams transferred his IRA in the approximate amount of $47,447.91 to the Entity Defendants. He made subsequent contributions to that account totaling approximately $72,557.41 and executed a TS Fund Subscription Agreement dated August 10, 2010. Therefore, the aggregate initial value of Glen Williams' investments in the Defendant Entities was approximately $120,005. An account statement provided by the Entity Defendants with respect to Glen Williams' IRA showed a balance of $48,397.21 for the period ended December 31, 2010, an increase from that account's initial value of $47,447.91. Account statements provided by the Entity Defendants to Glen Williams for

online viewing through the TS Capital Website until approximately August 2011 also showed positive returns in his investments in the Entity Defendants through approximately August 2011.

32. On or about August 10, 2010, Kristy Williams transferred her IRA in the approximate amount of $18,921.03 to the Entity Defendants. An account statement provided by the Entity Defendants showed a balance in that account of $19,346.77 for the period ended December 31, 2010. Monthly account statements provided by the Entity Defendants to Kristy Williams for online viewing through the TS Capital Website until approximately August 2011 also showed positive returns in the account through approximately August 2011.

33. Therefore, the aggregate initial value of Plaintiffs' investments in the Defendant Entities was approximately $1,760,700.

Ownership, Management, and Control of the Entity Defendants

TS Capital Partners

34. Tuberville and Stroud conducted business under the name TS Capital Partners or some close variation thereof. They most often used the name TS Capital Partners without any suffix, although the suffix "LLC" was sometimes included in the name. For example, the Due Diligence Questionnaire refers to TS Capital Partners, LLC as having its domicile in Delaware. Moreover, on September 24, 2009, "TS Capital Partners, LLC" filed with the National Futures Association (the "NFA") a claim of exemption from registration as a Commodities Pool Operator. However, a search of the records of the Secretary of State of Delaware revealed no limited liability company by that name. Presumably, Tuberville and Stroud intended, but failed, to organize such a limited liability company. If, as appears to be the case, they did not organize an effective limited liability company or other limited liability entity, they conducted business as a general partnership and, therefore, they individually and personally assumed all of the

obligations, duties, and liabilities of the entity and became jointly liable for the actions and omissions of the other partners. Because virtually all important actions were taken by Stroud and Tuberville doing business as TS Capital Partners, each of them was and is personally liable for not only their own acts and omissions, but also all actions, omissions, obligations, duties, and liabilities of each other and the Entity Defendants they controlled.

35. Plaintiffs have not discovered any document regarding the organization of any entity by the precise name of TS Capital Partners. However, it appears that TS Capital Partners was and is a (possibly oral) general partnership comprised of Tuberville and Stroud. The name TS Capital Partners has been used publicly, such as in a July 2009 news article on Tuberville and his relationship with Stroud and TS Capital Partners: "Tuberville, on this day, is working hard at T & S Capital Partners in Auburn…[t]he 'T' in 'T & S' is for 'Tommy,' and he's around to drum up a little business for a big-time hedge fund run by Stroud Capital." A copy of this news article is attached as Exhibit A. On July 9, 2009, Stroud sent John Abrams an email about his "new partner in the Auburn office," referring to Tuberville. The website of the Entity Defendants specifically named TS Capital Partners (no Inc., LLC, or L.P. suffix) and listed TS Capital Partners as the legal owner of a copyright in the website's contents, as follows: "© 2009-2011 TS Capital Partners All Rights Reserved." The account statements provided to Plaintiffs regarding their investments in TS Fund are on the stationery of TS Capital Partners (no Inc., LLC or L.P. suffix). John and Priscilla Abrams were provided tax reporting information from the Entity Defendants stating that they had capital accounts in TS Capital Partners (no Inc., LLC, or L.P. suffix). Tuberville was referred to as a "managing partner" of T.S. Capital (no Inc., LLC, or L.P. suffix) on his business card that was provided to one or more Plaintiffs. The summary of Stroud's experience in his Linked-In page states:

David Stroud's Experience

CEO
TS Capital Partners
Financial Services industry
July 2010 - Present (1 year 5 months)

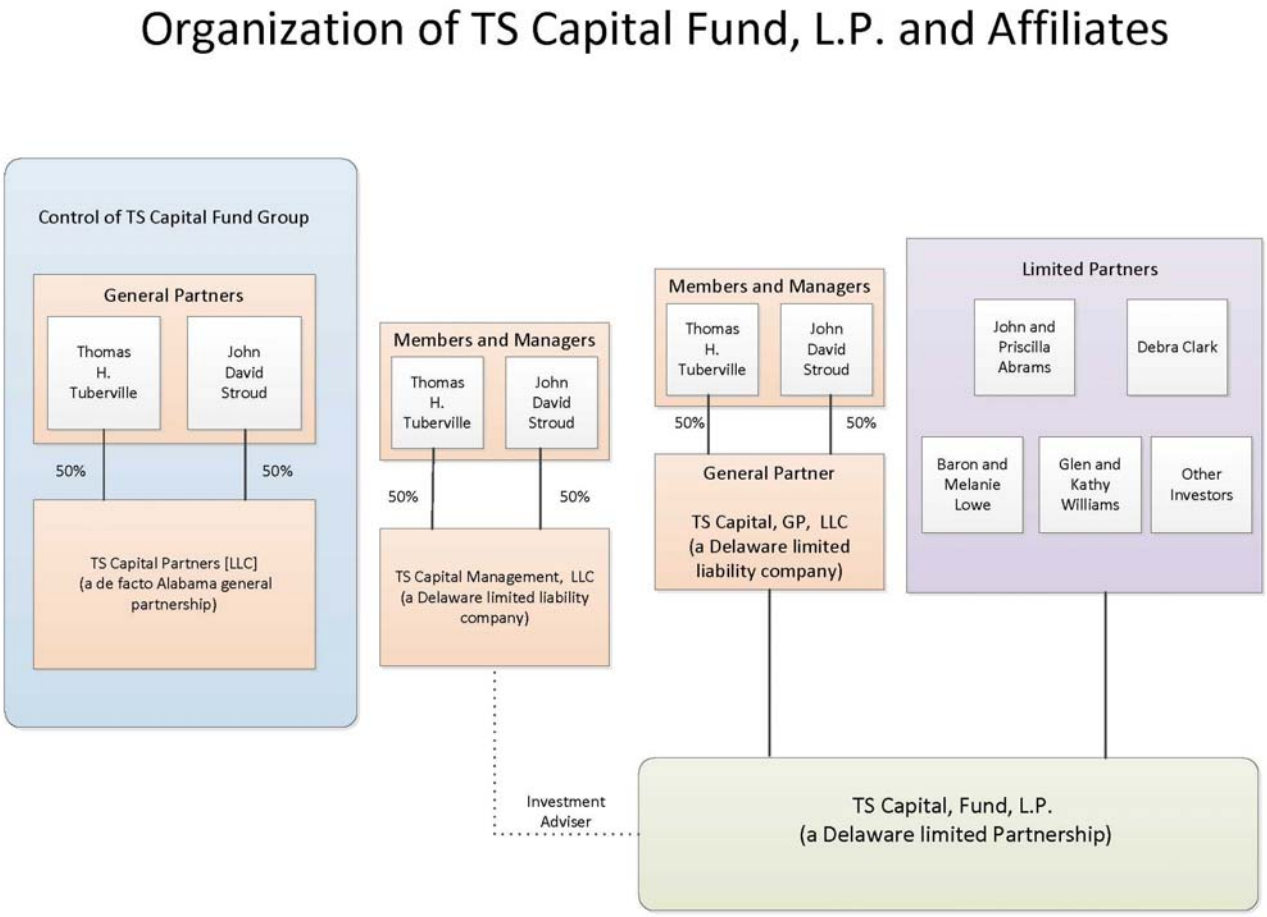
In the summer of 2009, Tommy Tuberville and David Stroud collaborated their talents to form **TS Capital Partners**, a Global Macro Hedge Fund. They share the same vision that wealth is best created through long-term investing in undervalued assets. Tommy, a head football coach, and David, a veteran Wall Street trader, both bring a unique perspective to investing and running a solid business. [Emphasis Supplied]

36. The public and repeated use of the name TS Capital Partners without any indication of the type of organization is evidence of the existence of a general partnership. Even if an organization were actually formed as a corporation, limited liability company, or limited partnership, the failure of the organization not to identify itself either as a corporation (by the use of the suffix Inc. or Corp.), a limited liability company (by the use of the suffix LLC or L.L.C.), or a limited partnership (by the use of the suffix L.P. or Ltd.) is indicative of a general partnership and not an entity having limited liability protection. In this instance, although the organization of a limited liability company was apparently contemplated at one time, it was not actually formed.

37. Tuberville and Stroud held themselves out to Plaintiffs and the public generally as partners of a general partnership operating under the name TS Capital Partners. Consequently, for that and the foregoing reasons, they were and are jointly severally liable for the actions and omissions of their partnership and each other as general partners.

The TS Capital Entities

38. For convenience of reference, a chart of the organization of TS Capital Fund, L.P. and its affiliates follows on the next page:



39. In connection with their purchases of interests in the TS Fund, one or more of Plaintiffs were provided with the TS Fund's Confidential Private Offering Memorandum (the "Offering Memorandum"), a copy of which is attached hereto as Exhibit B. The attached Offering Memorandum is dated June 17, 2010. However, another version of the Offering Memorandum, which is substantially identical to the attached version, was dated June 23, 2009.

40. The Offering Memorandum provides that a "Performance Allocation" of 20% per annum of the TS Fund's net profits would be allocated to the General Partner. The General Partner's members are or were, at times relevant to this action, Stroud and Tuberville, who each own or owned one-half of its member interests. Upon information and belief, Stroud and

Tuberville, in addition to being the members of the General Partner, were and are the managers of the General Partner. According to the Offering Memorandum, the General Partner "is responsible for managing the business of [TS Fund]." As the members and co-managers of the General Partner, Stroud and Tuberville controlled the management of the business and affairs of General Partner and, consequently, controlled the management of the business and affairs of TS Fund. As such, Tuberville and Stroud had ultimate authority over the statements contained in or omitted from the Offering Memorandum, including their content and whether and how to communicate them, as well as the statements contained in or omitted from other written information provided to Plaintiffs in connection with their purchases of interests in the Entity Defendants described below under the heading "Defendants' Misrepresentations."

41. TS Management is or was registered as a Commodity Pool Operator with the United States Commodity Futures Trading Commission (the "CFTC"). It performed investment management services for the TS Fund, until the NFA issued a Notice of Member Responsibility Action Under NFA Compliance Rule 3-15, dated October 26, 2011 (the "NFA Notice"), that prohibited TS Management from, among other activities, placing trades and soliciting funds, and required that TS Management provide copies of the NFA Notice via overnight courier to all customers and participants in any pools that it operated or controlled, including the firm's proprietary fund (the TS Fund), all investors in any other funds or investment vehicles over which TS Management or any of its principals exercises control, and all financial institutions in which TS Management maintains any accounts either in its name or under its control. Neither TS Management nor any of Defendants has provided copies of the NFA Notice to Plaintiffs, notwithstanding the express order by the NFA that TS Management do so.

42. TS Management's members are or were, at times relevant to this action, Tuberville and Stroud, who each own or owned one-half of its equity interests. Plaintiffs are informed and believe that Stroud and Tuberville are also the managers of TS Management. As the members and managers of TS Management, Stroud and Tuberville controlled the management of its business and affairs. According to the Offering Memorandum, TS Management provided investment management services to the TS Fund, for a management fee of 2% per annum of TS Fund's net assets (the "Management Fee"). Notwithstanding the Offering Memorandum's designation of TS Management as the investment manager of TS Fund, Defendants have represented in, for example, the Due Diligence Questionnaire dated June 8, 2011, that TS Capital Partners was the investment manager of TS Fund.

43. Debra Clark and possibly other Plaintiffs were provided a business card of Tuberville identifying him as **Managing Partner** of T.S. Capital. A copy of Tuberville's business card is attached as Exhibit C. The Offering Memorandum summarizes Tuberville's responsibilities as follows: "Tommy Tuberville, the co-founder of TS Capital Management ('TSCM'), is responsible for the **investment direction, capital raising, and the day-to-day oversight of business decisions** of TSCM. In this capacity, Mr. Tuberville provides the fund with strategic direction and guidance while overseeing investment opportunities. Mr. Tuberville also evaluates and researches each private equity investment opportunity considered by TSCM." (emphasis supplied.) According to certain employees of the Entity Defendants, including Baron Lowe and Glen Williams, Tuberville was one of only two people who could "make David Stroud jump."

44. Debra Clark and possibly other Plaintiffs were provided a business card of Stroud identifying him as President and Portfolio Manager of "T.S. Capital." The Offering

Memorandum summarizes Stroud's responsibilities as follows: "David Stroud, the co-founder of TS Capital Management ('TSCM'), is responsible for the investment strategy and day-to-day oversight of the portfolio investments managed by overseeing investment decisions. Mr. Stroud also evaluates and researches each investment opportunity considered by TSCM."

45. In July 2009, Tuberville was the subject of a news story, a copy of which is attached as Exhibit A, which appeared on www.al.com and elsewhere touting his work at "T.S. Capital Partners" which included "drumming up business" for a "big-time hedge fund" at which he maintained his own office. The story stated that Tuberville's Auburn football memorabilia could be found at the Entity Defendants' offices "from the front door to the back room" and included a picture of Tuberville posing at the Entity Defendants' offices in front of the Bear Bryant Trophy he received as the national coach of the year for the 2004 season.

46. In addition to Tuberville's entitlement to 50% of the Management Fee and Performance Allocation, he received benefits, perquisites, and reimbursement of expenses as an owner and principal of the General Partner, TS Capital Management, and TS Capital Partners. The Entity Defendants leased for Tuberville's use a white BMW of the same model and year as the black BMW the Entity Defendants leased for Stroud. The Entity Defendants continued to pay for Tuberville's BMW after he moved to Lubbock, Texas, and became the head football coach of Texas Tech University. In addition, the Entity Defendants provided Tuberville with, among other benefits, a company mobile phone and a company debit card.

47. The Entity Defendants also paid for Tuberville to take at least three lavish trips to New York, New York. Attached as Exhibit D are photographs from one such trip. One of the photographs shows Tuberville, Stroud, and William M. Scott, an investor in the TS Fund ("Bill Scott"), on the trading floor of the New York Mercantile Exchange or the New York Stock

Exchange. Another of the photographs shows Tuberville and Stroud in the back of a limousine, while another shows Tuberville, Stroud, Bill Scott, and their wives posing in front of a limousine. In April 2011, while Stroud was in China, the Entity Defendants incurred substantial expenses for another trip by Tuberville and Bill Scott to New York City.

48. In or about June or July 2010, Tuberville, Stroud, and Stuart Memory ("Memory"), then an employee of the Entity Defendants, travelled to New York City, where they met with several members of the investment community, including Bloomberg, Bank of America, Merrill Lynch and others, to try to expand the business of the Entity Defendants. As a result of information developed at those meetings, Tuberville and Stroud decided that the Entity Defendants' needed a website to attract and retain investors. They instructed Memory to work with HedgeCo.Net to develop the website.

49. In approximately mid-2010, Tuberville solicited the investment of John C. Owens, a resident of Lubbock, Texas, and a personal friend of Tuberville, in the TS Fund. Tuberville suggested that Owens "ought to put some money with [Stroud]" or words to that effect. In or about September or October 2010, Tuberville invited Stroud to a Texas Tech University football game. While in a corporate suite in the football stadium, Stroud and Owens discussed Owens' investing in the TS Fund. As a result of Tuberville's solicitation and Owens' conversations with Stroud, Owens invested $50,000 in TS Fund.

50. Tuberville offered the use of his luxurious vacation residence on Lake Martin in Alabama to Stroud and the Entity Defendants for soliciting investors in the TS Fund. The residence has been listed for sale by Tuberville for approximately $2 million. In or about September 2010, in connection with the solicitation of Debra Clark's investment in the TS Fund,

Stroud invited Clark and her husband Stan to spend a weekend at Tuberville's vacation residence. While impressed by the offer, they were not able accept the invitation.

51. Tuberville's interests in and association with the Entity Defendants was an important factor in Baron Lowe's accepting an offer of employment with the Entity Defendants. Baron and Melanie Lowe believed Tuberville's being a co-owner of the Entity Defendants lent substantial credibility to the Entity Defendants. Lowe was excited about the opportunity to get to know and work along side Tuberville, who he viewed as a highly successful football coach turned hedge fund owner. Lowe would not have accepted a job with the Entity Defendants, without the financial backing, support, and leadership of Tuberville. The promise of networking with Tuberville's extensive assortment of friends, acquaintances, and other contacts lured Lowe to accept the position offered.

52. Stroud told Lowe that his job would entail trips to Lubbock, Texas, to meet with Tuberville. Stroud explained to Lowe that Tuberville's role was to make initial solicitations of Tuberville's influential and wealthy friends and business contacts, and then provide to Lowe the contact information of such persons for follow-up actions.

53. After Tuberville relocated his residence to Lubbock, Texas, Stroud spoke frequently with Tuberville by telephone and made multiple trips to Lubbock to discuss the operations of the Entity Defendants with Tuberville. Tuberville was consulted about and involved in important business decisions concerning the Entity Defendants. For example, Tuberville told Baron Lowe during a telephone conversation in 2011 that Tuberville and Stroud had discussed the possible need to change the names of one or more of the Entity Defendants, because of a more established company bearing a similar name. Tuberville also told Lowe that Tuberville and Stroud had discussed the plans for an April 2011 trip to China by Stroud, Lowe,

and Bloomberg News reporter Adam Johnson, to perform due diligence regarding the commodities markets at length and in advance.

54. As set forth in more detail below in Paragraph 67, on September 28, 2011 by telephone, either Tuberville and Stroud agreed to, or Tuberville instructed Stroud to, close the operations of the Entity Defendants. Tuberville informed Baron Lowe on that date by telephone that Tuberville would instruct Stroud to notify the Entity Defendants' employees in Auburn of the closing of the Entity Defendants. About that time, Tuberville told Baron Lowe during a phone conversation that "we just grew to fast, too soon" or words to that effect, referring to the Entity Defendants having employed too many employees.

Defendants' Misrepresentations

55. Stroud, Tuberville, and the Entity Defendants solicited Plaintiffs' investments in the TS Fund and/or other hedge funds managed and operated by Defendants, pursuant to the Offering Memorandum and by other untrue representations and fraudulent measures. The TS Fund is a hedge fund that, according to the Offering Memorandum, sought to provide its investors "above-average returns with below-average risk non-correlated to traditional asset classes" by "using quantitative, mathematical models to initiate positioning in the credit, equity, futures, and derivatives markets." In addition to the Offering Memorandum, Defendants solicited investment in their hedge funds through a Due Diligence Questionnaire dated June 8, 2011 (the "Due Diligence Questionnaire"), an Investment Policy Statement (the "Investment Policy Statement"), a document titled Frequently Asked Questions for TS Capital Partners (the "FAQ"), www.tscapital.net (the "TS Capital Website"), and through other written and oral communications.

56. The limited partner interests in TS Fund offered and sold to Plaintiffs were not registered with the United States Securities and Exchange Commission (the "SEC") or the Alabama Securities Commission (the "ASC"). The Offering Memorandum claims that the limited partner interests offered and sold to Plaintiffs were exempt from registration pursuant to Regulation D promulgated under the Securities Act of 1933. This statement misled plaintiffs because the sales of the limited partner interests were not exempt from registration pursuant to Regulation D. Based on a search of the SEC's EDGAR database, no Form D was filed with respect to the offering, as required for an exemption from registration pursuant to Regulation D. Plaintiffs would not have purchased interests in the TS Fund had they been told the truth, that is, that the interests were improperly sold without registration or exemption therefrom.

57. The Offering Memorandum, the Due Diligence Questionnaire, the FAQ, and, as of January 3, 2011, the TS Capital Website represented that the books and records of TS Fund would be audited at the end of each fiscal year by Rothstein Kass, a certified public accounting firm with offices in New York, New York, and several other major cities. During a telephone conversation in or about July 2010, Stroud told Baron Lowe that the Entity Defendants were audited every year by Rothstein Kass. These statements misled Plaintiffs, because no audit of any Entity Defendant's books and records was ever performed. No Plaintiff was ever furnished audited year-end financial statements of any Entity Defendant and Rothstein Kass has denied being engaged by any of the Entity Defendants.

58. The Due Diligence Questionnaire and the FAQ represented that Lovoy Summerville & Shelton would serve as the third-party administrator of TS Fund. During a telephone call in or about July 2010 in connection with the solicitation of Baron Lowe's investment in TS Fund, Stroud told Baron Lowe that G & S Fund Services served as the third

party administrator of the hedge fund(s) operated by the Entity Defendants. As of January 3, 2011, the TS Capital Website also represented that G & S Fund Services served as the third party administrator. The statements concerning Lovoy Summerville & Shelton mislead Plaintiffs, because Lovoy Summerville & Shelton did not serve as the third-party administrator of TS Fund, but rather informed Defendants that it could not serve in that capacity. The statements concerning G & S Fund Services misled Plaintiffs because, upon information and belief, none of the Entity Defendants ever employed G & S Fund Services or any other a third-party administrator. Such information and belief is based, in part, on denials by Lovoy Summerville & Shelton of serving as third party administrator for the Entity Defendants.

59. The Offering Memorandum and as of January 3, 2011, the TS Capital Website, represented that Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. ("Mintz Levin") was legal and tax counsel to TS Fund and legal counsel to the General Partner. Moreover, Stroud told Baron Lowe on or about July 2010 by telephone that Mintz Levin was counsel to the Entity Defendants. These statements misled Plaintiffs, because Mintz Levin did not provide any legal services to the Entity Defendants in connection with the formation or operation of any Defendant Entity, except with respect to the NFA examination of certain of the Entity Defendants. Mintz Levin has denied providing such services to the TS Fund or the General Partner.

60. The Offering Memorandum represents that the General Partner, Tuberville, and Stroud would collectively at all times maintain a capital account in TS Fund of at least $1,000,000. These statements misled Plaintiffs, because Plaintiffs are now informed and believe that the General Partner, Tuberville, and Stroud did not collectively maintain at any relevant time a capital account in TS Fund of at least $1,000,000. Such information and belief is based on information discovered by Plaintiffs since the problems with the TS Fund were revealed,

including the investigations of regulatory authorities, such as the CFTC, which indicate that the assets of the TS Fund were grossly overstated.

61. The Offering Memorandum represented, on pages 7 and 8, that the investments of TS Fund would be actively managed. However, Plaintiffs are informed and believe Defendants never actively managed the Entity Defendant hedge funds in the conventional sense and, in all events, ceased any management of the assets of the Entity Defendant hedge funds in or before April 2011, when Stroud's registration with the Financial Industry Regulatory Authority ("FINRA") was suspended. Such information and belief is based on the personal observations and experiences at and near the time of closing of the Entity Defendants of Glen Williams and Baron Lowe, former employees of the Entity Defendants, with the operations of Stroud and the Entity Defendants and post-closing interviews with other former employees of the Entity Defendants, including Rachel Broach and Memory.

62. As of January 3, 2011, the TS Capital Website stated that the Entity Defendants had $10,000,000 in firm assets and $10,000,000 in fund assets. In or about July 2010, Stroud told Baron Lowe by telephone that the Entity Defendants had $10,000,000 in firm assets and $10,000,000 in fund assets. The Due Diligence Questionnaire states that the Entity Defendants had $6,900,000 in assets under management. On or about approximately September 15, 2011, in response to questions from Baron Lowe about the location of the assets of the Entity Defendants, Stroud provided a Troy Bank & Trust account statement listing TS Fund as the account holder and showing a balance of $6,791,484 as of June 27, 2011. Those statements misled Plaintiffs because the value of the assets under management of the Entity Defendants was never as much as represented by those statements.

63. As discussed above under the heading "Plaintiffs' Investments in the Entity Defendants," the Entity Defendants periodically issued through approximately August 2011 account statements to Plaintiffs showing positive returns on Plaintiffs' investments. Those account statements were false and the values of Plaintiffs' investments were significantly lower than represented thereby. The false account statements misled Plaintiffs by causing Plaintiffs to believe the TS Fund was performing well and causing Plaintiffs to keep their funds invested in TS Fund and, in some cases, purchase additional interests in the TS Fund.

64. In 2009 in an automobile in Auburn, Alabama, Stroud told Glen Williams that he had sold the Stroud Entities for $9 million. That statement misled Glen Williams, because he believed it was evidence of Stroud's talents and success as an investment professional. Stroud never sold the Stroud Entities, but apparently merely transferred their assets to the Entity Defendants.

65. Stroud and the Entity Defendants failed to disclose to Plaintiffs that Stroud's FINRA registration was suspended or the two FINRA arbitration awards against Stroud – one for over $620,000 and the other for over $220,000, which apparently caused or contributed to the suspension of Stroud's FINRA registration. That omission misled Plaintiffs, because Plaintiffs would not have invested and/or continued to invest in the TS Fund had they known that those FINRA arbitration awards had been entered against Stroud and/or that his FINRA registration had been suspended.

66. Section 9 of the Offering Memorandum states that a limited partner of TS Fund may upon giving 30 days' written notice withdraw all or any part of his capital account in TS Fund as of the last business day of any fiscal quarter, subject to a "Lock-up Period" consisting of the first quarter of a limited partner's investment in the TS Fund and certain restrictions

purported to be contained in a Partnership Agreement, which upon information and belief none of Plaintiffs executed or were provided. More than 30 days prior to December 31, 2011, several of Plaintiffs demanded in writing that Defendants return their capital invested in the hedge funds. No Plaintiff has received a return of his or her capital, as demanded.

67. On or about September 28, 2011, Tuberville and Stroud had a telephone conversation, during which either they decided to close, or Tuberville instructed Stroud to close, the Entity Defendants. During a telephone call on or about September 28, 2011, Tuberville informed Baron Lowe that the Entity Defendants would close and all of the funds of all investors would be returned to them, "because that [was] the right thing to do" or words to that effect. Stroud further informed Baron Lowe in that telephone conversation that Tuberville would instruct Stroud to notify the employees of the Entity Defendants in Auburn of the closing. Also on or about September 28, 2011, Stroud informed Baron Lowe that all of the funds of all investors would be returned to them before October 7, 2011. After Tuberville informed Baron Lowe that the Entity Defendants would close, Lowe and Williams prepared a report for Tuberville summarizing outstanding issues and tasks that should be completed to close the Entity Defendants. That report was emailed to Tuberville on or about October 2, 2011. In or about October 2011, Tuberville, Baron Lowe, and Glen Williams discussed that report in a telephone conference, during which Tuberville again told Baron Lowe and Glen Williams that all of the funds of all investors would be returned to them. In or about late September 2011 and early October 2011, Tuberville sent multiple text messages to Lowe to determine if Stroud was shutting down the Entity Defendants and returning investor funds as Tuberville and Stroud had agreed to do. On multiple occasions in or about September and October 2011, Stroud informed several of Plaintiffs that their funds would be returned. That has not occurred.

68. From about April 2011 to September 2011, the NFA performed an audit of TS Management. The NFA was unable to determine the location and amount of the assets held by and/or under management of the Entity Defendants, or the source of several deposits made to the Entity Defendants. On October 26, 2011, the NFA issued the NFA Notice, which prohibited TS Management from, among other activities, placing trades and soliciting funds, and required that TS Management provide copies of the NFA Notice via overnight courier to all customers and participants in any pools that it operates or controls, including the TS Fund, all investors in any other funds or investment vehicles over which TS Management or any of its principals exercised control, and all financial institutions in which TS Management maintained any accounts. Defendants did not provide copies of the NFA Notice to Plaintiffs, as required.

Mismanagement and Misappropriation of Assets

69. The Entity Defendants failed to take the most basic of organizational and administrative actions. For example, the Entity Defendants failed to: timely file federal and state income tax returns; register to transact business in Alabama; maintain a registered agent as required by law; and comply with important and fundamental regulatory requirements. The Entity Defendants generally disregarded and violated customary practices and procedures followed in the hedge fund and securities investments industries.

70. In or about November 2011, most of Plaintiffs made written demands upon Defendants for an accounting of Plaintiffs' respective investments with Defendants. No accounting of any sort was furnished by any of Defendants, although counsel for Tuberville and Stroud acknowledged receipt of the demand letters and provided some information in response to the letters.

71. Despite inquiries of Defendants and various other persons, including regulatory agencies, Plaintiffs do not know the current status of, the location of, or who controls their invested funds. Plaintiffs have reason to believe that most, and possibly all, of their invested funds have been misappropriated, improperly converted, and/or squandered by one or more Defendants, and might have been deposited in off-shore accounts for the benefit of some Defendants.

COUNT 1: VIOLATIONS OF SECTION 10(b) OF THE SECURITIES EXCHANGE ACT OF 1934

72. Paragraphs 1 through 71 are incorporated herein by reference in the same manner as if repeated herein verbatim.

73. The Defendants other than TS Management violated the Federal Securities Exchange Act of 1934 (the "1934 Act") as a result of their acts, actions, and omissions with respect to the offerings described herein.

74. As set forth in the factual allegations above, the Defendants other than TS Management intentionally or with severe recklessness made untrue statements of material facts and omitted to state material facts as alleged above to induce Plaintiffs to purchase interests in the TS Fund. Such statements include oral statements and omissions by Stroud, and written statements and omissions in the Offering Memorandum, the Due Diligence Questionnaire, the FAQ, the TS Capital Website, client accounts statements, and other written documents and information prepared by the Entity Defendants, Tuberville, and Stroud, or under their ultimate authority and control, and provided to Plaintiffs in connection with their purchases of interests in the TS Fund, all as alleged above under the heading "Defendants' Misrepresentations." In addition to the TS Fund, the General Partner, and TS Capital Partners, Tuberville and Stroud are both "makers" of the untrue statements and omissions of material facts contained in the Offering

Memorandum and the other written information issued by the TS Fund, the General Partner, and TS Capital Partners to Plaintiffs, because, as alleged above, Tuberville and Stroud, as the members and co-managers of the General Partner, and the general partners of TS Capital Partners, had "ultimate authority" over such statements, including their content and whether and how to communicate them. *Janus Capital Grp., Inc. v. First Derivative Traders*, 131 S.Ct. 2296, 2302 (2011).

75. As a result of their positions as the members and co-managers of the General Partner and partners of TS Capital Partners, Tuberville and Stroud each had a duty to ensure that the statements contained in the Offering Memorandum and other written documents provided to Plaintiffs in connection with their investments in TS Fund were accurate and complete. Each of Stroud and or Tuberville either: (a) participated in the preparation of or reviewed the Offering Memorandum and other written documents and intentionally included or permitted the inclusion of the misrepresentations, with knowledge of their falsity; (b) participated in the preparation of or reviewed the Offering Memorandum and other written documents and included or permitted the inclusion of the misrepresentations, acting with severe recklessness without an adequate investigation of the veracity of such representations: or (c) completely and with severe recklessness disregarded his duty participate in the preparation of or, at a minimum, review and perform due diligence with respect to the Offering Memorandum and other written disclosure documents.

76. Moreover, the General Partner, TS Capital Partners, and Stroud knew or reasonably believed that the TS Fund and the underlying commodities and derivatives were not suited to the needs of John and Priscilla Abrams, Debra Clark, and the college funds of Baron and Melanie Lowe's son and daughter, but nonetheless represented that TS Fund was a safe

investment and recommended it to those Plaintiffs and solicited their investments therein. The General Partner, TS Capital Partners, and Stroud made material misrepresentations and/or failed to disclose material information relating to the unsuitability of TS Fund as an investment for John and Priscilla Abrams, Debra Clark, and the college funds of Baron and Melanie Lowe's son and daughter.

77. The untrue statements and omissions of the Defendants other than TS Management misled Plaintiffs for the respective reasons given for each statement and omission above under the heading "Defendants' Misrepresentations." Plaintiffs did not know such statements were untrue and incomplete and reasonably substantially relied on the misrepresentations to their detriment by purchasing such securities.

78. Each Plaintiff's investments in TS Fund increased the assets of TS Fund, thereby increasing the potential profits to the General Partner by way of the Performance Allocation. Tuberville and Stroud were benefited by Plaintiffs' investments in TS Fund by each of their entitlement to 50% of the Performance Allocation and Management Fee. Moreover, Tuberville was provided the use of a BMW luxury automobile, took lavish trips to New York, enjoyed a plush office at the Entity Defendants' offices, used a company mobile telephone, and was issued a company debit card, all as alleged above under the heading "Defendants' Misrepresentations." Stroud received and otherwise gained the same and greater benefits. For convenience and the avoidance of repetition, the benefits described in this paragraph, together with all other benefits received by Tuberville and Stroud as a consequence of Plaintiffs' investments in the TS Fund, as set forth in this paragraph and paragraphs 46 through 48, are referred to as the "Unjust Benefits" in the following Counts of this Complaint.

79. Plaintiffs had neither knowledge, nor reason to know, of their claims under the 1934 Act against these Defendants until within two years of the filing of this Complaint. This Complaint is filed within five years of Defendants' actions and omissions giving rise to Plaintiffs' claims under the 1934 Act.

80. In connection with the offers and sales of such securities to the Defendants other than TS Management, by use of the means and instrumentalities of interstate commerce and by use of the United States mails have, directly and indirectly: (a) employed devices, schemes, and artifices to defraud Plaintiffs; (b) made untrue statements of material facts or omissions to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or (c) engaged in transactions, practices and courses of business which operated as a fraud and deceit on Plaintiffs, all in violation of Section 10(b) of the 1934 Act and Rule 10b-5 promulgated thereunder.

81. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for TS Capital Partners' violations of Section 10(b) and Rule 10b-5. Moreover, Tuberville and Stroud, as persons who directly or indirectly controlled the Entity Defendants other than TS Management, are under Section 20(a) of the 1934 Act liable jointly and severally with and to the same extent as the Entity Defendants other than TS Management for violations of Section 10(b) and Rule10b-5. Tuberville and Stroud were the members and co-managers of the General Partner and TS Management, and the partners of TS Capital Partners. Each of Tuberville and Stroud either participated in the drafting of the Offering Memorandum or consenting to or permitted its issuance. Tuberville's business card identified him as **Managing Partner** of T.S. Capital. The Offering Memorandum summarizes Tuberville's responsibilities as follows: "Tommy Tuberville,

the co-founder of TS Capital Management ('TSCM'), is responsible for the **investment direction, capital raising, and the day-to-day oversight of business decisions** of TSCM. In this capacity, Mr. Tuberville provides the fund with strategic direction and guidance while overseeing investment opportunities. Mr. Tuberville also evaluates and researches each private equity investment opportunity considered by TSCM." (emphasis supplied.) According to certain employees of the Entity Defendants, including Baron Lowe and Glen Williams, Tuberville was one of only two people who could "make David Stroud jump." Tuberville entertained investors in TS Fund, at the expense of the Entity Defendants, including his entertainment of Bill Scott on a lavish trip or trips to New York City. Tuberville permitted vacations at his lake house to be offered to Debra Clark and possibly other investors in connection with the solicitation of their investment in the TS Fund. In a telephone call on September 28 2011, either Tuberville and Stroud agreed to, or Tuberville instructed Stroud to, close down the Entity Defendants and return all investor money. Tuberville identified and solicited investors for the Entity Defendants using his personal contacts. He conferred with Stroud on matters relating to the operations of the Entity Defendants. He helped formulate a marketing strategy which extended to using an internet website to promote the Entity Defendants. He was involved with the discussions of whether to rebrand or rename the Entity Defendants. The facts set forth in this Paragraph concerning Tuberville and Stroud's control of the Entity Defendants, as further described and discussed above under the headings "Ownership, Management, and Control of the Entity Defendants" and "Defendants' Misrepresentations," together with all other facts indicating authority and control by Tuberville and/or Stroud discussed in or referenced by this Complaint and its Exhibits, are referred to in the remaining counts of this Complaint as the "Control Person Facts."

82. The violations of Section 10(b) and Rule 10b-5 by the Defendants other than TS Management have caused Plaintiffs to suffer damages that are undeterminable at present time, because Plaintiffs do not have credible information regarding the current location and amounts of their funds, but collectively such damages are anticipated to exceed $1,760,000.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 2: VIOLATIONS OF SECTION 12(a)(2) OF THE SECURITIES ACT OF 1933

83. Paragraphs 1 through 82 are incorporated herein by reference in the same manner as if repeated herein verbatim.

84. This Count is asserted against Defendants for violations of Section 12(a)(2) of the Securities Act of 1933 (the "1933 Act"), 15 U.S.C. § 77l(a)(2), on behalf of all Plaintiffs who purchased or otherwise acquired interests in the hedge fund or funds operated by Defendants.

85. By means of the Offering Memorandum, oral and written solicitations and offers made directly to Plaintiffs, and general public solicitations, Stroud, Tuberville and the Entity Defendants solicited, offered, and sold securities to purchasers including Plaintiffs.

86. Stroud, Tuberville, and the Entity Defendants were sellers, offerors, or solicitors of securities offered pursuant to the Offering Memorandum and the other disclosures made by Defendants. Stroud, Tuberville, and the Entity Defendants were and are sellers within the meaning of the 1933 Act, because they (a) transferred title to Plaintiffs who purchased the securities, and/or (b) solicited the purchases of the securities by Plaintiffs, motivated at least in part by the desire to serve their own financial interests. In so doing, they used the means and instrumentalities of interstate commerce and the United States mail. In addition to soliciting

Plaintiffs through the Offering Memorandum and other written documents, Tuberville directly and orally solicited other investors in the TS Fund, including John Owens.

87. The Offering Memorandum and the other disclosures made to Plaintiffs by Defendants, as described above under the heading "Defendants' Misrepresentations," contained untrue statements of material facts and omitted other facts necessary to make the statements not misleading, and failed to disclose material facts, as set forth above.

88. As a consequence of such misrepresentations and omissions, Defendants received and otherwise gained the Unjust Benefits described in paragraphs 46 through 48.

89. Defendants owed to Plaintiffs the duty to make a reasonable and diligent investigation of the statements contained in the Offering Memorandum and other disclosures, to ensure such statements were true, and there was no omission of material fact.

90. Under Section 12(a)(2), Plaintiffs are entitled to recover the consideration paid for their interests in the TS Fund with interest thereon, less the amount of any income received thereon, upon the tender of such interests to Defendants.

91. Plaintiffs had neither knowledge, nor reason to know, of their claims under the 1933 Act against these Defendants until within one year of the filing of this Complaint. This Complaint is filed within three years of the sales of securities to Plaintiffs giving rise to Plaintiffs' claims under the 1933 Act.

92. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for TS Capital Partners' violations of Section 12(a)(2). Moreover, Tuberville and Stroud, as persons who directly or indirectly control the Entity Defendants, are under Section 15 of the 1933 Act liable jointly and severally with and to the same extent as the Entity Defendants for violations of

Section 12(a)(2) by the Entity Defendants. The Control Person Facts set forth above are incorporated herein by reference.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 3: VIOLATIONS OF SECTION 4(b)(a)(1)(A)-(C) OF THE COMMODITIES EXCHANGE ACT

93. Paragraphs 1 through 92 are incorporated herein by reference in the same manner as if repeated herein verbatim.

94. Defendants violated the Federal Commodities Exchange Act (the "Commodities Act") as a result of their acts, actions, and omissions with respect to the offerings described herein.

95. On and after June 18, 2008, in connection with orders to make, or the making of, contracts of sale of commodities for or on behalf of Plaintiffs, via the Entity Defendants, Defendants cheated or defrauded or attempted to cheat or defraud Plaintiffs, willfully made or caused to be made to Plaintiffs false reports or statements, and/or willfully deceived or attempted to deceive Plaintiffs in regard to orders or contracts of sale of commodities or the disposition or execution such orders or contracts or in regard to acts of agency performed with respect to such orders or contracts for Plaintiffs, by among other things: (a) making the misrepresentations and omissions in the Offering Memorandum and other written and oral communications to Plaintiffs in connection with their purchases of interests in the TS Fund, as alleged under the heading "Defendants' Misrepresentations"; (b) providing false account statements to Plaintiffs, and/or (c) making to Plaintiffs untrue statements of material facts and omitting other facts necessary to

make the statements not misleading, all in violation of Section 4b(a) of the Commodities Act, 7 U.S.C. § 6b(a).

96. Such misrepresentations and false reports and statements misled Plaintiffs, as described under the heading "Defendants' Misrepresentations."

97. As a consequence of such misrepresentations and false reports and statements, Defendants received and otherwise gained the Unjust Benefits described in paragraphs 46 through 48.

98. This Complaint is filed within two years of Defendants' acts and omissions giving rise to this Plaintiffs' claims set forth in this Count.

99. Under Section 22 of the Commodities Act, 7 U.S.C. § 25, Defendants are liable to Plaintiffs, as purchasers of interests in commodity pools (the TS Fund) operated by Defendants, for damages resulting from Plaintiffs' purchase of such interests from Defendants.

100. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for TS Capital Partners' violations of Section 6b(a). Moreover, Tuberville and Stroud, as persons who directly or indirectly controlled the Entity Defendants and did not act in good faith or knowingly induced, directly or indirectly, the act or acts described above, are under Section 13(b) of the Commodities Act, 7 U.S.C. § 13c(b), liable jointly and severally with and to the same extent as the Entity Defendants for the Entity Defendants' violations of the Commodities Act. Reference is made to the Control Person Facts set forth above.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney’s fees, and any other such relief that this Court deems appropriate.

COUNT 4: VIOLATIONS OF SECTION 4(b)(e) OF THE COMMODITIES EXCHANGE ACT

101. Paragraphs 1 through 100 are incorporated herein by reference in the same manner as if repeated herein verbatim.

102. On and after July 21, 2011, in connection with orders to make, or the making of, contracts of sale of commodities for future delivery (or options on such contracts), or swaps, on a group or index of securities (or interests therein or based on the value thereof), Defendants, directly or indirectly, by the use of means or instrumentalities of interstate commerce, or of the mails, or of facilities of a "registered entity" as defined in the Commodities Act, (a) employed devices, schemes, or artifices to defraud Plaintiffs, (b) made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, and/or (c) engaged in acts, practices, and courses of business which operated or would operate as a fraud or deceit upon Plaintiffs, all in violation of Section 4b(e) of the Commodities Act, 7 U.S.C. § 6b(e), by issuing TS Capital Partners' false account statements to Plaintiffs and making other misrepresentations to Plaintiffs, which misled Plaintiffs, as alleged and described above under the heading "Defendants' Misrepresentations."

103. As a consequence of TS Capital Partners' false account statements, Defendants gained Plaintiffs' continued investments in the TS Fund, which resulted in a higher Management Fee for TS Capital Management and a higher potential Performance Allocation for the General Partner. Stroud and Tuberville gained the Unjust Benefits, as described in paragraphs 46 through 48.

104. This Complaint is filed within two years of the Entity Defendants' and Stroud's acts and omissions giving rise to Plaintiffs' claims set forth in this Count.

105. Under Section 22 of the Commodities Act, 7 U.S.C. § 25, the Entity Defendants and Stroud are liable to Plaintiffs, as purchasers of interests in commodity pools (TS Fund) operated by the Entity Defendants and Stroud, for damages resulting from Plaintiffs' purchase of such interests from such Defendants.

106. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for TS Capital Partners' violations of Section 6b(e). Moreover, Tuberville and Stroud, as persons who directly or indirectly control the Entity Defendants and did not act in good faith or knowingly induced, directly or indirectly, the acts described above, are under Section 13(b) of the Commodities Act, 7 U.S.C. § 13c(b), liable jointly and severally with and to the same extent as the Entity Defendants for the Entity Defendants' violations of the Commodities Act. The Control Person Facts set forth above are incorporated in this Count by reference.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney’s fees, and any other such relief that this Court deems appropriate.

COUNT 5: VIOLATIONS OF SECTION 4o(1) OF THE COMMODITIES EXCHANGE ACT

107. Paragraphs 1 through 106 are incorporated herein by reference in the same manner as if repeated herein verbatim.

108. TS Management and TS Capital Partners (the "CPO Defendants") are commodity pool operators pursuant to the Commodities Act. Stroud and Tuberville are associated persons of the CPO Defendants, although they have failed to register as such.

109. The CPO Defendants and Stroud and Tuberville, as associated persons of the CPO Defendants, by use of the mails or means or instrumentalities interstate commerce, directly

or indirectly, (a) employed devices, schemes, and artifices to defraud Plaintiffs, and/or (b) engaged in transactions, practices, and courses of business which operated as a fraud or deceit upon Plaintiffs, all in violation of Section 4o(1) of the Commodities Act, 7 U.S.C. § 6o(1), by making the representations and omissions in the Offering Memorandum and other written and oral communications to Plaintiffs in connection with their purchases of interests in TS Fund, all of which mislead Plaintiffs as alleged above under the heading "Defendants' Misrepresentations."

110. As a consequence of such misrepresentations and omissions, the CPO Defendants, Stroud, and Tuberville received or otherwise gained the Unjust Benefits described in Paragraphs 46 through 48.

111. This Complaint is filed within two years of the acts and omissions of the CPO Defendants, Stroud, and Tuberville giving rise to Plaintiffs' claims set forth in this Count.

112. Under Section 22 of the Commodities Act, 7 U.S.C. § 25, the CPO Defendants, Stroud, and Tuberville are liable to Plaintiffs, as purchasers of interests in a commodity pool (TS Fund) operated by the CPO Defendants, for damages resulting from Plaintiffs' purchase of such interests from the CPO Defendants.

113. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for TS Capital Partners' violations of § 6o(1). Moreover, Tuberville and Stroud, as persons who directly or indirectly control the CPO Defendants and did not act in good faith or knowingly induced, directly or indirectly, the act or acts described above, are under § 13(b) of the Commodities Act, 7 U.S.C. § 13c(b), liable jointly and severally with and to the same extent as the CPO Defendants for the CPO Defendants' violations of the Commodities Act. The Control Person Facts set forth above are incorporated in this Count by reference.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 6: FAILURES OF TUBERVILLE AND STROUD TO REGISTER AS ASSOCIATED PERSONS

114. Paragraphs 1 through 113 are incorporated herein by reference in the same manner as if repeated herein verbatim.

115. Stroud and Tuberville were associated persons of the CPO Defendants, as partners, officers, employees, consultants, or agents, in capacities involving (a) the solicitation of funds, securities, or property for a participation in a commodities pool, and/or (b) the supervision of persons so engaged, without having registered as associated persons under the Commodities Act, all in violation of Section 4k of the Commodities Act, codified as 7 U.S.C. § 6k.

116. Tuberville and Stroud's failures to register as associated persons of the CPO Defendants resulted in less regulation of Defendants' operations. If Tuberville and Stroud had registered as required, Defendants' fraud, mismanagement, and misappropriation could have been discovered by regulatory authorities sooner. Thus, Tuberville and Stroud's violations of Section 6k caused Plaintiffs' damages.

117. Under Section 22 of the Commodities Act, codified as 7 U.S.C. § 25, Stroud and Tuberville are liable to Plaintiffs, as purchasers of interests in a commodity pools (the TS Fund) operated by Defendants, for damages resulting from Plaintiffs' purchase of such interests from Defendants through Stroud and Tuberville and caused by Stroud and Tuberville's violations described herein.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 7: FAILURE TO REGISTER AS A COMMODITIES POOL OPERATOR

118. Paragraphs 1 through 117 are incorporated herein by reference in the same manner as if repeated herein verbatim.

119. TS Capital Partners acted as commodities pool operator ("CPO") without being registered as such with the CFTC and without qualifying for an exemption from registration, making use of the mails or other means or instrumentalities of interstate commerce in doing so, in violation of Section 4k(2) of the Commodities Exchange Act, codified as 7 U.S.C. § 6k(2). TS Capital Partners did not qualify for an exemption from registration under 17 C.F.R. § 4.13(a)(4) (2011), because, among other reasons: (a) interests in TS Fund were not exempt from registration under the Securities Act of 1933 and and/or were not sold without marketing to the public in the United States; (b) it solicited and accepted funds from Debra Clark and other natural persons that it did not reasonably believe were "qualified eligible persons" as that term is defined in 17 C.F.R. § 4.7(a)(2), or "accredited investors" as defined in 17 C.F.R. § 230.501(a)(1)-(3) and (7)-(8); and/or (c) it failed to provide participants with the information required to be provided by 17 C.F.R. § 4.13(a)(6)(i).

120. TS Capital Partners' failure to register as a CPO resulted in less regulation of Defendants' operations. If TS Capital Partners' had registered as required, Defendants' fraud, mismanagement, and misappropriation could have been discovered by regulatory authorities sooner. Thus, TS Capital Partners' violations of § 6k(2) caused Plaintiffs' damages.

121. Under Section 22 of the Commodities Act, codified as 7 U.S.C. § 25, TS Capital Partners is liable to Plaintiffs, as purchasers of interests in a commodity pool (TS Fund) operated by TS Capital Partners, for damages resulting from Plaintiffs' purchase of such interests from TS Capital Partners.

122. Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for Plaintiffs' damages under this Count. Moreover, Tuberville and Stroud, as persons who directly or indirectly control the TS Capital Partners and did not act in good faith or knowingly induced, directly or indirectly, the act or acts described above, are under Section 13(b) of the Commodities Act, codified as 7 U.S.C. § 13c(b), liable jointly and severally with and to the same extent as the TS Capital Partners for TS Capital Partners' violations of the Commodities Act. Reference is made to the Control Person Facts.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 8: VIOLATIONS OF ALA. CODE § 8-6-17(a) (1975)

123. Paragraphs 1 through 122 are incorporated herein by reference in the same manner as if repeated herein verbatim.

124. In connection with the offers and sales of securities to Plaintiffs, Defendants: (a) employed devices, schemes, or artifices to defraud; (b) made untrue statements of material facts or omitted to state material facts necessary in order to make statements made, in the light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices or courses of business which operated as a fraud or deceit upon Plaintiffs, all in violation of ALA. CODE § 8-16-17(a) (1975), by making misrepresentations and omissions in the Offering

Memorandum and other written and oral communications to Plaintiffs in connection with their purchases of interests in TS Fund, which misled Plaintiffs, as alleged under the heading "Defendants' Misrepresentations."

125. Moreover, Defendants other than Tuberville knew or reasonably believed that investments in TS Fund and the underlying commodities and derivatives were not suited to the needs of John and Priscilla Abrams, Debra Clark, and the college funds of Baron and Melanie Lowe's son and daughter, but nonetheless represented that TS Fund was a safe investment and recommended it to those Plaintiffs and solicited their investments therein. Defendants other than Tuberville made material misrepresentations and/or failed to disclose material information relating to the unsuitability of Defendants' hedge fund(s) as investments for Plaintiffs John and Priscilla Abrams, Debra Clark, and the college funds of Baron and Melanie Lowe's son and daughter, upon which those Plaintiffs justifiably relied to their detriment.

126. As a consequence of Defendants' misrepresentations and omissions in the Offering Memorandum and other written and oral communications to Plaintiffs in connection with their purchases of interests in TS Fund, the Defendants received and otherwise gained the Unjust Benefits described in paragraphs 46 through 48.

127. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for Plaintiffs' damages under this Count. Moreover, as persons who directly or indirectly control the Entity Defendants, Tuberville and Stroud are liable jointly and severally with and to the same extent as the Entity Defendants for violations of ALA. CODE § 8-6-17(a) (1975) by the Entity Defendants. ALA. CODE § 8-6-19(c) (1975). The Control Person Facts are incorporated herein by reference.

128. Plaintiffs had neither knowledge of nor reason to know of their claims under the ALA. CODE § 8-6-17(a) (1975) against these Defendants until within two years of the filing of this Complaint.

129. Plaintiffs are entitled to recover the consideration paid for their investments in Defendants' hedge fund(s), together with interest at six percent per year from the date of payment, court costs and reasonable attorneys' fees, less the amount of any income received on their investments. ALA. CODE § 8-6-19(a) (1975).

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 9: VIOLATIONS OF SECTIONS 5 AND 12(a)(1) OF THE 1933 ACT

130. Paragraphs 1 through 129 above are incorporated herein by reference in the same manner as if repeated herein verbatim.

131. Defendants, either directly or through other persons or entities either under the supervision and control or acting in combination or concert with them, offered and sold securities as that term is defined in Section 2(a)(1) of the 1933 Act. In addition to offering and selling securities to Plaintiffs through the Offering Memorandum and other written documents, Tuberville offered and sold securities directly to John Owens and other investors in the TS Fund.

132. The securities sold by Defendants were not registered as required by Section 5 of the 1933 Act, were not securities exempt from registration, and were not sold in exempt transactions under the 1933 Act or any regulation promulgated thereunder.

133. Under Section 12(a)(1) of the 1933 Act, Plaintiffs are entitled to recover the consideration paid for their interests in Defendants' hedge fund(s) with interest thereon, less the amount of any income received thereon, upon the tender of such interests to Defendants.

134. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for Plaintiffs' damages under this Count. Moreover, Tuberville and Stroud, as persons who directly or indirectly control the Entity Defendants, are under Section 15 of the 1933 Act liable jointly and severally with and to the same extent as the Entity Defendants for the Entity Defendants' sales of unregistered securities.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 10: VIOLATIONS OF ALA. CODE § 8-6-4 (1975)

135. Paragraphs 1 through 134 above are incorporated herein by reference in the same manner as if repeated herein verbatim.

136. Defendants, either directly or through other persons or entities either under the supervision and control or acting in combination or concert with them, offered and sold securities as that term is defined in ALA. CODE § 8-6-2(10) (1975). In addition to offering and selling securities to Plaintiffs through the Offering Memorandum and other written documents, Tuberville offered and sold securities directly to John Owens and other investors in the TS Fund.

137. The securities sold by Defendants were not registered under ALA. CODE § 8-6-4 (1975), were not exempt securities under ALA. CODE § 8-6-10 (1975), were not sold in exempt

transactions under ALA. CODE § 8-6-11 (1975), were not securities exempt under any rule or order promulgated by the ASC, and were not subject to notice filing under the Alabama Code.

138. This Complaint is filed within two years of Defendants' sales of unregistered securities to Plaintiffs giving rise to Plaintiffs' claims for Defendants' failure to register securities under ALA. CODE § 8-6-4 (1975).

139. In addition to their primary liability under this Count, Tuberville and Stroud, as the general partners of TS Capital Partners, are jointly and severally liable to Plaintiffs for Plaintiffs' damages under this Count. Moreover, as persons who directly or indirectly controlled the Entity Defendants, Tuberville and Stroud are liable jointly and severally with and to the same extent as the Entity Defendants for sales of unregistered securities by the Entity Defendants. ALA. CODE § 8-6-19(c) (1975).

140. Plaintiffs are entitled to recover the consideration paid for their investments in Defendants' hedge fund(s), together with interest at six percent per year from the date of payment, court costs and reasonable attorneys' fees, less the amount of any income received on their investments. ALA. CODE § 8-6-19(a) (1975).

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 11: BREACHES OF FIDUCIARY DUTIES

141. Paragraphs 1 through 140 are incorporated herein by reference in the same manner as if repeated herein verbatim.

142. The General Partner, as the general partner of the TS Fund, and Stroud, and Tuberville, as the members and co-managers of the General Partner and TS Capital

Management, owed Plaintiffs, as limited partners of TS Fund, fiduciary duties of care in the management and administration of the affairs of the Entity Defendants, including the duty to exercise reasonable and prudent supervision over the management, practices, controls and financial affairs of the Entity Defendants, and fiduciary duties of loyalty not to divert or otherwise use the assets of the Entity Defendants for their own gain. Stroud and Tuberville received compensation and other compensatory benefits from the Entity Defendants, including the Unjust Benefits described in paragraphs 46 through 48.

143. The General Partner, Stroud, and Tuberville have breached such duties of care and loyalty, by failing to adequately supervise the operations and legal compliance of the Entity Defendants, co-mingling the assets of the Entity Defendants with their personal assets, misappropriating the assets of the Entity Defendants, failing to file tax returns as required, falsifying client statements and fund performance reports, and/or otherwise failing to comply with applicable laws and regulations, including regulations of the CFTC and NFA.

144. Defendants' breaches of fiduciary duty have caused Plaintiffs to suffer damages that are undeterminable at present time, because Plaintiffs do not have credible information regarding the current location and amounts of their funds, but such damages are expected to be in excess of $1,700,000.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, attorney’s fees, and any other such relief that this Court deems appropriate.

COUNT 12: UNJUST ENRICHMENT

145. Paragraphs 1 through 144 are incorporated herein by reference in the same manner as if repeated herein verbatim.

146. As set forth above, Plaintiffs have paid significant sums to Defendants, who have had the use of these funds and the proceeds therefrom. Defendants have unjustly received substantial benefits as a result of Plaintiffs' investments. Such benefits unjustly received by Stroud and Tuberville include the Unjust Benefits as set forth in Paragraphs 46 through 48. Upon information and belief, Tuberville, Stroud, and the Entity Defendants hold money which in equity and good conscience belongs to Plaintiffs.

147. The use of the proceeds by Defendants constitutes an unjust enrichment of Defendants at Plaintiffs' expense, because Plaintiffs' investments in TS Fund were procured by fraud, as alleged above.

148. As a result of the unjust enrichment of Defendants, Plaintiffs have been damaged in an amount in excess of $1,760,000.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek the disgorgement by Defendants of all amounts improperly received by them and compensatory damages, interest, return of investment, court costs, attorney's fees, and any other such relief that this Court deems appropriate.

COUNT 13: NEGLIGENCE OR WANTONNESS

149. Paragraphs 1 through 148 are incorporated herein by reference in the same manner as if repeated herein verbatim.

150. Defendants had duties and obligations to Plaintiffs, as limited partners of TS Fund. The duties of Tuberville and Stroud to Plaintiffs arise out of their positions as members,

co-managers, and partners of the General Partner, TS Capital Management, and TS Capital Partners and include duties to exercise reasonable care in the management, practices, controls and financial affairs of the Entity Defendants, and not to divert or otherwise use the assets of the Entity Defendants for their own gain.

151. Defendants breached such duties by failing to adequately supervise the operations and legal compliance of the Entity Defendants, co-mingling the assets of the Entity Defendants with their personal assets, misappropriating the assets of the Entity Defendants, failing to file tax returns as required, falsifying client statements and fund performance reports, and/or otherwise failing to comply with applicable laws and regulations, including regulations of the CFTC and regulations and orders of the NFA.

152. Such breaches of duties proximately caused harm to Plaintiffs, including, but not limited to, the losses of all or some of Plaintiffs' funds invested in TS Fund.

153. As a direct result of their negligence or wantonness, Defendants caused Plaintiffs' damages.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, and any other such relief that this Court deems appropriate.

COUNT 14: NEGLIGENT OR WANTON SUPERVISION

154. Paragraphs 1 through 153 are incorporated herein by reference in the same manner as if repeated herein verbatim.

155. Tuberville and Stroud were co-managers of the General Partner and TS Management, and equal partners of TS Capital Partners. Consequently, Tuberville and Stroud had duties and obligations to each other, the organizations they controlled and managed, and the

limited partners of the TS Fund. As a manager and member of the General Partner and TS Management, or a general partner together with Stroud of TS Capital Partners, Tuberville had a duty to supervise the actions of Stroud and the Entity Defendants.

156. Tuberville breached his duty to supervise, and as a proximate result Plaintiffs were injured and damaged by Stroud and the Entity Defendants' tortuous conduct with respect to Plaintiffs' investments.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, and any other such relief that this Court deems appropriate.

COUNT 15: FRAUDULENT MISREPRESENTATION

157. Paragraphs 1 through 156 are incorporated herein by reference in the same manner as if repeated herein verbatim.

158. Defendants' misrepresentations and omissions in the Offering Memorandum and other written and oral communications to Plaintiffs in connection with their purchases of interests in TS Fund described above under the heading "Defendants' Misrepresentations" concerned material facts and were known by Defendants to be false when made, or were made recklessly by Defendants with knowledge that they had insufficient information upon which to base such representations. Defendants intentionally or recklessly withheld all of the material facts they failed to disclose as set forth above. All such misrepresentations and omissions were made or withheld for the purpose of inducing Plaintiffs, in reliance thereon, to invest in the Entity Defendants.

159. Defendants' misrepresentations and omissions misled Plaintiffs as set forth above under the heading "Defendants' Misrepresentations." Plaintiffs reasonably relied upon all of

Defendants' misrepresentations and omissions and thereby were induced to purchase the investments solicited and offered by Defendants to the damage and detriment of Plaintiffs.

160. As a consequence of Defendants' misrepresentations and omissions, the Entity Defendants received and otherwise gained the Unjust Benefits as described in paragraphs 46 through 48.

161. By making the misrepresentations and omissions described above, Defendants have engaged in fraudulent acts and practices in violation of Alabama common law and ALA. CODE §§ 6-5-101, 103, and 104.

162. The false representations and omissions of Defendants have caused Plaintiffs to suffer damages that are undeterminable at present time, because Plaintiffs do not have credible information regarding the current location and amounts of their invested funds.

163. Plaintiffs could not have discovered the fraudulent misrepresentations any earlier than they did and they bring suit within two years of its discovery.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, and any other such relief that this Court deems appropriate.

COUNT 16: FRAUDULENT SUPPRESSION

164. Paragraphs 1 through 163 are incorporated herein by reference in the same manner as if repeated herein verbatim.

165. Tuberville and Stroud were co-managers of the General Partner and TS Management, and equal partners of TS Capital Partners. Consequently, Tuberville and Stroud had duties and obligations to each other, the organizations they controlled and managed, and the limited partners of the TS Fund, including a duty to disclose certain material facts, including all

of those facts which were not disclosed to Plaintiffs as described above under the heading described above under the heading "Defendants' Misrepresentations."

166. Rather than disclosing these material facts, Defendants suppressed or concealed them, which constitutes fraud in violation of ALA. CODE § 6-5-102 (1975) and Alabama common law.

167. The suppression and concealment of these material facts induced Plaintiffs to act by investing with Defendants to their damage and detriment.

168. The fraudulent suppression of material facts by Defendants caused financial injury to Plaintiffs.

169. Plaintiffs could not have discovered the fraudulent suppressions any earlier than they did, and they bring suit within two years of its discovery.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, and any other such relief that this Court deems appropriate.

COUNT 17: CONVERSION

170. Paragraphs 1 through 169 are incorporated herein by reference in the same manner as if repeated herein verbatim.

171. The Entity Defendants and Stroud have wrongly converted and assumed ownership of assets of Plaintiffs as a result of their investments in the Entity Defendants, in defiance of Plaintiffs' rights of immediate possession of such assets.

WHEREFORE, Plaintiffs seek judgment against Defendants and seek compensatory damages, punitive damages, interest, return of investment, court costs, and any other such relief that this Court deems appropriate.

CONCLUSION

All of the foregoing considered, Plaintiffs pray for judgment against all Defendants and such damages and other relief as follows:

(a) Awarding compensatory and punitive damages in favor of Plaintiffs against all Defendants, jointly and severally, for the damages sustained as a result of the wrongdoings of Defendants, together with interest thereon;

(b) Ordering Defendants to disgorge all amounts improperly received by them from Plaintiffs, together with interest thereon;

(c) Under Count 2, awarding Plaintiffs the right to rescind their investments in Defendants' hedge fund(s) and receive from all Defendants, jointly and severally, a return of the consideration paid for such investments, with interest thereon, less the amount of any income received by Plaintiffs' on such investments;

(d) Under Counts 8 and 10, awarding Plaintiffs the right to rescind their investments in Defendants' hedge fund(s) and receive from all Defendants, jointly and severally, a return of the consideration paid for such investments, together with interest at six percent per year from the date of payment, court costs and reasonable attorneys' fees, less the amount of any income received by Plaintiffs' on such investments;

(e) Awarding Plaintiffs the fees and expenses incurred in this action including reasonable allowance of fees for Plaintiffs' attorneys and experts;

(f) Granting equitable and/or injunctive relief as permitted by law, equity, and federal and state statutory provisions sued on hereunder; and

(g) Granting such other and further relief as the Court may deem proper and just.

Dated: May 4, 2012.

PLAINTIFFS DEMAND TRIAL BY JURY

Respectfully submitted,

/s/ Barbara J. Wells
HENRY H. HUTCHINSON (HUT007)
ROBERT T. MEADOWS, III (MEA012)
BARBARA J. WELLS (GIL037)

Attorneys for Plaintiffs

CAPELL & HOWARD, P.C.
150 South Perry Street (36104)
Post Office Box 2069
Montgomery, AL 36102-2069
Telephone: (334) 241-8000
Facsimile: (334) 323-8888
Email: hh@chlaw.com
Email: rtm@chlaw.com
Email: bjw@chlaw.com

CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of May 2012, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to all counsel of record who have appeared.

I hereby further certify that on this the 4th day of May 2012, I have served a copy of the foregoing on Jason Matthew Folmar, who has identified himself to the undersigned as counsel for John David Stroud and has further indicated that he is willing to accept service on behalf of all of the entity defendants named in this action in this matter, by email to the email address below and by placing a copy in the United States mail, postage prepaid and properly addressed to:

Jason Matthew Folmar, Esq.
Post Office Box 312495
Enterprise, AL 36331-2495
Email: folmarlaw@live.com

/s/ Barbara J. Wells
OF COUNSEL

FIRST AMENDED COMPLAINT

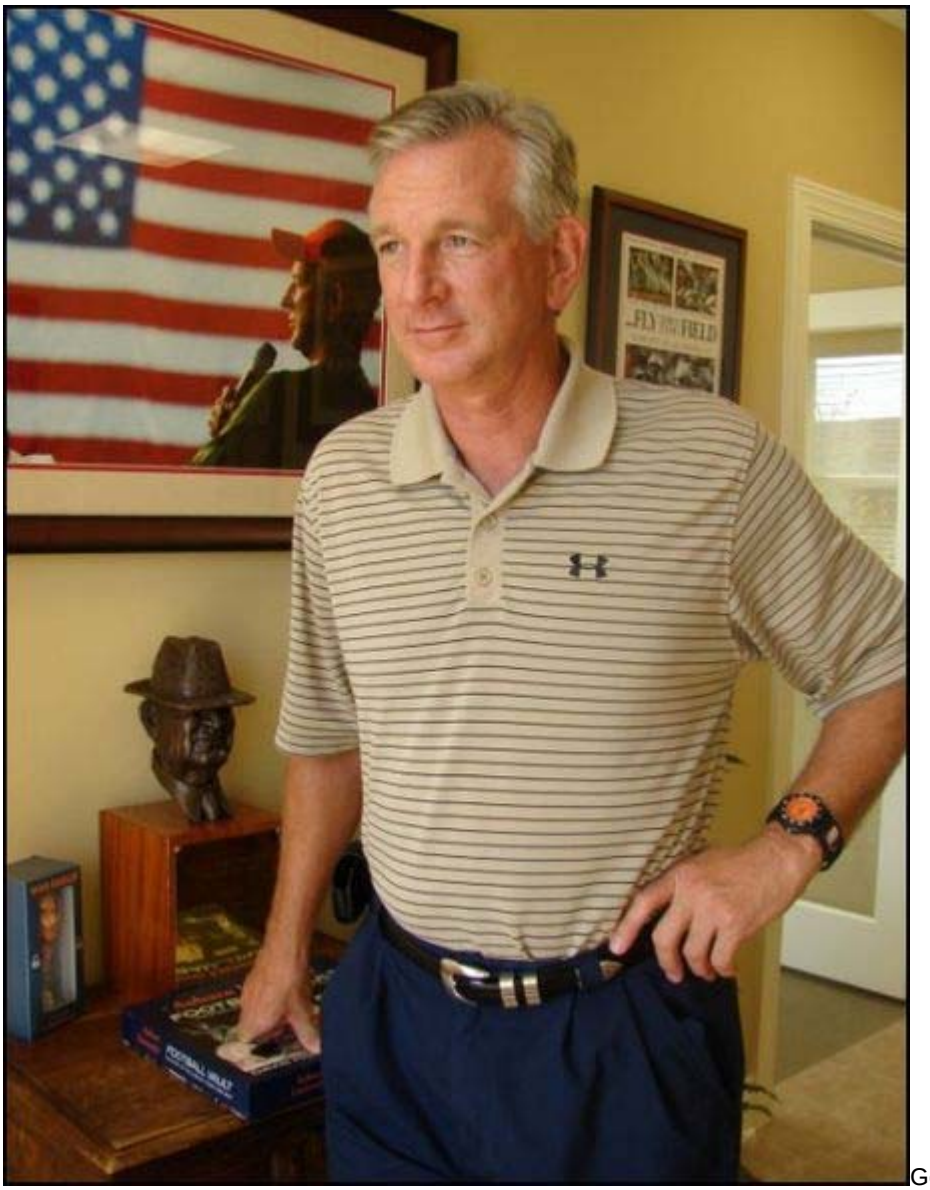
Exhibit "A"

Everything Alabama

Tommy Tuberville keeps eye on coaching future while enjoying time off and memories of Auburn

Published: Sunday, July 26, 2009, 7:17 AM Updated: Sunday, July 26, 2009, 7:28 AM

By **Charles Goldberg / Auburn Bureau, The Birmingham News, Press-Register, and The Huntsville Times**



Gold Mine photo

Tommy Tuberville: Feeling right at home in his new office in Auburn

We thought it was time to check up on former Auburn coach Tommy Tuberville. This is my story that ran in Sunday's Birmingham News...

AUBURN -- Tommy Tuberville is cheering, just like you or me at a football game.

``Go, go, go!'' he yells.

But he's not cheering a team. He's cheering the S&P 500.

Meet Tommy Tuberville, gentleman amateur stock guru who is moonlighting in the office of a hedge fund in Auburn. He's moonlighting because he's between real jobs.

It's been eight months since he stepped down as Auburn's head football coach. He's probably four months from becoming a head coach again.

He can certainly produce a stirring resume for a future employer. He won 85 games at Auburn, beat Alabama in seven of 10 meetings and produced the best record in school history, a 13-0 run in 2004. But for all he did, he never seemed to have everybody at Auburn behind him, or at least that's what he believes.

He hasn't talked to Athletics Director Jay Jacobs since the day he resigned in December. He hasn't talked to new coach Gene Chizik even once. Nobody called Tuberville to ask where the keys to the closet might be, or for the background of a player.

He still works for university President Jay Gogue, or at least technically, as a "special assistant." They at least chat on occasion.

``I'm just easing out of the limelight,'' Tuberville said.

New game in town


Gold Mine photo

Tommy Tuberville and David Stroud check the market

Tuberville, on this day, is working hard at T & S Capital Partners in Auburn. OK, he's not working hard. And he's wearing shorts. But he's having fun. The ``T'' in ``T & S'' is for ``Tommy,'' and he's around to drum up a little business for a big-time hedge fund run by Stroud Capital. He's not calling the shots.

``I'm not smart enough to understand all the numbers,'' he said.

But the market, he said, can be intoxicating.

``This is like football -- except you can play all the time.''

He has his own office, and a TV dutifully tuned to Bloomberg business television, but the office surely shows his first love. He has a lot of Auburn football memorabilia from the front door to the back room. There's the Bear Bryant Trophy, signifying he was the national coach of the year just four seasons ago. There are framed newspaper pages of Auburn's success during his tenure.

``They sort of made it a shrine,'' he joked.

Tuberville says he left Auburn on his own terms after 10 years. He resigned and wasn't fired, he says, and he got around $5.1 million to boot. His football-decorated office doesn't seem to show any animosity toward the school.

When he bumps into appreciative Auburn fans, he said, ``I'm still signing `War Eagle.'''

His final season wasn't pretty. The Tigers, who were picked to win the SEC West, finished 5-7. After the final game, a 36-0 loss to Alabama, Tuberville was determined to stay on and turn the program around, he said. But he said he later changed his mind. His coaching staff believed that, despite all he had accomplished before, nobody in high places rallied around him when things went bad.

Said Tuberville, ``The challenge was to get everybody on our side.''

There were three days of what was supposed to be meetings to address the subject. He could have stayed. On the third day, he resigned.

Talking the talk

Gold Mine photo

Tommy Tuberville is still a head coach at heart

Good times or bad, or whatever the subject, Tommy Tuberville talks one heck of a game. That's why ESPN called immediately after his departure to line him up to work this season.

They flew him out to the ESPYs a few weeks ago. He considered prime-time, weekend duty, but instead, he'll come to an ESPN set near you this season primarily on Wednesday nights, offering commentary on the SEC.

The rest of the time, he'll be a full-time dad, something he tried his best to be even when he was spending his days in the Auburn athletic building.

``I've been going to track meets, basketball games, watching spring football practice, being with the kids,'' he said.

That'd be Troy and Tucker Tuberville, aspiring athletes.

He took Tucker to Peyton Manning's football camp this summer, the second time father and son have made the trip. One reason you won't see Tuberville on ESPN on weekends is his commitment to watch Tucker Tuberville play high school football on Friday nights.

Tuberville is also working on his sometimes-neglected golf game.

``I've tried to relax and be a regular American citizen,'' he said.

He also, rather quietly, made a second trip to visit troops in the Middle East with other college coaches this summer, as he did last year. Of course, this year, he was nothing more than an American citizen.

This year the coaches visited Iraq, which they weren't allowed to do the year before. Tuberville sharpened up his golf game by hitting balls at one of Saddam Hussein's palaces.

His golf game, and his back and neck, have improved since December.
He's taken up yoga, and that has relieved the pain that occasionally bothered him at Auburn.

``Yoga?'' he mockingly asked. ``I thought the same thing, but all it is is slow stretching. The first thing I do every day is drink a cup of coffee and go stretch. I feel a lot better. That's made me more active.''

Tuberville may not have had game like legendary golfer Steve Spurrier, but he was close.

``I get home in the afternoon and think, `What am I doing home?' So I go hit golf balls. Really, after the first month, my wife would come home and say, `You know, it's been pretty nice the last 15 years. You need to go find something to do.'''

Lights, camera, action

That Tuberville will find something to do at ESPN is somewhat ironic. He criticized ESPN at times during his Auburn years because he thought the network wasn't giving the Tigers enough credit.

``They do control sports,'' he said last week. "But a lot of what I said was about comments from certain people. At the time, we had just lost a five-overtime game to LSU. I'm sure this year I'll say some things that maybe other people won't say. I understand it from the other side. ESPN wants your opinion. Other people may not like it, but it is all entertainment.''

That means he might have to critique SEC coaches.

He critiqued the bitterness of the fans in the Auburn-Alabama rivalry.

``It's just neither of them wants to see the other do well,'' Tuberville said. ``But that's what drives college football in this state. You miss the rivalry, but you don't miss that game because there's so much weight on your shoulders.''

His last game was his worst in 10 years as Alabama beat Auburn 36-0.

``You could feel it going into that stadium that night. They could smell blood,'' he said.

Auburn was close near the end of the first half. ``But our guys had laid it on the line the week before against Georgia and we just ran out of gas.''

Auburn is just over a week from starting fall practice, the first without Tommy Tuberville since 1998.

``I miss being around the coaches and the players because football is every day trying to get better or trying to get ready for a season,'' he said. ``But I'm excited for this year's Auburn team. I think they're going to be good. They've got a few weaknesses, but every team has a few weaknesses.''

In the meantime, Tuberville can call on his coaching buddies or check the market.

``I'm still here,'' he said. ``I haven't ridden off into the sunset.''

FIRST AMENDED COMPLAINT

Exhibit "B"

Memorandum Copy Number: 4362809v.5

CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

LIMITED PARTNERSHIP INTERESTS

OF

TS Capital Fund, L.P.

(a Delaware limited partnership)

June 17, 2010

THIS CONFIDENTIAL PRIVATE OFFERING MEMORANDUM (THE "MEMORANDUM") IS SUBMITTED TO YOU ON A CONFIDENTIAL BASIS SOLELY IN CONNECTION WITH YOUR CONSIDERATION OF AN INVESTMENT IN LIMITED PARTNERSHIP INTERESTS IN TS CAPITAL FUND, L.P., A DELAWARE LIMITED PARTNERSHIP (THE "PARTNERSHIP"). THIS MEMORANDUM MAY NOT BE REPRODUCED IN WHOLE OR IN PART, AND MAY NOT BE DELIVERED, NOR ITS CONTENTS DISCLOSED, TO ANY OTHER PERSON (OTHER THAN YOUR LEGAL COUNSEL, ACCOUNTANT OR FINANCIAL ADVISOR) WITHOUT THE PRIOR WRITTEN CONSENT OF TS CAPITAL GP, LLC, THE GENERAL PARTNER OF THE PARTNERSHIP (THE "GENERAL PARTNER").

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PARTNERSHIP AND THE TERMS OF THIS OFFERING OF LIMITED PARTNERSHIP INTERESTS, INCLUDING THE MERITS AND RISKS INVOLVED. THE LIMITED PARTNERSHIP INTERESTS OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE THEY BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE LIMITED PARTNERSHIP INTERESTS OFFERED HEREBY ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE PARTNERSHIP FOR AN INDEFINITE PERIOD OF TIME.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES BY ANY PERSON BY WHOM, OR IN ANY STATE OR OTHER JURISDICTION IN WHICH, AN OFFER OR SOLICITATION IS UNLAWFUL.

THE LIMITED PARTNERSHIP INTERESTS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE ACT SINCE THEY WILL BE OFFERED ONLY TO A LIMITED NUMBER OF QUALIFIED INVESTORS. IT IS ANTICIPATED THAT THE OFFERING AND SALE OF SUCH LIMITED PARTNERSHIP INTERESTS WILL BE EXEMPT FROM REGISTRATION PURSUANT TO REGULATION D PROMULGATED UNDER THE ACT. THERE ARE SUBSTANTIAL RESTRICTIONS ON THE TRANSFERABILITY OF THE LIMITED PARTNERSHIP INTERESTS OFFERED HEREBY.

PURSUANT TO AN EXEMPTION FROM THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION (THE "CFTC") IN CONNECTION WITH THE POOLS WHOSE PARTICIPANTS ARE LIMITED TO QUALIFIED ELIGIBLE PERSONS, AN OFFERING MEMORANDUM FOR THIS FUND IS NOT REQUIRED TO BE , AND HAS NOT BEEN, FILED WITH THE CFTC AND THE FUND IS NOT REQUIRED TO BE REGISTERED AS A COMMODITY POOL OPERATOR WITH THE CFTC. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A POOL OR UPON THE ADEQUACY OR ACCURACY OF AN OFFERING MEMORANDUM FOR THE FUND.

NO REPRESENTATIONS OR WARRANTIES OF ANY KIND ARE INTENDED OR SHOULD BE INFERRED WITH RESPECT TO THE ECONOMIC RETURN OR THE TAX

CONSEQUENCES FROM AN INVESTMENT IN THE PARTNERSHIP. NO ASSURANCE CAN BE GIVEN THAT EXISTING LAWS WILL NOT BE CHANGED OR INTERPRETED ADVERSELY. PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THIS MEMORANDUM AS LEGAL OR TAX ADVICE. EACH INVESTOR SHOULD CONSULT HIS OR ITS OWN COUNSEL, ACCOUNTANT AND FINANCIAL ADVISORS FOR ADVICE CONCERNING THE VARIOUS LEGAL, TAX AND ECONOMIC CONSIDERATIONS RELATING TO ITS INVESTMENT.

NO PERSON OTHER THAN THE GENERAL PARTNER HAS BEEN AUTHORIZED TO MAKE REPRESENTATIONS, OR GIVE ANY INFORMATION, WITH RESPECT TO THE LIMITED PARTNERSHIP INTERESTS OFFERED HEREBY, EXCEPT THE INFORMATION CONTAINED HEREIN, AND ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN OR OTHERWISE SUPPLIED BY THE GENERAL PARTNER IN WRITING MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE PARTNERSHIP OR ANY OF ITS PARTNERS. ANY FURTHER DISTRIBUTION OR REPRODUCTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF ITS CONTENTS, IS PROHIBITED.

A PROSPECTIVE INVESTOR SHOULD NOT SUBSCRIBE FOR LIMITED PARTNERSHIP INTERESTS UNLESS SATISFIED THAT IT ALONE OR TOGETHER WITH ITS INVESTMENT REPRESENTATIVE HAVE ASKED FOR AND RECEIVED ALL INFORMATION THAT WOULD ENABLE THE INVESTOR OR BOTH OF THEM TO EVALUATE THE MERITS AND RISKS OF THE PROPOSED INVESTMENT.

THE PARTNERSHIP WILL MAKE AVAILABLE TO EACH INVESTOR OR ITS AGENT, DURING THIS OFFERING AND PRIOR TO THE SALE OF ANY LIMITED PARTNERSHIP INTERESTS, THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM REPRESENTATIVES OF THE GENERAL PARTNER CONCERNING ANY ASPECT OF THE PARTNERSHIP AND ITS PROPOSED BUSINESS AND TO OBTAIN ANY ADDITIONAL RELATED INFORMATION TO THE EXTENT THE PARTNERSHIP POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

WHENEVER THE MASCULINE OR FEMININE GENDER IS USED IN THIS MEMORANDUM, IT WILL EQUALLY, WHERE THE CONTEXT PERMITS, INCLUDE THE OTHER, AS WELL AS INCLUDE ENTITIES.

TABLE OF CONTENTS

1. SUMMARY OF TERMS

The following is a summary of the more detailed information contained elsewhere in this Confidential Private Offering Memorandum (the "Memorandum") and other documents relating to the Partnership and is qualified in its entirety by reference to such information and other documents.

The Partnership	TS Capital Fund Fund, L.P., a Delaware limited partnership (the "Partnership"), will seek to achieve above-market growth in Partners' capital. The Partnership's investment objective is to provide above-average returns with below-average risk non-correlated to traditional asset classes. The Partnership will seek to achieve this objective by using quantitative, mathematical models to initiate positioning in the credit, equity, futures and derivatives markets. The Partnership will hold a diversified portfolio of securities and commodity positions, may use leverage in pursuit of additional return and hold short positions as a hedge and source of potential additional return. The liability of each limited partner will be limited to the capital such person invests in the Partnership. Limited Partners will have no voting rights except under limited circumstances.
The General Partner	The general partner of the Partnership is, TS Capital GP, LLC, a Delaware limited liability company (the "General Partner"), the principals of which are David Stroud and Tommy Tuberville. The General Partner will be responsible for the overall investment strategy of the Partnership.
The Management Company	TS Capital Management, LLC, a Delaware limited liability company and an affiliate of the General Partner (the "Management Company") is responsible for certain administrative matters and providing management services to the Partnership.
Term	The Partnership will operate until the General Partner determines in its discretion that the continuing operation of the Partnership is no longer in the best interests of its investors.
The Structure	The Partnership may be restructured to be part of a so-called "Master Feeder" structure to accommodate the tax or regulatory needs of certain investors.

The Offering	The minimum investment in the Partnership is $250,000 subject to reduction from time to time at the discretion of the General Partner. Interests in the Partnership will be sold to persons who are "accredited investors" as defined under Regulation D of the Securities Act of 1933, as amended. The General Partner may admit additional limited partners and accept additional capital contributions on the first business day of any month or at any other time in its sole discretion. The General Partner may, in its discretion, accept or reject subscriptions for interests.
Expenses	The Partnership will bear its own investment expenses, as well as all legal, accounting and audit expenses of the Partnership including organizational expenses. The Management Company will bear or provide for overhead expenses in connection with operating the Partnership including rent, salaries and other expenses.
Risk Factors	Investment in the Partnership involves significant risk and is suitable only for persons who can bear the economic risk of the loss of their investment, who have a limited need for liquidity in their entire investment and who meet the conditions set forth in this Memorandum. There can be no assurances that the Partnership will achieve its investment objective. Investment in the Partnership carries with it the inherent risks associated with investments in securities, as well as additional risks, including, but not limited to, the use of short sales, leverage and options. Each prospective limited partner should carefully review this Memorandum and the documents referred to herein before deciding to invest in the Partnership.
Management Fee	The Management Company shall be paid a management fee computed at the annual rate of 2% of the net assets of the Partnership (the "Management Fee"). The Management Company will not be paid any Management Fee with respect to the account of the General Partner including any limited partnership interest owned beneficially by a member, employee or affiliate of the General Partner. The Management Fee shall be paid quarterly in advance based on the net assets of the Partnership on the last business day

	of the preceding quarter after adjustment for any contributions or withdrawals from the Partnership.
Allocation of Net Profits and Losses; Performance Allocation to General Partner	The net profits and net losses of the Partnership (including realized and unrealized gains and losses) will be allocated to the partners in accordance with the ratio of their capital account balances. For each fiscal year, a performance allocation comprising of a certain percentage of net profits shall be allocated to the General Partner subject to the loss carry forward provision (the "Performance Allocation"). Under the loss carry forward provision, no Performance Allocation is made to the General Partner until prior losses allocated to the limited partners are recouped. The Performance Allocation percentage shall be 20% per annum. No Performance Allocation will be paid to the General Partner with respect to the account of the General Partner including any Limited Partnership interest owned beneficially by a member, employee or affiliate of the General Partner. Investments in securities issued in public distribution (new issues) will be made in a separate account from which certain limited partners associated with FINRA registrants will be excluded.
Conflicts of Interest	The principals of the General Partner engage and may in the future engage in other investment activities, including publicly offered mutual funds, hedge funds and private accounts which may have similar or disparate investment objectives to those of the Partnership; they may also engage in investment transactions for their own account. Such activities may involve conflicts of interest between the interests of this Partnership and such other investment funds or other activities.
General Partner's Capital	The General Partner will maintain capital in the Partnership (which may include amounts invested in Limited Partnership interests beneficially owned by members of the General Partner) in an amount equal to at least $1,000,000.
Withdrawals	Subject to the provisions described below regarding certain "Illiquid Investments" by the Partnership, and subject to the "lock-up" provisions below, upon giving 30 days' written notice, a limited partner may withdraw all or any part of his capital account as of the last business

day of each fiscal quarter. In the case of a withdrawal of 90% or more of a partner's capital account from the Partnership, at least 90% of the estimated value of the limited partner's capital account will be paid within 15 days after the retirement date, and the balance, if any, promptly after the independent public accountants have completed their examination of the Partnership's financial statements. Under the "lock-up" provisions of the Subscription Agreement, a limited partner may not make any withdrawals of its invested capital until the first quarter of its initial investment in the Partnership (the "Lock-up Period"). In addition, withdrawals of invested capital are not permitted until the last business day of each fiscal quarter following such Lock-up Period. If more than 10% of the Fund's net asset value is subject to redemption requests at the end of any fiscal quarter redemptions may be deferred; redemptions may also be suspended in the event of adverse market conditions

Illiquid Investments

The Partnership may acquire investments for which, in the discretion of the General Partner, there is no readily available market ("Illiquid Investments"). The value of all Illiquid Investments held by the Partnership will be allocated to a separate sub-account for each limited partner in proportion to the limited partner's percentage interests in the Partnership. This allocation will result in an actual division of each limited partner's existing capital account between the value of the Partnership's holdings which the General Partner has determined, in its discretion, are Illiquid Investments, and those which are not Illiquid Investments. In the future, any new Illiquid Investments will be effected through an additional sub-account established for that purpose, with capital allocated from the regular capital accounts of the limited partners to the newly created sub-account in proportion to each limited partner's respective percentage of the regular capital accounts of all limited partners in the Partnership as of the date such investment is made. Only limited partners who are in the Partnership on the date an Illiquid Investment is made will participate in such investment, so any limited partner admitted to the Partnership afterwards will have no interest in an already existing Illiquid Investments. In addition, any further investments made by the Partnership in

connection with already existing Illiquid Investment will be made solely by the limited partners who participated in such Illiquid Investment initially, in proportion to their initial participation.

Transfers of cash or securities from the Illiquid Investment accounts to the limited partners' regular capital accounts generally will only be made subsequent to a liquidity event for the respective Illiquid Investment - e.g., a sale of a portfolio company for cash or marketable securities, a sale of the Partnership's holdings in a portfolio company, or a public offering of a portfolio company. The Partnership will carry Illiquid Investments on its books at cost, until such time as they are either realized, written off, or written up as a result of an extraordinary event (such as an outside financing).

Unless otherwise determined by the General Partner in its sole discretion, no limited partner may voluntarily withdraw any portion of its Illiquid Investment account. Accordingly, if a limited partner makes a request for voluntary withdrawal at a time when the Partnership maintains an Illiquid Investment account, such limited partner's interest in the Illiquid Investment account will be retained until such time as the General Partner determines that the Illiquid Investment account is no longer required. Upon the General Partner's determination that an investment should no longer be treated as an "Illiquid Investment," the General Partner will reallocate the value of the Illiquid Investment from the Illiquid Investment account to the regular capital account of each limited partner participating therein in proportion to their respective percentages in the Illiquid Investment.

Reports

Each limited partner will receive unaudited quarterly updates regarding the performance of the Partnership, and will receive annually tax information and audited financial information.

Assignability

Neither the interest of any limited partner in the Partnership nor any beneficial interest therein is assignable, in whole or in part, without the prior written consent of the General Partner.

Tax and Regulatory Matters	The Partnership will be treated as a partnership for federal income tax purposes. Prospective limited partners should consult their own tax advisors with specific reference to their own situations as they relate to an investment in the Partnership. The Partnership is not registered as an investment company under the Investment Company Act of 1940, as amended. As a result, certain protections of this Act will not be afforded to the Partnership or the limited partners. In addition, the General Partner of the Partnership is not and currently does not intend to be registered with the SEC under the Investment Advisors Act of 1940, as amended.
Prime Broker	Lime Brokerage
Legal Counsel	Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
Auditors	Rothstein Kass is responsible for auditing the annual financial statements of the Partnership.

2. INTRODUCTION

TS Capital Fund, L.P., is a Delaware limited partnership (the "Partnership") formed for the purpose of investing its assets in accordance with the investment program set forth in this Confidential Private Offering Memorandum (the "Memorandum"). TS Capital GP, LLC, a Delaware limited liability company, is the general partner of the Partnership (the "General Partner") and is responsible for managing the business of the Partnership. TS Capital Management LLC, a Delaware limited liability company (the "Management Company") is responsible for certain administrative matters and providing management services to the Partnership.

This Memorandum sets forth the investment program of the Partnership, the principal terms of the Limited Partnership Agreement of the Partnership, a copy of which is attached hereto as Exhibit A (the "Partnership Agreement), and certain other pertinent information. However, the Memorandum does not set forth all the provisions and distinctions of the Partnership Agreement that may be significant to a particular prospective limited partner. Each prospective limited partner should examine this Memorandum, the Partnership Agreement and the Subscription Agreement, a copy of which is attached hereto as Exhibit B (the "Subscription Agreement") in order to assure itself that the terms of the Partnership Agreement and the Partnership's investment program are satisfactory to it.

Prospective limited partners are invited to review any documents that the General Partner possesses regarding the Partnership and any other matters regarding this Memorandum. All such materials are available at the office of the Partnership, at any reasonable hour, after reasonable prior notice to the General Partner. The General Partner will afford prospective limited partners

the opportunity to ask questions of and receive answers from its representatives concerning the terms and conditions of the offering and to obtain any additional information to the extent that the General Partner or the Partnership possesses such information or can acquire it without unreasonable effort or expense.

Prospective limited partners should consider the Partnership to be a speculative investment, as it is not intended to be a complete investment program. The Partnership is designed only for sophisticated persons who are able to bear the loss of their entire investment in the Partnership.

3. INVESTMENT PROGRAM

Investment Objective

The Partnership intends to provide above-average returns with below-average risk non-correlated to traditional asset classes. The Partnership will seek to achieve this by using quantitative, mathematical models to initiate positioning in the credit, equity, futures and derivatives markets.

Investment Focus

The Partnership will focus its efforts in the credit, equity, futures and derivatives markets. The Partnership will use the following methods to invest in these markets:

- 100% discretionary consisting of:
  - Long/short directional
  - OTC option trades
  - Spread trading
  - Esoteric derivatives
  - High Frequency Trading

Short Sale and Cover Discipline

Discipline is critical in short-selling because the losses are potentially unlimited. The General Partner's risk management strategy with regard to short sales is to maintain moderate-sized positions of short duration to avoid large losses. Several features distinguish candidates for a short sale: overvalued stock; anticipation of a near-term negative catalytic event; questionable or aggressive accounting; and unusual insider selling. The General Partner believes that any one of the foregoing features alone is an insufficient basis for shorting — several features in combination are required.

Once the General Partner has targeted a security for short sale, it will take a disciplined approach to implementation. A short position will be covered for the following reasons, among others: a change in the story; a fall in price; the discounting of the catalytic event by the stock market; or extraneous events leading to a reassessment of the basic theme.

Portfolio Composition and Risk Management

The Partnership's investment portfolio will hold a diversified portfolio of securities and commodity positions, may use leverage in pursuit of additional return and hold short positions as a hedge and source of potential additional return. The number of companies in the Partnership's investment portfolio will depend, in part, upon the amount of capital available for investment.

As described above, the Partnership may sell securities short, purchase puts and write uncovered calls in order to capitalize on securities that the General Partner believes to be overvalued. The General Partner views the use of such techniques as independent profit opportunities for the Partnership and an integral part of its investment program. Further, short sales and options may be used to serve as a degree of protection for the Partnership's long positions in a declining market. The Partnership may also use repurchase agreements in its investment program, as well as futures contracts involving stock indices and options thereon. However, the Partnership will not engage in transactions involving futures contracts and options thereon until the General Partner registers as a commodity pool operator with the Commodity Futures Trading Commission or qualifies for an exemption therefrom. Strategies such as uncovered short positions and the use of options involve the use of leverage or margin (borrowing against securities in the Partnership's investment portfolio). While these strategies can substantially improve the return on invested capital, their use may also increase the adverse impact to which the Partnership's investment portfolio may be subject. (See "Certain Risks.")

The Partnership may invest its excess funds in money market funds, money market instruments, U.S. Government Securities, commercial paper, certificates of deposit and bankers' acceptances. Any income earned from such investments will be reinvested by the Partnership in accordance with its investment program.

The Partnership will not purchase securities in any public or private offering in which MF Global (or any of its affiliates) serves as lead manager or co-manager, or placement agent.

Investment Flexibility

The General Partner intends to pursue the investment program described above and will generally follow the outlined investment strategies for so long as such strategies are in accordance with the Partnership's investment objective, although the General Partner may also formulate new approaches to carry out the investment objective of the Partnership.

While the General Partner anticipates that the Partnership will invest primarily in common equity securities, the Partnership has broad and flexible investment authority. Accordingly, the Partnership's assets may at any time include long or short positions in U.S. or non-U.S. preferred stocks, stock warrants and rights, corporate debt, bonds, notes or other debentures, convertible securities, options (purchased and sold), REITs, futures contracts, commodities, forward contracts and other derivative instruments, partnership interests and other securities or financial instruments including those of investment companies. The Partnership may also invest up to 10% of the Partnership's total assets (measured at the time of investment) in restricted securities of public companies.

There can be no assurance that the Partnership will achieve its investment objective.

4. ADMISSION OF PARTNERS; ADDITIONAL CAPITAL CONTRIBUTIONS

Admission as a limited partner in the Partnership is not open to the general public. The Partnership is not intended as a complete investment program and is designed only for persons who are able to bear the economic risk of the loss of their entire investment in the Partnership, who have a limited need for liquidity in their investments, and who are either sophisticated persons in connection with financial and business matters, or are represented by such a person in connection with their investment in the Partnership. Interests in the Partnership generally will be sold only to persons who are "accredited investors" as defined in Regulation D of the Securities Act of 1933, as amended.

The minimum initial investment in the Partnership is $250,000, although the General Partner may accept lesser amounts in its sole discretion. The General Partner will admit new limited partners to the Partnership, and accept additional capital contributions from existing limited partners, on the first business day of each month; provided, however, that the General Partner reserves the right, in its sole discretion, to accept capital contributions and admit additional limited partners at other times. Capital contributions by limited partners will be made in cash or, in the General Partner's sole discretion, in securities or partly in cash and partly in securities.

Prospective investors should read the Partnership Agreement being furnished to them concurrently with this Memorandum. The Partnership Agreement sets forth the specific provisions relating to the operations of the Partnership.

5. MANAGEMENT

The General Partner of the Partnership is TS Capital GP, LLC, a Delaware limited liability company that is responsible for managing the business of the Partnership. TS Capital Management, LLC, a Delaware limited liability company, serves as the Management Company and is responsible for certain administrative matters.

David Stroud

David Stroud, the co-founder of TS Capital Management ("TSCM"), is responsible for the investment strategy and day-to-day oversight of the portfolio investments managed by TSCM. In this capacity, Mr. Stroud provides the fund with strategic direction and guidance while overseeing investment decisions. Mr. Stroud also evaluates and researches each investment opportunity considered by TSCM.

Mr. Stroud brings with him a vast amount of experience as a portfolio manager and asset gatherer since 1997. Prior to forming Stroud Capital Management, he managed a $100 million futures and equities portfolio with Lehman Brothers and successfully raised $1 billion in capital with his Lehman Brothers team.

Mr. Stroud also spent a portion of his tenure in the retail brokerage area where he worked as a portfolio manager of a $50 million equity and derivatives portfolio with AG Edwards as well as with Smith Barney and their Private Wealth Management team.

Mr. Stroud is very involved with research and development of high-frequency trading on the futures and stock exchanges in New York City and Chicago. He has worked with the New York Stock Exchange, Bloomberg, MF Global, Citadel Solutions, and APAMA Solutions to make advancements in the field of high-frequency trading on Wall Street. He is also actively involved with members of the New York Society of Scientists' in working to merge the world of practitioner and academia. He is also a regular guest commentator on Bloomberg Television and is quoted in several international financial journals.

He is a member of the New York Society of Security Analysts and is a CFA Level One Candidate. He holds the Series 3, Series 7, and Series 63 licenses. Mr. Stroud spent six years as a Force Recon Marine, serving in Desert Shield/Desert Storm and completed the 1998 Ironman Triathlon in Hawaii.

Mr. Stroud has a B.S. degree in accounting from Troy University and is enrolled in the Master of Science Program of Mathematics in Finance at the Courant Institute of Mathematical Sciences at New York University. Mr. Stroud is pursuing this course of study as a step toward NYU's PhD program in mathematical sciences.

Tommy Tuberville

Tommy Tuberville, the co-founder of TS Capital Management ("TSCM"), is responsible for the investment direction, capital raising, and the day-to-day oversight of business decisions of TSCM. In this capacity, Mr., Tuberville provides the fund with strategic direction and guidance while overseeing investment opportunities. Mr. Tuberville also evaluates and researches each private equity investment opportunity considered by TSCM

Coach Tuberville was an assistant coach at Arkansas State University, the University of Miami, and Texas A&M University prior to being named to his first collegiate head coaching job at the University of Mississippi. He left Ole Miss following the 1998 season to take the head coaching job at Auburn University.

In his tenure, Tuberville has guided Auburn to the top of the SEC standings, leading the Tigers to an SEC Championship and five Western Division titles (including outright championships in 2000 and 2004 and co-championships in 2001, 2002 and 2005). Under his direction, the Tigers have made seven consecutive bowl appearances including five New Year's Day bowl berths.

The Auburn Tigers were a perfect 13-0 in 2004 including the SEC title and a win over Virginia Tech in the Sugar Bowl. Coach Tuberville received Coach of the Year awards from the AP, the American Football Coaches Association, the National Sportscasters and Sportswriters Association and the Walter Camp Football Foundation.

In 2005, despite losing the entire starting backfield from the unbeaten 2004 team to the first round of the NFL draft, Coach Tuberville led Auburn to a 9-3 record, finishing the regular season with victories over rivals Georgia and Alabama

Under Tuberville, Auburn has a winning record against its three biggest rivals, LSU (5-3), Georgia (5-3), and Alabama (6-2). He has led Auburn to 5 straight victories over in-state rival Alabama, the longest win streak in this rivalry since 1982, which was the year Auburn broke Alabama's 9 year streak.

Mr. Tuberville has also established himself as one of the best big game coaches in college football, winning 8 out of 9 games against top 10 opponents since the start of the 2004 season. In 2006, his Tigers recorded victories over two Top 5 teams who later played in BCS bowls, including eventual BCS Champion Florida.

Mr. Tuberville has coached 19 players who were selected in the NFL draft, including four first round picks in 2004, with several others signing as free agents. He has coached 8 All-Americans and a Thorpe Award winner (Carlos Rogers). Thirty-four players under Tuberville have been named to All-SEC (First Team). Eighteen players have been named All-SEC freshman. His players have been named SEC player of the week 46 times. He has also had 2 SEC players of the year and one SEC Championship game MVP.

Coach Tuberville was born and raised in Camden, Arkansas. He graduated from Harmony Grove High School in Camden, Arkansas in 1972. He then received a B.S. Degree in Physical Education from Southern Arkansas University in 1976.

The General Partner and its members will at all times maintain a capital account equal to at least $1,000,000, which may include amounts held in limited partnership interests beneficially owned by members of the General Partner. As of July 1, 2009 the combined capital account balances of the General Partner and its members were approximately $1,000,000.

The General Partner will use its best efforts in connection with the purposes and objectives of the Partnership and will devote so much of its time and effort to the affairs of the Partnership as may, in its judgment, be necessary to accomplish the purposes of the Partnership. Under the terms of the Partnership Agreement, the General Partner may conduct any other business including any business within the securities industry whether or not such business is in competition with the Partnership. Without limiting the generality of the foregoing, the General Partner may act as investment adviser or investment manager for others, may manage funds or capital for others, may have, make and maintain investments in its own name or through other entities, and may serve as a consultant, partner or stockholder of one or more investment funds, partnerships, securities firms or advisory firms. The Partnership Agreement also recognizes that it may not always be possible or consistent with the investment objectives of the accounts or other entities described above and of the Partnership for the same investment positions to be taken or liquidated at the same time or at the same price.

6. MANAGEMENT FEE

The Partnership will pay the Management Company a management fee computed at the annual rate of 2% per annum of the net assets of the Partnership (the "Management Fee"). The Management Fee shall be paid quarterly in advance based on the net assets of the Partnership on

the last business day of the preceding quarter after adjustment for any contributions to or withdrawals from the Partnership. The Management Company will not be paid any Management Fee with respect to the account of the General Partner including any limited partnership interest owned beneficially by a member, employee or affiliate of the General Partner. The Management Fee will be deducted in determining the net profit or net loss of the Partnership. In the event the Partnership is not in existence for the entire calendar quarter, the Management Fee for such quarter will be prorated. If additional contributions are made to the Partnership during the quarter, the Management Fee will be prorated and charged at the time of such contribution. The General Partner, in its sole discretion, may waive or reduce the Management Fee for certain limited partners, including principals, employees or affiliates of the General Partner or the Management Company, relatives of such persons, and for certain large or strategic investors.

7. ALLOCATION OF NET PROFITS AND NET LOSSES; INCENTIVE ALLOCATION TO GENERAL PARTNER

Allocation of Net Profits and Net Losses

The following is a brief description of the method by which the results of operations of the Partnership will be allocated among the partners in each fiscal period (as defined in Section 17). Reference is made to the Partnership Agreement for further details.

Except with respect to "new issues" (discussed in Section 11), the net profit or net loss of the Partnership (including realized and unrealized gains and losses) will be allocated to partners in accordance with the ratio of their capital account balances. Net profit and net loss of the Partnership will be determined on the accrual basis of accounting using generally accepted accounting principles ("GAAP") as a guideline and will be deemed to include net unrealized profits or losses on investment positions as of the end of each fiscal period.

Incentive Allocation to General Partner

Subject to the loss carryforward provision discussed below, if for any fiscal year a limited partner has a net profit, a performance allocation comprising a certain percentage of such net profits shall be allocated to the General Partner's capital account as of the end of such fiscal year (the "Performance Allocation"). The Performance Allocation percentage shall be 20% per annum. No Performance Allocation will be paid to the General Partner with respect to the account of the General Partner including any Limited Partnership interest owned beneficially by a member, employee or affiliate of the General Partner. Investments in securities issued in public distributions (new issues) will be made in a separate account from which certain limited partners associated with FINRA members will be included.

Under a loss carryforward provision, no deduction from a limited partner's capital account with respect to any net profit will be made from the capital account of a particular limited partner in respect of a fiscal year until any net loss previously allocated to the capital account of such limited partner has been offset by subsequent net profits allocated to the capital account of such limited partner. Any such loss carryforward will be subject to reduction for withdrawals under the Partnership Agreement.

New Issue Exclusion

Investments made in securities which are the subject of public distribution will be made in a New Issues Account. Only those limited partners who are not restricted from participating in "new issues" as described in the Rules of FINRA, as amended from time to time, shall have any beneficial interest in the New Issues Account.

8. DEATH, BANKRUPTCY OR LEGAL INCAPACITY OF A LIMITED PARTNER

In the event of the death, bankruptcy or legal incapacity of a limited partner, the estate or legal representative of such partner will succeed to such partner's right to share in net profits or net losses of the Partnership and to receive distributions from the Partnership. Such estate or representative may, in the discretion of the General Partner, be paid as of the end of the fiscal year during which such partner died or became bankrupt or legally incapacitated, the value of such partner's capital account as of the end of such year in liquidation of such partner's interest in the Partnership. Alternatively, the General Partner may, in its discretion, admit such estate or representative to the Partnership as a limited partner. If such estate or representative makes a full withdrawal of such partner's capital account on a timely basis, the estate or representative will be paid as of the date of such partner's full withdrawal. If a partner dies on a day other than the last day of a fiscal period, net profits or net losses for such fiscal period allocable to the deceased partner will be allocated between the deceased Partner and his or her estate for Federal income tax purposes.

9. OTHER PROVISIONS OF THE PARTNERSHIP AGREEMENT

Term of the Partnership

Unless dissolved as provided in Section 6.02 of the Partnership Agreement, the Partnership will continue from year to year. See "Dissolution of the Partnership" below.

Withdrawals of Capital and Retirement of Partners

Under the "lock-up" provisions of the Subscription Agreement, a limited partner may not make any withdrawals of its invested capital until the first quarter of its initial investment in the Partnership (the "Lock-up Period"). Subject to the applicable Lock-up Period and restrictions on withdrawal of any portion of its illiquid investment account (as provided in Section 5.09 of the Partnership Agreement), upon giving 30 days' written notice, a limited partner may withdraw all or any part of his capital account as of the last business day of any fiscal quarter. Withdrawals of invested capital are not permitted until the last business day of each fiscal quarter following such Lock-up Period. In order to administer this Lock-up arrangement, limited partners who have more than one investment will have sub-accounts established within their capital accounts for each separate investment.

A notice of withdrawal must state the amount to be withdrawn or the basis on which such amount is to be determined. A partner who elects to withdraw all of his capital account as of the last business day of any fiscal quarter shall be deemed to have retired as of the date of such withdrawal. A limited partner who dies or becomes bankrupt or incapacitated may, in the sole discretion of the General Partner, be retired from the Partnership at the end of the fiscal quarter during which such event occurs.

If the General Partner, in its sole discretion, deems it to be in the best interests of the Partnership or the General Partner, it may require any limited partner to retire from or reduce its capital account in the Partnership on the last day of any fiscal quarter on not less than 30 days notice. If the General Partner, in its sole discretion, deems it to be in the best interests of the Partnership to do so because the continued participation of any limited partner in the Partnership might cause the Partnership to violate any law, the General Partner may on 5 days notice require the retirement of such limited partner or the reduction of its capital account at any time, such retirement or reduction to be effective on the date specified in such notice.

Upon withdrawal for any reason, the applicable Performance Allocation in the limited partner's account since the end of the fiscal year preceding such withdrawal as of the date of withdrawal shall be allocated to the General Partner subject to the loss carryforward provision described above.

The General Partner may withdraw all or any portion of its capital account as of the last business day of any fiscal year; provided, however, that the General Partner will at all times maintain a capital account (which may include Limited Partnership interests owned beneficially by members of the General Partner) equal to at least $1,000,000.

Payments on Retirement

A partner retiring in accordance with the Partnership Agreement will be entitled to receive an amount equal to the value of his capital account as of the date of his retirement, and the legal representative of any deceased, incapacitated or bankrupt partner will be entitled to receive an amount equal to the value of such partner's capital account, as of the end of the then current fiscal year. Ninety percent of the estimate of such amount will be paid within 15 days after the date of such partner's retirement or the end of the fiscal year, as the case may be. Promptly after the General Partner has determined the capital accounts of the partners as of such date and, if such calculation is being made at the end of the fiscal year, the Partnership's independent public accountants have completed their examination of the Partnership's financial statements, the Partnership will pay to such partner or his representative the amount, if any, by which the amount to which such partner, after the applicable Performance Allocation to the General Partner (subject to the loss carryforward provision described above), is entitled exceeds the amount previously paid, or such partner or representative will be obligated to pay to the Partnership the amount, if any, by which the amount previously paid exceeds the amount to which such partner is entitled, in each case together with interest thereon, to the extent permitted by applicable law, from the date of such partner's retirement or the last day of the fiscal year, as the case may be, to the date of the payment of such excess at an annual rate equal to the interest rate being paid on the date of such partner's retirement or the last day of the fiscal year, as the case may be, on the most recently issued 90 day treasury bills.

The Partnership may retain as a reserve for Partnership liabilities or for other contingencies, so much of the amount to which a withdrawing or retiring partner is entitled as the General Partner, in its sole discretion, determines. The reserve shall bear interest at an annual rate equal to the rate payable on 90 day treasury bills from December 31 following the applicable withdrawal date and shall be distributed to such partner at such time or times as the General Partner determines that the reserve, or a portion thereof, is no longer necessary.

Distributions in Cash or In Kind

Withdrawals of capital and the payment of the value of a partner's capital account to him on retirement will be made in cash or, at the discretion of the General Partner, in marketable securities selected by the General Partner, or partly in cash and partly in marketable securities selected by the General Partner.

Admission of Partners and Additional Capital Contributions

The General Partner may, in its sole discretion, admit additional limited partners to the Partnership, or accept additional capital contributions from existing limited partners in increments of [$100,000] on the first business day of any month or at any other time during the Partnership's fiscal year. Capital contributions shall be made in cash unless the General Partner in its sole discretion accepts securities in lieu of cash.

Liability of Partners and Indemnification of the General Partner and Others

A limited partner who does not take part in the management or control of the business of the Partnership will not be liable for any debt or obligation of the Partnership except as expressly required under Delaware law. Under certain circumstances, a limited partner may, under Delaware law, be required to return for the benefit of creditors, amounts previously distributed to him.

The General Partner will be liable to creditors for the debts of the Partnership. However, neither the General Partner nor any person designated to wind up the affairs of the Partnership pursuant to the Partnership Agreement will be liable for any loss arising out of or in connection with any activity undertaken (or omitted to be undertaken) in connection with the Partnership, except for any liability caused by his, her or its bad faith, breach of fiduciary duty, gross negligence or willful malfeasance.

The Partnership will, to the fullest extent legally permissible under the laws of the State of Delaware, indemnify the General Partner, any employee, officer, director, member, manager, administrative or other agent or affiliates of the General Partner and any persons designated to wind up the affairs of the Partnership pursuant to the Partnership Agreement against any and all loss, liability or expense incurred or suffered in connection with the performance by the General Partner or other persons of their responsibilities to the Partnership, provided that the General Partner, any employee, officer, direction, member, manager, administrative or other agent or affiliates of the General Partner and such other persons shall not be indemnified for losses resulting from their own bad faith, breach of fiduciary duty, willful misconduct or gross negligence or where such indemnification would be a violation of applicable law.

Expenses

The General Partner is authorized to incur all expenses on behalf of the Partnership that the General Partner deems necessary or desirable in furtherance of the business of the Partnership. The General Partner will be responsible for and will arrange for the Management Company to provide or cause to be provided and to pay or cause to be paid certain "overhead expenses" of the Partnership; "Overhead expenses" shall consist of office rent, administrative,

clerical, accounting, bookkeeping and other corporate overhead services, salaries, employee insurance and payroll taxes of or relating to the business of the Partnership. All other expenses shall be paid by the Partnership and shall include legal, audit and accounting expenses, including fees and expenses of the Partnership's administrator, its agents and other persons providing services to or on behalf of the Partnership, and investment expenses such as commissions, research fees, interest on margin accounts and other indebtedness, borrowing charges on securities sold short, custodial fees, extraordinary expenses, insurance, and any other reasonable expenses related to the purchase, sale or transmittal of Partnership assets as shall be determined by the General Partner.

The organizational expenses of the Partnership, including all expenses incurred in connection with the offer and sale of interests in the Partnership, will be paid by the Partnership.

Amendment of the Partnership Agreement

The General Partner may amend the Partnership Agreement in its sole discretion in any manner that does not adversely affect any limited partner. The Partnership Agreement may also be amended by action of both the General Partner and the limited partners owning a majority in interest of the capital accounts of all the limited partners at the time of the amendment in any manner that does not discriminate among the limited partners.

Dissolution of the Partnership

The Partnership may be dissolved at any time by the General Partner, whereupon its affairs shall be promptly wound up by the General Partner. The retirement, bankruptcy or dissolution of the General Partner will dissolve the Partnership, unless within 90 days after the occurrence of such event all of the limited partners elect to continue the business of the Partnership and appoint one or more general partners effective as of the date of such event and the affairs of the Partnership shall be wound up by the person or persons previously designated by the General Partner or, if no such designation has been made, by the person or persons selected by a majority in interest of the capital accounts of the limited partners. Such person or persons shall take all steps necessary or appropriate to wind up the affairs of the Partnership as promptly as practicable.

Neither the admission of partners nor the retirement, bankruptcy, death, dissolution or incapacity of any limited partner will dissolve the Partnership.

Assignability of Limited Partnership Interests

Neither the interest of any limited partner in the Partnership nor any beneficial interest therein is assignable, in whole or in part, without the prior written consent of the General Partner.

Power of Attorney

Each of the General Partner and TS Capital Management, LLC is granted an irrevocable power of attorney to sign on behalf of each limited partner a Certificate of Limited Partnership and any amendments thereto or termination thereof, as well as any documents required by reason of the dissolution of the Partnership or any documents required to be submitted by the

Partnership to any governmental or administrative agency, to any securities exchange, board of trade, clearing corporation or association or to any self-regulatory organization or trade association.

10. CERTAIN RISKS

Prospective limited partners should consider the Partnership to be a speculative investment, as it is not intended to be a complete investment program. The Partnership is designed only for sophisticated persons who are able to bear the risk of the loss of their entire investment in the Partnership. Prospective limited partners should carefully evaluate the following risks before making an investment in the Partnership.

No Operating History

The Partnership is recently formed and has no operating history.

Short Sales

Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Partnership's portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There is the risk that the Partnership would have to return the securities it borrows in connection with a short sale to the securities lender on short notice. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the Partnership may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.

Non-U.S. Securities

The Partnership's investment in securities of non-U.S. governments and companies that are generally denominated in non U.S. currencies, and utilization of non-U.S. currency forward contracts and options on non-U.S. currencies involves certain considerations comprising both risks and opportunities not typically associated with investment in securities of the U.S. Government or U.S. companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the U.S., higher transaction costs, less government supervision of exchanges, brokers and issuers, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Special Situations

The Partnership may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Partnership of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Partnership may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Partnership may invest, there is a potential risk of loss by the Partnership of its entire investment in such companies.

Options

The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

Counterparty and Custodial Risk

To the extent the Partnership invests in swaps, "synthetic" or derivative instruments, repurchase agreements, certain types of options or other customized financial instruments and over-the-counter transactions, or, in certain circumstances, non-U.S. securities, the Partnership takes the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

In addition, there are risks involved in dealing with the custodians or brokers who settle Partnership trades particularly with respect to non-U.S. investments. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets of the Partnership, and hence, the Partnership should not be exposed to a credit risk with respect to such parties. However, it may not always be possible to achieve this segregation and there may be practical or timing problems associated with enforcing the Partnership's rights to its assets in the case of an insolvency of any such party.

Leverage

Certain strategies to be employed by the Partnership, such as uncovered short selling and the use of options, involve the use of leverage or margin. Any margin borrowing engaged in by the Partnership will be conducted under Regulation T of the Federal Reserve Board's margin rules. Margin borrowing increases returns to investors if the Partnership earns a greater return on leveraged investments than the Partnership's cost of such leverage. However, the use of margin borrowing exposes the Partnership to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Partnership not borrowed to make the investments, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions, and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Partnership's cost of leverage related to such investments. In case of a sudden, precipitous drop in value of the Partnership's assets, the Partnership might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by the Partnership.

Lack of Liquidity of Partnership Assets, Valuation

Partnership assets may, at any given time, include securities and other financial instruments or obligations that are thinly traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws (subject to the limitations set forth above). The sale of any such investments may be possible only at substantial discounts and it may be extremely difficult to value accurately any such investments.

Lack of Diversification

The Partnership's portfolio will not generally be as diversified as other investment vehicles. Accordingly, the Partnership's investments may be subject to more rapid change in value than would be the case if the Partnership were required to maintain a wide diversification among types of securities and other instruments and countries and industries.

Limited Withdrawal and Transfer Rights

An investment in the Partnership provides limited liquidity since the limited partnership interests are not freely transferable and generally limited partners may make a withdrawal from their capital account on a quarterly basis following an initial one-year holding period. Limited partners may only transfer their limited partnership interests with the written consent of the General Partner, which consent maybe withheld in its sole and absolute discretion. Accordingly, only investors willing to give up some access and control over their funds should acquire limited partnership interests in the Partnership. Limited partnership interests should only be purchased as a supplement to an overall investment program by investors who are financially able to maintain their investment for an extended period of time and who can afford a loss of their entire investment.

Incentive Allocation

The payment of a percentage of the Partnership's net profits to the General Partner may create an incentive for the General Partner to cause the Partnership to make investments that are

riskier or more speculative than would be the case if this allocation were not made. Since the Performance Allocation is calculated on a basis that includes unrealized appreciation of assets, the Performance Allocation may be greater than if it were based solely on realized gains.

No Separate Counsel

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. will act as counsel to the General Partner and the Partnership. No independent counsel has been retained to represent limited partners in the Partnership.

Conflicts of Interest

The Management Company may serve as the investment manager of an offshore fund and a fund organized under Section 3(c)(7) of the Investment Advisers Act of 1940 with investment objectives, investment strategies and investment policies substantially similar to that of the Partnership (collectively, the "Affiliated Funds"). Accordingly, the Partnership may co-invest in many of the same securities and issues as the Affiliated Funds. Furthermore, the General Partner, the Management Company and their respective members, employees and affiliates (hereinafter referred to as the "Affiliated Parties") may serve as the investment adviser or the investment manager to the Affiliated Funds and other client accounts and conduct investment activities for their own accounts. Such other clients may have investment objectives or may implement investment strategies similar to those of the Partnership. The Affiliated Parties may also give advice or take action with respect to the other clients that differs from the advice given with respect to the Partnership. To the extent a particular investment is suitable for both the Partnership, the Affiliated Funds and the other clients, such investments will be allocated among the Partnership, the Affiliated Funds and the other clients pro rata based on assets under management or in some other manner in which the General Partner determines is fair and equitable under the circumstances to all of its clients. From the standpoint of the Partnership, simultaneous identical portfolio transactions for the Partnership, the Affiliated Funds and the other clients may tend to decrease the prices received and increase the prices required to be paid by the Partnership, respectively, for its portfolio sales and purchases. Where less than the maximum desired number of shares of a particular security to be purchased is available at a favorable price, the General Partner will allocate the shares purchased among the Partnership, the Affiliated Funds and the other clients in an equitable manner.

In addition, purchase and sale transactions (including swaps) may be effected between the Partnership, the Affiliated Funds and other clients subject to the following guidelines: (i) such transactions will be effected for cash consideration at the current market price of the particular securities, and (ii) no brokerage commission or fee (except for customary transfer fees or commissions) or other remuneration will be paid in connection with any such transaction.

As a result of the foregoing, the Affiliated Parties may have conflicts of interest in allocating their time and activities between the Partnership, the Affiliated Funds and the other clients, in allocating investments among the Partnership, the Affiliated Funds and the other clients and in effecting transactions between the Partnership, the Affiliated Funds and the other clients, including ones in which the Affiliated Parties may have a greater financial interest. Notwithstanding the foregoing, however, the Partnership will not purchase securities in any

public or private offering in which Lime Brokerage(or any of its affiliates) serves as lead manager or co-manager, or placement agent.]

Each of the General Partner and the Management Company will use their best efforts in connection with the purposes and objectives of the Partnership and will devote so much of their time and effort to the affairs of the Partnership as may, in their judgment, be necessary to accomplish the purposes of the Partnership. The Partnership Agreement specifically provides that the Affiliated Parties may conduct any other business, including any business within the securities industry, whether or not such business is in competition with the Partnership. Without limiting the generality of the foregoing, the Affiliated Parties may act as the investment adviser or investment manager for others, may manage funds or capital for others, may have, make and maintain investments in their own name or through other entities, and may serve as officers, directors, consultants, partners or stockholders of one or more investment funds, partnerships, securities firms or advisory firms. It may not always be possible or consistent with the investment objectives of the various persons or entities described above and of the Partnership for the same investment positions to be taken or liquidated at the same time or at the same price; however all transactions will be made on a "best execution" basis.

11. PURCHASE OF "NEW ISSUES"

From time to time, the Partnership may, to the extent permitted by the Rules of FINRA, as may be amended from time to time (the "FINRA Rules"), purchase equity securities that are part of an initial public offering or "follow on" offering (sometimes referred to as "New Issues"). Under the FINRA Rules, brokers generally may not sell such securities to a private investment fund if the fund has investors who are "Restricted Persons", which includes persons employed by or affiliated with a broker and portfolio managers of hedge funds and other registered and unregistered investment advisory firms. The profits and losses from New Issues will generally be allocated to investors in the Partnership that are not Restricted Persons. The Partnership may, however, avail itself of a "de minimis" exemption pursuant to which a portion of any New Issue profits and losses may be allocated to Restricted Persons. The Partnership Agreement provides that the General Partner is authorized to determine, among other things: (i) the manner in which New Issues are purchased, held, transferred and sold by the Partnership and any adjustments with respect thereto; (ii) the Partners who are eligible and ineligible to participate in the profits and losses from New Issues; (iii) the method by which profits and losses from New Issues are to be allocated among Partners in a manner that is permitted under the Rules (including whether the Partnership will avail itself of the "de minimis" exemption or any other exemption); and (iv) the time at which New Issues are no longer considered as such under the Rules.

The rate-of-return experienced by limited partners who participate in New Issues may differ materially from that of limited partners who are Restricted Persons. The Partnership will not invest in New Issues or any other offerings in which Lime Brokerage is serving as lead manager or co-manager of an underwriting syndicate.

12. BROKERAGE AND CUSTODY

The General Partner is authorized to determine the broker or dealer the Partnership will use for each securities transaction for the Partnership. In selecting brokers or dealers to execute

transactions, the General Partner is not required to solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the General Partner's practice to negotiate "execution only" commission rates; thus the Partnership may be deemed to be paying for research and other services provided by the broker that are included in the commission rate. Research and related services furnished by brokers may include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; discussions with research personnel; financial publications; statistical and pricing services along with hardware, software, databases and other technical and telecommunication services, lines and equipment utilized in the investment management process (including updates, improvements, repairs and replacements). The General Partner may use research services obtained by the use of commissions arising from the Partnership's portfolio transactions in its other investment activities. All other services obtained by the use of commissions arising from the Partnership's investment transactions will be limited to services that would otherwise be a Partnership expense (which expenses are set forth in Section 9 of this Memorandum, including research related travel expenses). Certain of the foregoing commission arrangements may be outside the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended, which permits use of commissions or "soft dollars" to obtain "research and execution" services (although during any period when the Partnership meets or exceeds the 25% Threshold (as defined in Section 15 below), the General Partner will limit its commission arrangements to those that are within the parameters of Section 28(e)). In selecting brokers and negotiating commission rates, the General Partner will take into account the financial stability and reputation of brokerage firms, the brokerage, research and related services provided by such brokers and the referral of investors (consistent with best execution), although the Partnership may not, in any particular instance, be the direct or indirect beneficiary of the research or related services provided.

The Partnership's prime broker is Lime Brokerage. Accordingly, the Partnership maintains an account at Lime Brokerage through which the Partnership may execute trades, borrow securities, clear and settle its securities transactions and maintain custody of its securities.

The General Partner reserves the right, in its sole discretion, to change the brokerage and custodial arrangements described above without further notice to the limited partners.

13. REPORTS TO PARTNERS

The books and records of the Partnership will be audited at the end of each fiscal year by auditors selected by the General Partner. Limited partners will be furnished annually with audited year-end financial statements (within 90 days of the end of each fiscal year), including a statement of profit or loss for such fiscal year. In general, the Partnership's financial statements will be prepared using GAAP as a guideline. The Partnership may not disclose all of its investment positions in its annual financial statements as GAAP requires, because the General Partner considers this information to be proprietary. Furthermore, the Partnership's organizational expenses are being amortized over a period of 60 months from the date the Partnership commences operations because the Partnership believes that such treatment is more equitable than expensing the entire amount during the first year of operations, as is required by

GAAP. As a result, the Partnership's financial statements may contain qualifications reflecting these treatments.

The Partnership's auditor will be Rothstein Kass. The General Partner reserves the right, in its sole discretion, to change the Partnership's auditor without further notice to the limited partners.

14. IRS CIRCULAR 230 DISCLOSURE

In compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that (A) any discussion of federal tax issues in this private placement memorandum is not intended to be relied upon, and cannot be relied upon, by investors for the purpose of avoiding penalties that may be on imposed investors under the Internal Revenue Code; (B) such discussion is written to support the promotion or marketing of the transaction or matters addressed herein; and (C) prospective investors should seek advice based on their particular circumstances from an independent tax advisor

15. TAXATION

The Partnership has been advised that in the opinion of its counsel, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC, that the Partnership will qualify as a partnership for federal income tax purposes and, accordingly, will not be a taxable entity for federal income tax purposes. Instead, each partner will be required to take into account for each fiscal year, for purposes of computing his own income tax, his proportionate share of the items of taxable income or loss allocated to him pursuant to the Partnership Agreement, whether or not any income is paid out to him. The manner in which such items of taxable income or loss are allocated among the partners is set forth in Article VII of the Partnership Agreement. Such taxable income or loss will be required to be taken into account in the taxable year of the partner in which the fiscal year of the Partnership ends. Special allocations of capital gain may be made to retiring Partners at the discretion of the General Partner.

The advice from Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC on federal tax matters is based on the assumption that the Partnership will be organized and operated in the manner contemplated by the General Partner and under present provisions of the laws and regulations issued thereunder and the cases and rulings interpreting such laws and regulations. No assurance can be given that these circumstances will not change in the future.

Any loss realized by the Partnership on a sale or other disposition of shares of stock or securities will be disallowed to the extent that, within a period of 61 days beginning 30 days before and ending 30 days after the date of such sale or disposition, the Partnership acquires, or enters into a contract or option or acquire, substantially identical stock or securities. If disallowed, the loss will be reflected in an upward adjustment to the basis of the stock or securities acquired.

Under the "mark-to-market" system of taxing futures and futures options contracts as well as certain securities options traded on United States exchanges and certain foreign currency forward contracts ("Section 1256 Contracts"), any unrealized profit or loss on positions in such Section 1256 Contracts which are open as of the end of a fiscal year is treated as if such profit or

loss had been realized for tax purposes as of such time. If an option position on which profit has been recognized as of the end of a fiscal year declines in value after such year-end and before the position is in fact offset, a loss is recognized for tax purposes at the end of the fiscal year in which such decline occurs (irrespective of the fact that the taxpayer may actually have realized a gain on the position considered from the time that such position was initiated). The converse is the case with an open position on which a "mark-to-market" loss was recognized for tax purposes as of the end of a fiscal year but which subsequently increased in value prior to being liquidated. In general, 60% of the gain or loss which is generated as a result of the "mark-to-market" system is treated in a tax recognition event as long-term capital gain or loss, and the remaining 40% of such gain or loss is treated as short-term capital gain or loss.

If the Partnership were considered for federal income tax purposes to be a trader in securities, partners who are individuals would be able to deduct their share of expenses of the Partnership (other than interest expense) under Section 162 of the Code as business expenses rather than as investment expenses deductible under Section 212 of the Code. If the expenses of the Partnership were considered investment expenses deductible under Code Section 212, such expenses would be deductible by individuals only to the extent that their share of such expenses, when combined with certain other of their expenses deductible under Section 212 of the Code, exceed 2% of their adjusted gross income. Also, the amount in excess of such 2% limit would be considered a tax preference item in computing the alternative minimum tax for individual taxpayers. For federal income tax purposes, interest expense of the Partnership is considered "investment interest". Generally, investment interest is deductible by individuals only to the extent of their investment income. Investment interest which is not deductible in any taxable year because of this limitation may be carried forward to the succeeding taxable year.

The Partnership intends to take the position on its federal income tax return that the income and losses of the Partnership are not income and losses from a "passive activity" within the meaning of section 469 of the Code. Accordingly, each limited partner (i) will not be able to deduct losses from other "passive activities" of his against his share of income of the Partnership, (ii) will be able to deduct his share of ordinary losses of the Partnership against other income and (iii) will be able to deduct his share of capital losses of the Partnership against other capital gains.

As soon as practicable after the end of each fiscal year, the Partnership will send to each partner a report indicating the amounts representing his respective share of net long-term and short-term capital gain or loss, interest, and dividends for purposes of reporting such amounts for federal income tax purposes. The General Partner is designated as the Tax Matters Partner of the Partnership.

The federal and state tax consequences of an investment in the Partnership may vary depending upon the particular circumstances of each prospective limited partner. Accordingly, each prospective limited partner should consult his own tax advisers with respect to the effect of an investment in the Partnership on his personal federal and state tax situation and, in particular, the state and local tax consequences to him of an investment in the Partnership.

16. INVESTMENTS BY PENSION PLANS AND IRAS

The Partnership may accept contributions from individual retirement accounts, pension, profit-sharing or stock bonus plans, and governmental plans and units (all such entities are herein referred to as "Retirement Trusts"). The Partnership does not presently intend to accept any capital contribution if after such capital contribution the value of limited partnership interests in the Partnership held by Retirement Trusts would be 25% or more of the value of the total limited partnership interests in the Partnership, although it may change this policy in the future. If the limited partnership interests held by Retirement Trusts were to exceed this 25% limit (measured at the time that any Retirement Trust makes a contribution to the Partnership), then the Partnership's assets would be considered "plan assets" under ERISA, which could result in adverse consequences to the General Partner and the fiduciaries of the Retirement Trusts.

To the extent that the Partnership borrows money or purchases securities on margin, the Partnership will generate "debt-financed" income resulting in "unrelated business taxable income" ("UBTI") taxable to the tax-exempt investors. A Retirement Trust will generally be subject to tax on the portion of its share of the Partnership profits attributable to the use of such leverage.

17. FISCAL YEAR AND FISCAL PERIODS

The Partnership has adopted a fiscal year ending on December 31. Since limited partners may be admitted or required to retire and additional capital contributions or withdrawals may be made during the course of a fiscal year, the Partnership Agreement provides for fiscal periods, which are portions of a fiscal year, for the purpose of allocating net profits and net losses due to changes occurring in capital accounts at such times.

18. PROCEDURE FOR BECOMING A LIMITED PARTNER

In order to become a limited partner, a prospective limited partner should: (i) complete and execute two copies of the Subscription Agreement, inserting the amount of such limited partner's capital contribution, such partner's residence address and its taxpayer identification or social security number; (ii) complete and execute two copies of the signature page of the Partnership Agreement and (iii) send a copy of each document referred to in (i) and (ii) above by facsimile to (334) 502 8436, with all original documents to follow by mail to TS Capital Partners 2138 Moore's Mill Road, Suite A. Auburn, AL. 36830, Attention: Rachel Broach Two copies of the Subscription Agreement and the Partnership Agreement are contained in the materials accompanying this Memorandum. The General Partner may accept or reject any subscription in whole or in part in its sole discretion.

After receipt of the Subscription Agreement, the General Partner will notify each prospective limited partner whether or not such limited partner's subscription has been accepted or rejected and, if accepted, the date (the "Admission Date") by which, and the address to which, such limited partner will be required to transmit the amount of such partner's capital contribution under the Subscription Agreement. Limited partners must make capital contributions in cash unless the General Partner, in its sole discretion, permits capital contributions in the form of securities. Shortly after the Admission Date, the General Partner will return to each new limited partner whose subscription has been accepted one copy of the Subscription Agreement and the signature page of the Partnership Agreement as executed by the General Partner.

In order to comply with United States and international laws aimed at the prevention of money laundering and terrorist financing, each prospective investor that is an individual will be required to represent in the Subscription Agreement that, among other things, he is not, nor is any person or entity controlling, controlled by or under common control with the prospective investor, a "Prohibited Person" as defined in the Subscription Agreement (generally, a person involved in money laundering or terrorist activities, including those persons or entities that are included on any relevant lists maintained by the U.S. Treasury Department's Office of Foreign Assets Control, any senior foreign political figures, their immediate family members and close associates, and any foreign shell bank). Further, each prospective investor which is an entity will be required to represent in the Subscription Agreement that, among other things, (i) it has carried out thorough due diligence to establish the identities of its beneficial owners, (ii) it reasonably believes that no beneficial owner is a "Prohibited Person", (iii) it holds the evidence of such identities and status and will maintain such information for at least five years from the date of its complete withdrawal from the Partnership, and (iv) it will make available such information and any additional information that the Partnership may require upon request that is required under applicable regulations.

The General Partner reserves the right to request such further information as it considers necessary to verify the identity of a prospective investor. In the event of delay or failure by the prospective investor to produce any information required for verification purposes, the General Partner may refuse to accept a capital contribution until proper information has been provided and any funds received will be returned without interest to the account from which the moneys were originally debited.

The General Partner and/or the Management Company may pay fees to persons (whether or not affiliated with the General Partner and/or the Management Company) who are instrumental in the sale of interests in the Partnership. Any such fees will in no event be payable by or chargeable to the Partnership or any limited partner or prospective limited partner.

FIRST AMENDED COMPLAINT

Exhibit "C"

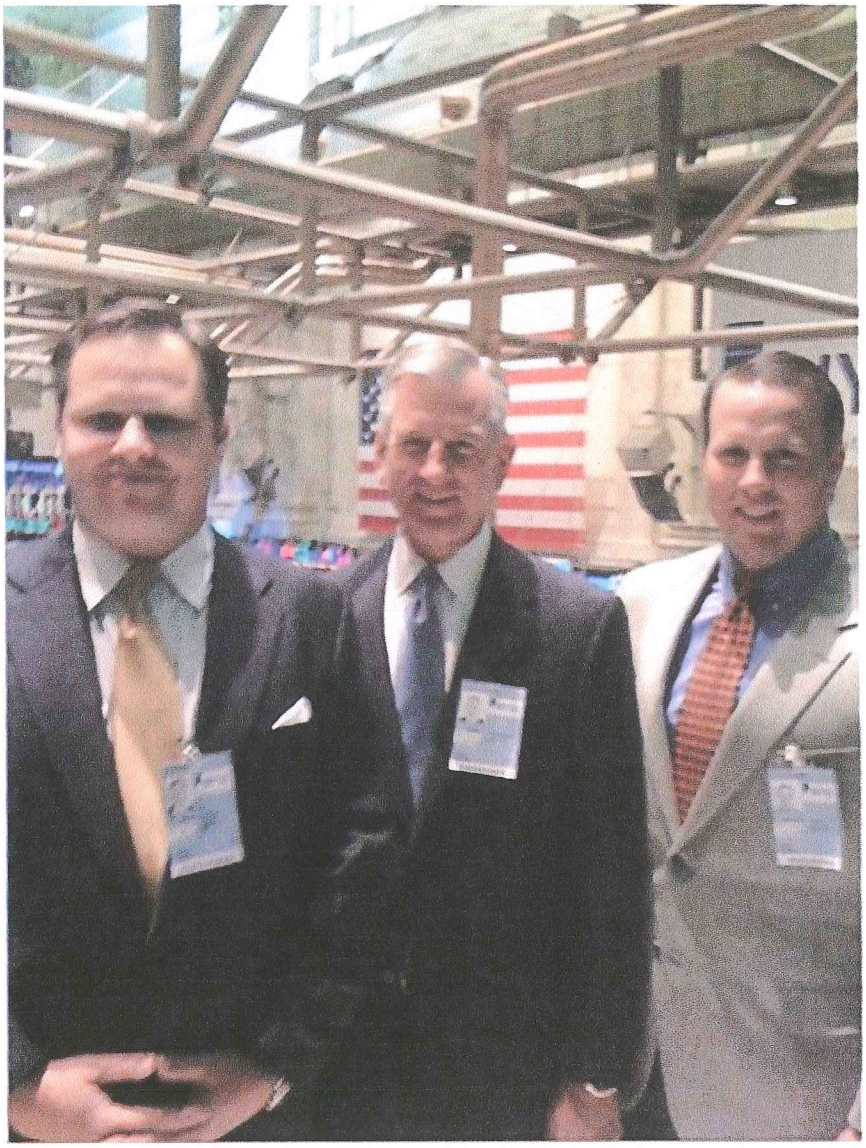
COACH TOMMY TUBERVILLE
Managing Partner

TS CAPITAL

315 West 33rd 29A
New York, New York 10001
direct: 334 602 8433
mobile: 334 740 9031
tommy@tscapital.net

FIRST AMENDED COMPLAINT

Exhibit "D"



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David Stroud with Tommy Tuberville and William M Scott.
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Stephanie Cobb Looking good David!
November 19, 2009 at 5:19pm · Like

Lon Simpson debra looks like a dude
November 19, 2009 at 6:09pm · Like

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David Stroud with Suzanne Tuberville.
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MeLinda Swigart Looking good!
November 20, 2009 at 2:39pm · Like

Lisa Egstad Why doesn't your wife have on a fur?? LOL!
April 23 at 12:31pm · Like

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Eric Locklar That's a fancy suit Mr. Stroud.
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Wally Lowery A screen shot from "Good Fellows"
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Alejandro Boykin Tru that Wally.
June 8 at 7:23pm · Like

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Charlie Graddick

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a Chief Justice who
defend Alabama's
constitution.

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