

**FORM ADV****Part II – Page 1****Uniform Application for Investment Adviser Registration**

Name of Investment Adviser: <b>Chandler Asset Management, Inc.</b>						
Address: (Number and Street) <b>6225 Lusk Boulevard</b>		(City) <b>San Diego</b>	(State) <b>CA</b>	(Zip Code) <b>92121-2796</b>	Area Code: <b>(858)</b>	Telephone Number: <b>546-3737</b>

This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory Bodies, and are not distributed to clients.)

**Form ADV**  
**Part II – Page 2**

Applicant:  
**Chandler Asset Management, Inc.**

SEC File Number:  
801- **44378**

Date:  
**February 3, 2003**

**Definitions for Part II**

**Related person**—Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

**Investment Supervisory Services**—Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

**1. A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.

(See instruction below.)

**Applicant:**

- |                                     |   |            |
|-------------------------------------|---|------------|
| <input checked="" type="checkbox"/> | (1) Provides investment supervisory services .....  | <b>90%</b> |
| <input checked="" type="checkbox"/> | (2) Manages investment advisory accounts not involving investment supervisory services .....  |            |
| <input checked="" type="checkbox"/> | (3) Furnishes investment advice through consultations not included in either service described above .....  | <b>10%</b> |
| <input type="checkbox"/>            | (4) Issues periodicals about securities by subscription .....   |            |
| <input type="checkbox"/>            | (5) Issues special reports about securities not included in any service described above .....   |            |
| <input type="checkbox"/>            | (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities ..... |            |
| <input type="checkbox"/>            | (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities .....   |            |
| <input type="checkbox"/>            | (8) Provides a timing service .....   |            |
| <input type="checkbox"/>            | (9) Furnishes advice about securities in any manner not described above .....   |            |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

Yes No

- B.** Does applicant call any of the services it checked above financial planning or some similar term? ..... ☐ ☒

**C.** Applicant offers investment advisory services for : (check all that apply)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management      | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges                               | <input type="checkbox"/> (5) Commissions       |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other  |

**D.** For each checked box in A above, describe on Schedule F:

- The services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- Applicant's base fee schedule, how fees are charged and whether its fees are negotiable
- When compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of clients**—Applicant generally provides investment advice to: (check those that apply)

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals                      | <input checked="" type="checkbox"/> E. Trusts, estates or charitable organizations                     |
| <input checked="" type="checkbox"/> B. Banks or thrift institutions     | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies                        | <input type="checkbox"/> G. Other (describe on Schedule F)   |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans |  |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Form ADV**  
**Part II – Page 3**

Applicant:  
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801- **44378**

Date:  
**February 3, 2003**

**3. Types of Investments. Applicant offers advice on the following: (check those that apply)**

- |  |  |
|--|--|
| <p><input checked="" type="checkbox"/> A. Equity securities</p> <p><input checked="" type="checkbox"/> (1) Exchange-listed securities</p> <p><input checked="" type="checkbox"/> (2) securities traded over the counter</p> <p><input type="checkbox"/> (3) foreign issuers</p> <p><input checked="" type="checkbox"/> B. Warrants</p> <p><input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper)</p> <p><input checked="" type="checkbox"/> D. Commercial paper</p> <p><input checked="" type="checkbox"/> E. Certificates of deposit</p> <p><input checked="" type="checkbox"/> F. Municipal securities</p> <p>G. Investment company securities:</p> <p><input type="checkbox"/> (1) variable life insurance</p> <p><input type="checkbox"/> (2) variable annuities</p> <p><input checked="" type="checkbox"/> (3) mutual fund shares</p> | <p><input checked="" type="checkbox"/> H. United States government securities</p> <p>I. Options contracts on:</p> <p><input checked="" type="checkbox"/> (1) securities</p> <p><input checked="" type="checkbox"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="checkbox"/> (1) tangibles</p> <p><input checked="" type="checkbox"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input type="checkbox"/> (1) real estate</p> <p><input type="checkbox"/> (2) oil and gas interests</p> <p><input type="checkbox"/> (3) other (explain on Schedule F)</p> <p><input type="checkbox"/> L. Other (explain on Schedule F)</p> |
|--|--|

**4. Methods of Analysis, Sources of Information, and Investment Strategies**

A. Applicant's security analysis methods include: (check those that apply)

- |   |  |
|---|--|
| (1) <input checked="" type="checkbox"/> Charting    | (4) <input checked="" type="checkbox"/> Cyclical           |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical   |  |

B. The main sources of information applicant uses include: (check those that apply)

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input checked="" type="checkbox"/> Timing services   |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities   | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases  |
| (4) <input checked="" type="checkbox"/> Corporate rating services             | (8) <input type="checkbox"/> Other (explain on Schedule F)  |

C. Investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |  |   |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions  |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options, or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days)                 | (7) <input type="checkbox"/> Other (explain on Schedule F)  |
| (4) <input type="checkbox"/> Short sales   |   |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Form ADV**  
**Part II – Page 4**

Applicant:  
**Chandler Asset Management, Inc.**

SEC File Number:  
801- **44378**

Date:  
**June 23, 1999**

**5. Education and Business Standards.**

Yes No

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

☒ ☐

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

**For:**

- Each member of the investment committee or group that determines general investment advice to be given to clients, or
- If the applicant has no investment committee or group, each individual who determines general investment advice given to clients
- Each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- |                 |  |
|-----------------|--|
| • Name          | • Formal education after high school               |
| • Year of birth | • Business background for the preceding five years |

**7. Other Business Activities. (check those that apply.)**

- ☐ A. Applicant is actively engaged in a business other than giving investment advice
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations. (check those that apply)**

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- ☐ C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- |  |  |
|--|--|
| <input type="checkbox"/> (1) Broker-dealer   | <input type="checkbox"/> (7) Accounting firm                                       |
| <input type="checkbox"/> (2) Investment company  | <input type="checkbox"/> (8) Law firm  |
| <input type="checkbox"/> (3) Other investment adviser  | <input type="checkbox"/> (9) Insurance company or agency                           |
| <input type="checkbox"/> (4) Financial planning firm   | <input type="checkbox"/> (10) Pension consultant                                   |
| <input type="checkbox"/> (5) Commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) Real estate broker or dealer                         |
| <input type="checkbox"/> (6) Banking or thrift institution   | <input type="checkbox"/> (12) Entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.....

Yes No  
☐ ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Form ADV**  
**Part II – Page 5**

Applicant:  
**Chandler Asset Management, Inc.**

SEC File Number:  
801- **44378**

Date:  
**March 22, 2004**

**9. Participation or Interest in Client Transactions**

- ☐ A. As principal, buys securities for itself from or sells its own securities to any client.
- ☐ B. As broker or agency effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☐ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions)

10. **Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? ..... ☒ Yes ☐ No

(If yes, describe on Schedule F.)

11. **Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**REVIEWS:** The applicant is able to produce daily reports that show client holdings. The portfolio manager reviews all accounts on an ongoing basis. Triggering factors that result in changes in client positions include liquidity requirements, credit analysis, yield spreads and interest rate movements. In addition, three reviewers will review all accounts formally on a bimonthly basis.

**REVIEWERS:** Reviewers are Kay Chandler, President and Chief Investment Officer, Martin D. Cassell, Executive Vice President and Chief Investment Officer, Ted Piorkowski, Vice President and Portfolio Manager, Jayson Schmitt, Vice President and Portfolio Manager, and Marco Nicoli, Portfolio Manager.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

**Reports are furnished to clients monthly and contain a statement of the Client's current account position, and changes from the prior reporting period.**

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Form ADV  
Part II – Page 6

Applicant:  
**Chandler Asset Management, Inc.**

SEC File Number:  
801- **44378**

Date:  
**June 23, 1999**

**12. Investment or Brokerage Discretion**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- |  |                                     |                          |
|--|-------------------------------------|--------------------------|
|  | Yes                                 | No                       |
| (1) securities to be bought or sold? .....               | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? ..... | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? .....                   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? .....                         | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? ..... ☐ Yes ☒ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- The products, research and services
- Whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- Whether research is used to service all of applicants accounts or just those accounts paying for it; and
- Any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. Is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... ☐ Yes ☒ No
- B. Directly or indirectly compensates any person for client referrals? ..... ☒ Yes ☐ No

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- Has custody of client funds or securities; or
  - Requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ..... ☐ Yes ☒ No

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Chandler Asset  
Management, Inc.**

SEC File Number:  
801- **44378**

Date  
**February 4,  
2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Chandler Asset Management, Inc.</b>	IRS Empl. Ident. No.: <b>33-0570869</b>
Item of Form (identify)	Answer
Part II, Page 2 1(D)	<p><b><u>Advisory Services and Fees</u></b></p> <p>Chandler Asset Management (Chandler) will provide investment advisory services based upon the specific requirements of the clients. Chandler will offer investment advice to individuals, corporations, defined benefit and defined contribution plans, and other institutions. Chandler will receive compensation in one of five ways.</p> <p>I. For investment management of a portfolio, including trade execution and asset allocation, fees will be computed as a percentage of assets under management and will be charged monthly in accordance with the following schedules:</p> <p>For short duration fixed income accounts:</p> <p>.25 of 1% on first \$10 million .20 of 1% on assets in excess of \$10 million</p> <p>For intermediate and long term fixed income accounts:</p> <p>.40 of 1% on all assets.</p> <p>For equity accounts:</p> <p>.40 of 1% on all assets.</p> <p>The minimum annual fee for investment advisory services for institutional accounts will be \$12,500. If the fee to be charged on an account in accordance with the above schedule is greater than the minimum fee, the annual fee will always be based on a percentage of assets under management, and will never be a fixed fee.</p> <p>Fees are subject to negotiation.</p> <p>I. For limited consulting services, including review of investment policy, analysis of existing portfolio and similar services, fees will be computed at the hourly rate of up to \$500.</p> <p>II. For portfolio reporting services only, fees will be charged on a flat basis, per portfolio.</p> <p>III. For certain projects, a flat fee will be charged based on the specifications of the project.</p> <p>IV. Occasionally, the firm receives a consulting fee for providing advice to clients on securing collateralized or uncollateralized investment agreements or repurchase agreements for the investment of the proceeds of municipal bond issues. Such fees are negotiable and are paid from the broker fee received by the investment agreement or repurchase agreement broker.</p> <p>Compensation is negotiable, depending upon the size of the account, investment objectives, and the type of assets to be managed.</p> <p>Client will be billed at the end of each month for services rendered during the previous month. Chandler or client may terminate the contract at any time by written notice. If termination occurs, a prorated fee will be charged.</p> <p>In addition to advisory fees and commissions, clients invested in mutual funds may pay for 12b-1 fees, mutual fund management fees, and/or other mutual fund operating expenses.</p> <p>Lower fees for comparable services may be available from other sources.</p> <p>Chandler does not use brokerage commissions to pay for research services in compliance with SEC Section 28E</p>

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Chandler Asset  
Management, Inc.**

SEC File Number:  
801- **44378**

Date  
**February 4,  
2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

II. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Chandler Asset Management, Inc.</b>	IRS Empl. Ident. No.: <b>33-0570869</b>
Item of Form (identify)	Answer
Part II, Page 4, 5	<p><b><u>Education and Business Standards</u></b> Standard of education for portfolio managers will be a college degree and at least five (5) years of direct portfolio management experience.</p>
Part II, Page 4, 6	<p><b><u>Education and Business Background</u></b> Mary Catherine (Kay) Chandler, DOB 9/28/1948. BA degree from Oberlin College and graduate work at San Diego State University. Ms. Chandler has been President of Chandler since 1993. From 1993 to 2003, she also served as Chief Investment Officer.</p> <p>Martin Dale Cassell, DOB 4/8/1959. BS degree from California State University, Hayward. Mr. Cassell has been the Chief Investment Officer since 2003. In addition, in 2008 Mr. Cassell assumed the role of Chief Executive Officer. From 1993 to 2003, he served as a portfolio manager and a Vice President.</p> <p>Nicole Marie Dragoo, DOB 12/03/1977. BBA degree in business economics from University of San Diego; J.D. from University of San Diego Law School. Ms. Dragoo has been an employee of Chandler since 2001 and in 2008 assumed the roles of Chief Operating Officer and Chief Compliance Officer. From 2003 to 2007, she served as Vice President of Investment Operations and Compliance Officer. Prior to that she served in the investment operations department.</p> <p>Ted Piorkowski, DOB 6/30/1959. BS degree in finance from San Diego State University; MBA in Finance from San Diego State University. Mr. Piorkowski is a Senior Vice President and Senior Portfolio Manager since 2007. From 1999 to 2006, he was a Vice President and a portfolio manager for Chandler. Prior to that, he was a portfolio manager at Sefton Capital Management since October 1994.</p> <p>Mr. Jayson Schmitt, DOB 12/30/1969. BA degree in economics from San Diego State University. Mr. Schmitt has been an employee of Chandler since 1996 and is a Vice President and portfolio manager. From 1996 through 2003, he served in the investment operations department and as a securities trader.</p> <p>Mr. Simone Marco Nicoli, DOB 9/7/1973. BA degree from Boston University; Master of Science in Investment Management from Boston University. Mr. Nicoli joined Chandler in 2004 as a portfolio manager. From 1999 through 2004, he served as a fixed income trader and settlement administrator at Gannett Welsh &amp; Kotler.</p>
Part II, Page 5, 9	<p><b><u>Code of Ethics</u></b> Chandler Asset Management as a matter of policy and practice, and consistent with industry best practices and SEC requirements (new SEC Rule 204A-1 under the Advisers Act), has adopted a written Code of Ethics covering all supervised persons. Our firm's Code of Ethics requires high standards of business conduct, compliance with federal securities laws, reporting and recordkeeping of personal securities transactions and holdings, reviews and sanctions in order to detect and prevent possible insider trading, conflicts of interest and potential regulatory violations. Our code of ethics is distributed annually to all employees who then must submit a written acknowledgement of receipt and understanding.</p>
Part II, Page 5, 10	<p><b><u>Conditions for Managing Accounts</u></b> No minimum dollar amount is required. However, the minimum annual fee of \$12,500 tends to exclude institutional accounts of less than \$5 million. No other conditions are established.</p>
Part II, Page 6, 12 (B)	<p><b><u>Investment or Brokerage Discretion</u></b> Decisions as to securities to be bought and sold will be made by the portfolio managers responsible for the client's account. The securities purchased will comply with the investment objectives of the client. The amount of securities bought or sold will be monitored so as to keep the portfolio properly diversified.</p> <p>The selection of a broker-dealer to execute the trade depends on which broker-dealer has the best bid or offer at the time. Consideration is also given for research, coverage and execution in the event that identical bids or offers are received from two or more dealers.</p> <p>In regards to commission rates paid, Chandler's transactions are almost always net trades, as are most institutional fixed income transactions.</p>



**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Chandler Asset  
Management, Inc.**

SEC File Number:  
801- **44378**

Date  
**February 4,  
2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

III. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Chandler Asset Management, Inc.</b>	IRS Empl. Ident. No.: <b>33-0570869</b>
Item of Form (identify)	Answer
Part II, Page 6, 13 (B)	<p><b><u>Additional Compensation</u></b>          If a client is introduced to Chandler Asset Management by an affiliated solicitor, Chandler may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Chandler's investment management fee and shall not result in any additional charge to the client. If the client is introduced to Chandler by an affiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of the solicitor relationship, and shall provide each prospective client with a copy of Chandler's written disclosure statement or ADV Part II together with a copy of the written disclosure document from the solicitor to the client disclosing the terms of the solicitation arrangement between Chandler and the solicitor, including the compensation to be received by the solicitor from Chandler. In addition, Chandler must receive a signed and dated acknowledgment from the client evidencing receipt of Chandler's brochure and the solicitor's disclosure document.</p> <p><b>Additional Disclosures</b></p> <p>Conflicts of interest which relate to the adviser or any of its employees which render adviser unable to render unbiased and objective advice, if any, are disclosed in this Form ADV, Part II (required in Washington, DC)</p> <p>Information on disciplinary history (if any) and the registration of the adviser and its associated persons may be obtained from the Public Reference Branch of the US Securities and Exchange Commission (202) 942-8090 or through its Public Disclosure Program or by contacting Massachusetts Securities Division, One Ashburton Place, 17<sup>th</sup> Floor, Boston, Massachusetts, 02108. (required in Massachusetts)</p> <p><b><u>Aggregation of Client Trades</u></b></p> <p>When placing orders to purchase or sell securities in client accounts, Chandler may elect to aggregate orders. In doing so, Chandler:</p> <ol style="list-style-type: none"> <li>1. Will not aggregate transactions unless aggregation is consistent with its duty to seek best execution and the terms of Chandler's investment advisory agreement with each client for which trades are being aggregated;</li> <li>2. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average price for the aggregated order, with transaction costs shared pro-rata on each client's participation in the transaction;</li> <li>3. Chandler will enter aggregated orders into Charles River, our Order Management System (OMS), specifying the participating client accounts and how we intend to allocate the order among those clients;</li> <li>4. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocations entered into the OMS; if the order is partially filled, it will be allocated pro-rata based on the allocations entered into the OMS.</li> <li>5. If the security is purchased from multiple dealers at different prices and is to be allocated among multiple accounts, it will be allocated using a weighted average method;</li> <li>6. Allocations for an aggregated order should constitute no less than .5% (50 basis points) of a selected portfolio. If a proposed allocation would amount to less than .5% (50 basis points) of the selected portfolio, it may be allocated to a more appropriate account different from that specified in the OMS as long as all client accounts receive fair and equitable treatment and the reason for the different allocation is explained in a manner consistent with the procedures listed in number 7 herein;</li> <li>7. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the OMS if all client accounts receive fair and equitable treatment and the reason for the different allocation is explained in writing and is approved in writing by appropriate supervisory personnel no later than one hour after the opening of the markets on the trading day following the day the order was executed;</li> <li>8. Chandler will receive no additional compensation of any kind as a result of the proposed aggregation;</li> <li>9. Individual investment advice and treatment will be accorded to each advisory client.</li> <li>10. Chandler's books and records will separately reflect, for each client account, the orders of which are aggregated, the securities held by, and bought and sold for that account.</li> </ol> <p><b><u>Valuations</u></b>          Chandler will value securities held in portfolios managed by Chandler no less than monthly. Securities or investments in the portfolio will be valued in a manner determined in good faith by Chandler to reflect fair market value. Securities are priced at the CUSIP level for all portfolios using the end of day price provided by a third party pricing provider. If the third party pricing provider does not provide a price, an alternate price source which reflects fair market value will be applied as described in our pricing procedures manual.</p>

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:

**Chandler Asset  
Management, Inc.**

SEC File Number:

801- **44378**

Date

**February 4,  
2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

IV. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Chandler Asset Management, Inc.</b>	IRS Empl. Ident. No.: <b>33-0570869</b>
Item of Form (identify)	Answer
Additional Disclosures Cont.	<p><b><u>Proxy Voting</u></b></p> <p>Chandler as a matter of policy and as a fiduciary has responsibility for voting proxies for portfolio securities consistent with the best economic interests of the clients. Chandler Asset Management maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about proxy policies and practices. Our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records. Chandler Asset Management will make available upon request (written or oral), a copy of our Proxy Voting Policy and Procedures to any client. Copies can be obtained by contacting Martin Cassell at 6225 Lusk Boulevard San Diego, CA 92121, (800) 317-4747 or by e-mail at martin.cassell@chandlerasset.com.</p>