

## Uniform Application for Investment Adviser Registration

## Part II - Page 1

OMB APPROVAL

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Name of Investment Adviser:

**Heritage Capital Management, Inc.**

Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code	Telephone Number
63 FRANKLIN STREET, 5TH FLOOR	BOSTON	MA	02110	617	423-0379

**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.)

Potential Persons who are not to respond to the collection of information contained in this form are not  
required to respond unless the form displays a currently valid OMB control number.

Applicant:  
**Heritage Capital Management, Inc.**

SEC File Number:  
801- **17043**

Date:  
12/31/2008

**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  | 98 %    |
| <input 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                                    | 2 %     |
| <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 client 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 first 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 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 basic 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 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 |  |

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

- |   |   |
|---|---|
| <p>A. Equity securities</p> <p><input type="radio"/> (1) exchange-listed securities</p> <p><input type="radio"/> (2) securities traded over-the-counter</p> <p><input type="radio"/> (3) foreign issuers</p> <p><input type="radio"/> B. Warrants</p> <p><input type="radio"/> C. Corporate debt securities<br/>(other than commercial paper)</p> <p><input type="radio"/> D. Commercial paper</p> <p><input type="radio"/> E. Certificates of deposit</p> <p><input type="radio"/> F. Municipal securities</p> <p>G. Investment company securities:</p> <p><input type="radio"/> (1) variable life insurance</p> <p><input type="radio"/> (2) variable annuities</p> <p><input type="radio"/> (3) mutual fund shares</p> | <p><input type="radio"/> H. United States governmental securities</p> <p>I. Options contracts on:</p> <p><input type="radio"/> (1) securities</p> <p><input type="radio"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="radio"/> (1) tangibles</p> <p><input type="radio"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input type="radio"/> (1) real estate</p> <p><input type="radio"/> (2) oil and gas interests</p> <p><input type="radio"/> (3) other (explain on Schedule F)</p> <p><input type="radio"/> 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 type="radio"/> Charting    | (4) <input type="radio"/> Cyclical                      |
| (2) <input type="radio"/> Fundamental | (5) <input type="radio"/> Other (explain on Schedule F) |
| (3) <input type="radio"/> Technical   |   |

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

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

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

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

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

**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 (if more than five, respond only for their supervisors)
- 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 checked="" type="radio"/> (1) broker-dealer   | <input checked="" type="radio"/> (7) accounting firm                                       |
| <input checked="" type="radio"/> (2) investment company  | <input checked="" type="radio"/> (8) law firm  |
| <input checked="" type="radio"/> (3) other investment adviser  | <input checked="" type="radio"/> (9) insurance company or agency                           |
| <input checked="" type="radio"/> (4) financial planning firm   | <input checked="" type="radio"/> (10) pension consultant                                   |
| <input checked="" type="radio"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input checked="" type="radio"/> (11) real estate broker or dealer                         |
| <input checked="" type="radio"/> (6) banking or thrift institution   | <input checked="" type="radio"/> (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.)

Yes No

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

☒ ☐

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

Applicant:  
**Heritage Capital Management, Inc.**

SEC File Number:  
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Date:  
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**9. Participation of Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent 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.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

<b>10. Conditions for Managing Accounts.</b> Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services <i>and</i> impose a minimum dollar value of assets or other conditions for starting or maintaining an account?	Yes No
	<input type="checkbox"/> <input type="checkbox"/>

(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 triggers 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.

Heritage's accounts are continuously monitored via Investment Committee meetings that generally take place on a weekly basis. The Committee generally discusses the stock market and current events that may impact a particular security under consideration or recommended for client accounts and reviews specific client accounts in accordance with the client's Policy Statement and Suitability Questionnaire. Accounts are also reviewed before quarterly investment reports and annual tax reports are mailed. Generally, each account has a full and formal review at least annually.

Heritage currently has two account reviewers; George Rooks, Chief Investment Officer and Jeffrey E. Anthony, Chief Executive Officer. Reviewers are available to meet with clients as requested by the client. The number of accounts reviewed by each person varies based on market conditions and client need.

- B. Describe below the nature and frequency of regular reports to clients on their accounts. Clients are provided quarterly reports identifying holdings and reporting performance results. Clients are also provided annual reports reporting interest and dividends received, and, if taxable, annual reports would include realized gains/losses. Client assets are custodied at brokerage firms and banks that provide at least quarterly statements mailed directly to the client.

**12. Investment or Brokerage Discretion.**

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

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

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 commission higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's 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                    |
|   | <input type="radio"/> | <input type="radio"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                   | No                    |
|   | <input type="radio"/> | <input type="radio"/> |

(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 (unless applicant is registered or registering only with the Securities and Exchange Commission); 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                    |
|  | <input type="radio"/> | <input type="radio"/> |

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

**FORM ADV**  
**Schedule A**

Your Name: **Heritage Capital Management, Inc.**

Date: 12/31/08

SEC File No: 801- **17043**

CRD No: **107845**

**Direct Owners and Executive Officers**

1. Complete Schedule A only if you are submitting an initial application. Schedule A asks for information about your direct owners and executive officers. Use Schedule C to amend this information.

2. Direct Owners and Executive Officers. List below the names of:

- (a) each Chief Executive officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer, director, and individuals with similar status or functions;
- (b) if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act);  
Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
- (c) if you are organized as a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or has contributed, 5% or more of your capital;
- (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of you capital, the trust and each trustee; and
- (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or has contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.

3. Do you have any indirect owners to be reported on Schedule B? ☒ Yes ☐ No

4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner or executive officer is an individual.

5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).

6. Ownership codes are: NA - less than 5% B - 10% but less than 25% D - 50% but less than 75%  
A - 5% but less than 10% C - 25% but less than 50% E - 75% or more

- 7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
- (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
- (c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Title or Status	Date Title or Status Acquired MM YYYY		Owner- ship Code	<i>Control Person</i>  PR		CRD No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.
Anthony, Jeffrey E.	I	President	12	2008	NA	Y	N	1480916
Breed, Marybeth Regan	I	Vice President	03	1987	NA	Y	N	2597434
Calcagno, Mary-Ann	I	Compliance Officer	10	2008	NA	Y	N	5031209
Rooks, George	I	Chief Investment Officer	12	1981	NA	Y	N	43444342
Barrett, James J.	I	Director	02	1999	NA	Y	N	4344344

FORM ADV Schedule A	Your Name: <b>Heritage Capital Management, Inc.</b>		SEC File No: 801- <b>17043</b>					
	Date: 12/31/08		CRD No: <b>107845</b>					
Direct Owners and Executive Officers								
FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Title or Status	Date Title or Status Acquired MM YYYY		Owner- ship Code	Control Person  PR		CRD No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.
Miller, Jan	I	Director	02	1999	NA	Y	N	4344338
Wainwright Bank & Trust Company	DE	Parent Corporation	02	1999	NA	N	Y	04-2962636



**FORM ADV**  
**Schedule B**

Your Name: **Heritage Capital Management, Inc.**

Date: 12/31/08

SEC File No: 801- **17043**

CRD No: **107845**

**Indirect Owners**

1. Complete Schedule B only if you are submitting an initial application. Schedule B asks for information about your indirect owners; you must first complete Schedule A, which asks for information about your direct owners. Use Schedule C to amend this information.
2. Indirect Owners. With respect to each owner listed on Schedule A (except individual owners), list below:
  - (a) in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25% or more of a class of a voting security of that corporation;  
For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
  - (b) in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25% or more of the partnership's capital;
  - (c) in the case of an owner that is a trust, the trust and each trustee; and
  - (d) in the case of an owner that is a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or has contributed, 25% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.
3. Continue up the chain of ownership listing all 25% owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Exchange Act) is reached, no further ownership information need be given.
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.
5. Complete the Status column by entering the owner's status as partner, trustee, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes      C - 25% but less than      D - 50% but less than      E - 75% or more      F - Other (general partner, trustee, are:                      50%                      75%    or elected manager)
7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.  
(b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.  
(c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Entity in Which Interest is Owned	Status	Date Status Acquired MM YYYY	Owner- ship Code	PR	Control Person	CRD No. If None: S.S. No. and Date of Birth, IRS Tax No., or Employer ID No.

Your Name: Heritage Capital Management, Inc.

SEC File No: 801- **17043**

Date: 12/31/08

CRD No: **107845**

## Amendments to Schedules A and B

1. Use Schedule C only to amend information requested on either Schedule A or Schedule B. Refer to Schedule A and Schedule B for specific instructions for completing this Schedule C. Complete each column.

2. In the Type of Amendment column, indicate "A" (addition), "D" (deletion), or "C" (change in information about the same *person*).

3. Ownership codes are:

NA - less than 5%	C - 25% but less than 50%	G - Other (general partner, trustee or elected member)
A - 5% but less than 10%	D - 50% but less than 75%	
B - 10% but less than 25%	E - 75% or more	

4. List below all changes to Schedule A (Direct Owners and Executive Officers):

[illegible]

5. List below all changes to Schedule B (Indirect Owners):

[illegible]

Your Name: **Heritage Capital Management, Inc.**  
Date: 12/31/08

SEC File No: **17043**  
CRD No: **107845**

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D Page 1 to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an ☐ INITIAL or ☒ AMENDED Schedule D Page 1.

**SECTION 1.B. Other Business Names**

List your other business names and the jurisdictions in which you use them. You must complete a separate Schedule D for each business name.

Check only one box: ☐ Add ☐ Delete ☐ Amend

Name \_\_\_\_\_

Jurisdictions \_\_\_\_\_

**SECTION 1.F. Other Offices**

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Page 1 for each location. If you are applying for registration, or are registered, only with the SEC, list only the largest five (in terms of numbers of *employees*).

Check only one box: ☐ Add ☐ Delete

\_\_\_\_\_  
(number and street)

\_\_\_\_\_  
(city)

\_\_\_\_\_  
(state/country)

\_\_\_\_\_  
(zip+4/postal code)

If this address is a private residence, check this box: ☐

\_\_\_\_\_  
(area code) (telephone number)

\_\_\_\_\_  
(area code) (facsimile number)

**SECTION 1.I. World Wide Web Site Addresses**

List your World Wide Web site addresses. You must complete a separate Schedule D for each World Wide Web site address.

Check only one box: ☐ Add ☐ Delete

World Wide Web Site Address: **www.heritage-capital.com**

**SECTION 1.K. Location of Books and Records**

Complete the following information for each location at which you keep your books and records, other than your *principal office and place of business*. You must complete a separate Schedule D Page 1 for each location.

Check only one box: ☒ Add ☐ Delete ☐ Amend

Name of entity where books and records are kept: Iron Mountain

745 Atlantic Avenue

(number and street)

Boston

MA

02111

(city)

(state/country)

(zip+4/postal code)

If this address is a private residence, check this box: ☐

978-667-9999

978-375-4915

(area code) (telephone number)

(area code) (facsimile number)

This is (check one):

☐ one of your branch offices or affiliates.

☒ a third-party unaffiliated recordkeeper.

☐ other.

Briefly describe the books and records kept at this location:

ALL CLIENT RECORDS 3 YEARS AND OLDER

Your Name: **Heritage Capital Management, Inc.**  
Date: 12/31/08

SEC File No: **17043**  
CRD No: **107845**

Use this Schedule D Page 2 to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an ☐ INITIAL or ☐ AMENDED Schedule D Page 2.

SECTION 1.L. Registration with *Foreign Financial Regulatory Authorities*

List the name, in English, of each *foreign financial regulatory authority* and country with which you are registered. You must complete a separate Schedule D Page 2 for each *foreign financial regulatory authority* with whom you are registered.

Check only one box: ☐ Add ☐ Delete

English Name of *Foreign Financial Regulatory Authority* \_\_\_\_\_

Name of Country \_\_\_\_\_

SECTION 2.A(7) Affiliated Adviser

If you are relying on the exemption in rule 203A-2(c) from the prohibition on registration because you *control*, are *controlled by*, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser \_\_\_\_\_

CRD Number of Registered Investment Adviser (if any) \_\_\_\_\_

SEC Number of Registered Investment Adviser 801- \_\_\_\_\_

SECTION 2.A(8). Newly Formed Adviser

If you are relying on rule 203A-2(d), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- ☐ I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- ☐ I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A(9) Multi-State Adviser

If you are relying on rule 203A-2(e), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- ☐ I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 30 or more states to register as an investment adviser with the securities authorities in those states.
- ☐ I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 25 states to register as an investment adviser with the securities authorities of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- ☐ Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 25 states to register as an investment adviser with the securities authorities in those states.

Your Name: **Heritage Capital Management, Inc.**  
Date: 12/31/08

SEC File No: **17043**  
CRD No: **107845**

Use this Schedule D Page 3 to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an ☐ INITIAL or ☐ AMENDED Schedule D Page 3.

SECTION 2.A(11) SEC Exemptive *Order*

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number: 803- \_\_\_\_\_ Date of *order*: \_\_\_\_\_  
(mm/dd/yyyy)

SECTION 4 Successions

Complete the following information if you are succeeding to the business of a currently-registered investment adviser. If you acquired more than one firm in the succession you are reporting on this Form ADV, you must complete a separate Schedule D Page 3 for each acquired firm. See Part 1A Instruction 4.

Name of Acquired Firm \_\_\_\_\_

Acquired Firm's SEC File No. (if any) 801- \_\_\_\_\_ Acquired Firm's *CRD* Number (if any) \_\_\_\_\_

SECTION 5.I(2) *Wrap Fee Programs*

If you are a portfolio manager for one or more *wrap fee programs*, list the name of each program and its sponsor. You must complete a separate Schedule D Page 3 for each *wrap fee program* for which you are a portfolio manager.

Check only one box: ☐ Add ☐ Delete ☐ Amend

Name of *Wrap Fee Program* \_\_\_\_\_

Name of *Sponsor* \_\_\_\_\_

SECTION 6.B. Description of Primary Business

Describe your primary business (not your investment advisory business):  
  
\_\_\_\_\_  
  
\_\_\_\_\_

SECTION 7.A. Affiliated Investment Advisers and Broker-Dealers

You **MUST** complete the following information for each investment adviser with whom you are affiliated. You **MAY** complete the following information for each broker-dealer with whom you are affiliated. You must complete a separate Schedule D Page 3 for each listed affiliate.

Check only one box: ☐ Add ☐ Delete ☐ Amend

Legal Name of Affiliate: **TRILLIUM ASSET MANAGEMENT**

Primary Business Name of Affiliate: **TRILLIUM ASSET MANAGEMENT**

Affiliate is (check only one box): ☒ Investment Adviser ☐ Broker-Dealer ☐ Dual (Investment Adviser and Broker-Dealer)

Affiliated Investment Adviser's SEC File Number (if any) 801- **17958** Affiliate's *CRD* Number (if any): **110901**

Your Name: Heritage Capital Management, Inc.  
Date: 12/31/08

SEC File No: 17043  
CRD No: 107845

Use this Schedule D Page 4 to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an ☐ INITIAL or ☐ AMENDED Schedule D Page 4.

**SECTION 7.B. Limited Partnership or Other Private Fund Participation**

You must complete a separate Schedule D Page 4 for each limited partnership in which you or a *related person* is a general partner, each limited liability company for which you or a *related person* is a manager, and each other private fund that you advise:

Check only one box: ☐ Add ☐ Delete ☐ Amend

Name of Limited Partnership, Limited Liability Company, or other Private Fund: \_\_\_\_\_

Name of General Partner or Manager: \_\_\_\_\_

If you are registered or registering with the SEC, is this a "private fund" as defined under SEC rule 203(b)(3)-1? ☐ yes ☐ no

Are your *clients* solicited to invest in the limited partnership, limited liability company, or other private fund? ☐ yes ☐ no

Approximately what percentage of your *clients* have invested in this limited partnership, limited liability company, or other private fund? \_\_\_\_\_

Minimum investment commitment required of a limited partner, member, or other investor: \$ \_\_\_\_\_

Current value of the total assets of the limited partnership, limited liability company, or other private fund: \$ \_\_\_\_\_

**SECTION 10 Control Persons**

You must complete a separate Schedule D Page 4 for each *control person* not named in Item 1.A. or Schedules A, B, or C that directly or indirectly *controls* your management or policies.

Check only one box: ☐ Add ☐ Delete ☐ Amend

Firm or Organization Name \_\_\_\_\_

CRD Number (if any) \_\_\_\_\_ Effective Date \_\_\_\_\_ (mm/dd/yyyy) Termination Date \_\_\_\_\_ (mm/dd/yyyy)

Business Address:

\_\_\_\_\_  
(number and street)

\_\_\_\_\_  
(city) (state/country) (zip+4/postal code)

If this address is a private residence, check this box: ☐

Individual Name (if applicable) (Last, First, Middle) \_\_\_\_\_

CRD Number (if any) \_\_\_\_\_ Effective Date \_\_\_\_\_ (mm/dd/yyyy) Termination Date \_\_\_\_\_ (mm/dd/yyyy)

Business Address:

\_\_\_\_\_  
(number and street)

\_\_\_\_\_  
(city) (state/country) (zip+4/postal code)

If this address is a private residence, check this box: ☐

Briefly describe the nature of the *control*:

\_\_\_\_\_

Your Name: **Heritage Capital Management, Inc.**  
Date: 12/31/08

SEC File No: **17043**  
CRD No: **107845**

Use this Schedule D Page 5 to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an ☐ INITIAL or ☐ AMENDED Schedule D Page 5.

Miscellaneous

You may use the space below to explain a response to an Item or to provide any other information.

**Schedule F of  
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Applicant:  <b>Heritage Capital Management, Inc.</b>	SEC File Number:  801- <b>17043</b>	Date:  12/31/08
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Heritage Capital Management, Inc.</b>	IRS Empl. Ident. No.: 04-2780712
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Item of Form (identify)	Answer
	<p><b><u>Item 1. D.</u></b></p> <p>Heritage generally manages accounts on a discretionary basis and has full authority in determining which securities are purchased and sold. Security selection and asset allocation decisions are made to best achieve the client's stated goals and objectives. The client is responsible for any tax liabilities that result from such transactions.</p> <p>Clients have the option of assigning proxy-voting power to Heritage as part of the discretionary management process. Advisers Act Rule 206(4)-6 required all SEC registered investment firms to adopt proxy voting policies. Heritage's policy is as follows:</p> <p><i>Proxy Voting Guidelines:</i> Heritage Capital Management, Inc., when assigned, shall vote proxies related to securities held by any client in a manner that is in the best interest of the client. Heritage Capital Management, Inc. shall consider only those factors that relate to the client's investment(s) or that are established by the client's written instructions. Such factors will include how its vote will economically impact and affect the value of the client's investment (keeping in mind that, after conducting an appropriate cost-benefit analysis, not voting at all on a presented proposal may be in the best interest of the client).</p> <p>Proxy votes generally will be cast in favor of proposals that:</p> <ul style="list-style-type: none"> <li>● Maintain or strengthen the shared interests of shareholders and management;</li> <li>● Increase shareholder value;</li> <li>● Maintain or increase shareholder influence over the issuer's board of directors and management; and,</li> <li>● Maintain or increase the rights of shareholders.</li> </ul> <p>Proxy votes generally will be cast against proposals having the opposite effect.</p> <p>In voting on each and every issue, Heritage Capital Management, Inc. and its employees shall vote in a prudent and timely fashion and only after a careful evaluation of the issue(s) presented on the ballot.</p> <p>Heritage Capital Management, Inc. subscribes to Proxy Governance, Inc. services to assist in proxy voting administration. This Internet based proxy voting and reporting system meets the SEC requirements for proxy record keeping. Through Proxy Governance, Inc. Heritage Capital Management, Inc. will maintain a list of companies held, track proxies received, analyze proxies, and vote according to pre-established guidelines.</p>

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



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

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Item of Form (identify)	Answer
	<p>A complete copy of Heritage Capital Management, Inc.'s proxy-voting policies and procedures are available to clients upon request.</p> <p>Heritage also accepts responsibility for assisting discretionary clients with filings related to class action proceedings.</p> <p>Fees for services are based on the market value of the securities, cash, and other investments in your account on the last day of the calendar quarter. Fees are charged for services according to the following schedule:</p> <ul style="list-style-type: none"> <li>• 1% per annum on the first 1,000,000.00 of principal value</li> <li>• ¾% per annum on the second 1,000,000.00 of principal value</li> <li>• ½% per annum on the balance of principal value</li> </ul> <p>Fees are billed quarterly in arrears.</p> <p>Discretionary open-ended mutual funds are charged ½% per annum, billed quarterly in arrears. Heritage may purchase closed-end and open-end mutual funds for certain clients. Mutual funds generally contain embedded management fees. Consequently, these clients may be charged both an investment management fee and the embedded management fee as discussed above.</p> <p>Heritage offers discounted fees to non-profit clients and employees of our parent company, Wainwright Bank &amp; Trust. Special circumstances may cause fees to vary from the above schedule. Heritage may group multiple accounts of one client relationship together for purposes of calculating the fee, or may not charge a fee to small accounts of a client because of the fee the client is paying on the total relationship. Heritage reserves the right to negotiate fees with clients, and may charge higher or lower fees than those quoted above.</p> <p>Heritage provides financial planning services at the client's request. For non-advisory clients, financial planning services are generally billed at an hourly minimum rate of \$100 up to an hourly maximum rate of \$150, in arrears.</p> <p>A client may terminate Heritage's contract upon written notice at any time. Final management fees will be pro-rated to date of termination. Requests for refunded fees must be made in writing to Heritage.</p> <p><b><u>Item 4. B. (8)</u></b></p> <p>Meetings with company management.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 2

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

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Heritage Capital Management, Inc.</b>	IRS Empl. Ident. No.: <b>04-2780712</b>
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Item of Form (identify)	Answer
	<p><b><u>Item 5.</u></b></p> <p>The general standards of education or business experience that Heritage requires for those involved in determining or giving investment advice would normally include an undergraduate degree and/or Chartered Financial Analyst designation; however, an advanced degree or graduate work is preferred.</p> <ul style="list-style-type: none"> <li>• Name: Jeffrey E. Anthony, President and Chief Executive Officer</li> <li>• Year of Birth: 1948</li> <li>• Formal Education: BA Wittenberg University</li> <li>• Business Background (past 5 years): Managing Director, Atlantic Trust Company</li> </ul> <ul style="list-style-type: none"> <li>• Name: Marybeth R. Breed, Vice President</li> <li>• Year of Birth: 1963</li> <li>• Formal Education: BA, Business and Economics, St. Anselm College</li> <li>• Business Background (past 5 years): Vice President, Heritage Capital Management, Inc.</li> </ul> <ul style="list-style-type: none"> <li>• Name: George Rooks, Founder and Chief Investment Officer</li> <li>• Year of Birth: 1936</li> <li>• Formal Education: BA, Bowdoin College and MBA, Columbia University</li> <li>• Business Background (past 5 years): President, Wainwright Bank &amp; Trust Company</li> </ul> <ul style="list-style-type: none"> <li>• Name: James J. Barrett, Board Member</li> <li>• Year of Birth: 1955</li> <li>• Formal Education: BA, Holy Cross</li> <li>• Business Background (past 5 years): Chief Financial Officer, Wainwright Bank &amp; Trust Company</li> </ul>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 3

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

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Item of Form (identify)	Answer
	<p><b><u>Item 5. Continued</u></b></p> <ul style="list-style-type: none"> <li>• Name: Jan Miller, Board Member</li> <li>• Year of Birth: 1950</li> <li>• Formal Education: BS, Northeastern University</li> <li>• Business Background (past 5 years): President, Wainwright Bank &amp; Trust Company</li> </ul> <p><b><u>Item 8. C. (3)</u></b></p> <p>Heritage manages an endowment fund on a fully discretionary basis for Trillium Asset Management. Heritage's parent company, Wainwright Bank &amp; Trust Company, has a 30% ownership interest in Trillium.</p> <p><b><u>Item 8. C. (6)</u></b></p> <p>Heritage is a wholly owned subsidiary of Wainwright Bank &amp; Trust Company. Heritage and Wainwright initiated a referral incentive program, whereby Wainwright employees who refer clients to Heritage receive 25% of the fee collected in the first year; 15% of the fee collected in the second year; and 10% of the fee collected in the third year. The referral program terminates after three years or when the client terminates the relationship, which ever comes first.</p> <p><b><u>Item 9. E.</u></b></p> <p>Heritage has adopted the following principles governing personal investment activities by Heritage's supervised persons: The interests of client accounts will at all times be placed first; all personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and supervised persons must not take inappropriate advantage of their positions.</p> <p><i>Pre-Clearance Required for Participation in IPOs</i></p> <p>No supervised person shall acquire any beneficial ownership in any securities in an Initial Public Offering for his or her account, as defined herein without the prior written approval of Heritage's Chief Compliance Officer (CCO) who has been provided with full details of the proposed transaction (including written certification that the investment opportunity did not arise by virtue of the supervised person's activities on behalf of a client) and, if approved, will be subject to continuous monitoring for possible future conflicts.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 4

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

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Heritage Capital Management, Inc.</b>	IRS Empl. Ident. No.: <b>04-2780712</b>
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Item of Form (identify)	Answer
	<p><i>Pre-Clearance Required for Private or Limited Offerings</i></p> <p>No supervised person shall acquire beneficial ownership of any securities in a limited offering or private placement without the prior written approval of the CCO who has been provided with full details of the proposed transaction (including written certification that the investment opportunity did not arise by virtue of the supervised person's activities on behalf of a client) and, if approved, will be subject to continuous monitoring for possible future conflicts.</p> <p><i>Interested Transactions</i></p> <p>No supervised person shall recommend any securities transactions for a client without having disclosed his or her interest, if any, in such securities or the issuer thereof, including without limitation: Any direct or indirect beneficial ownership of any securities of such issuer; any contemplated transaction by such person in such securities; any position with such issuer or its affiliates; and any present or proposed business relationship between such issuer or its affiliates and such person or any party in which such person has a significant interest.</p> <p><i>Pre-clearance</i></p> <p>A supervised person may, directly or indirectly, acquire or dispose of beneficial ownership of a reportable security only if: (i) such purchase or sale has been approved by a supervisory person designated by Heritage; (ii) the approved transaction is completed by the close of business on the second trading day after approval is received; and (iii) the designated supervisory person has not rescinded such approval prior to execution of the transaction. Post-approval is not permitted. Pre-clearance must be obtained by completing and signing the Pre-clearance Form provided for that purpose by the CCO. The CCO monitors all transactions by all access persons in order to ascertain any pattern of conduct that may evidence conflicts or potential conflicts with the principles and objectives of this Code, including a pattern of front running.</p> <p>Advance trade clearance in no way waives or absolves any supervised person of the obligation to abide by the provisions, principles and objectives of this Code.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 5

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1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Heritage Capital Management, Inc.</b>	IRS Empl. Ident. No.: 04-2780712
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Item of Form (identify)	Answer
	<p><i>Reporting Requirements</i></p> <p>Every supervised person shall provide initial and annual holdings reports and quarterly transaction reports to the CCO, which must contain the information described below. It is the policy of Heritage Capital Management, Inc. that each supervised person must arrange for their brokerage firm(s) to send automatic duplicate brokerage account statements and trade confirmations of all securities transactions to: Attn.: Compliance Officer; Heritage Capital Management, Inc.; 63 Franklin Street, 5th Floor; Boston, MA 02110</p> <p><i>1. Initial Holdings Report</i></p> <p>Every supervised person shall, no later than thirty (30) days after the person becomes a supervised person, file an initial holdings report containing the following information:</p> <p>The title and exchange ticker symbol or CUSIP number, type of security, number of shares and principal amount (if applicable) of each reportable security in which the supervised person has any direct or indirect beneficial interest ownership. The name of any broker, dealer or bank, account name, number and location with whom the supervised person maintains an account in which any securities were held for the direct or indirect benefit of the supervised person; and the date that the report is submitted by the supervised person. The information submitted must be current as of a date no more than forty-five (45) days before the person became a supervised person.</p> <p><i>2. Annual Holdings Report</i></p> <p>Every supervised person shall, no later than January 30 each year, file an annual holdings report containing the same information required in the initial holdings report as described above. The information submitted must be current as of a date no more than forty-five (45) days before the annual report is submitted.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 6

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

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Item of Form (identify)	Answer
	<p><i>3. Quarterly Transaction Reports</i></p> <p>Every supervised person must, no later than thirty (30) days after the end of each calendar quarter, file a quarterly transaction report containing the following information: With respect to any transaction during the quarter in a reportable security in which the supervised persons had any direct or indirect beneficial ownership; the date of the transaction, the title and exchange ticker symbol or CUSIP number, the interest rate and maturity date (if applicable), the number of shares and the principal amount (if applicable) of each covered security; the nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition); the price of the reportable security at which the transaction was effected; the name of the broker, dealer or bank with or through whom the transaction was effected; and the date the report is submitted by the supervised person.</p> <p><i>4. Exempt Transactions</i></p> <p>A supervised person need not submit a report with respect to: Transactions effected for, securities held in, any account over which the person has no direct or indirect influence or control; transactions effected pursuant to an automatic investment plan; a quarterly transaction report if the report would duplicate information contained in securities transaction confirmations or brokerage account statements that Heritage holds in its records so long as the firm receives the confirmations or statements no later than 30 days after the end of the applicable calendar quarter.</p> <p><i>5. Monitoring and Review of Personal Securities Transactions</i></p> <p>The CCO or a designee will monitor and review all reports required under the Code for compliance with Heritage's policies regarding personal securities transactions and applicable SEC rules and regulations. The CCO may also initiate inquiries of supervised persons regarding personal securities trading. Supervised persons are required to cooperate with such inquiries and any monitoring or review procedures employed by Heritage. Any transactions for any accounts of the CCO will be reviewed and approved by the President or other designated supervisory person. The CCO shall at least annually identify all supervised persons who are required to file reports pursuant to the Code and will inform such supervised persons of their reporting obligations.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 7

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Item of Form (identify)	Answer
	<p><i>6. Wainwright Bank &amp; Trust Company Stock</i></p> <p>It is the policy of Heritage not to purchase or sell the stock of its parent company Wainwright Bank &amp; Trust Company (WAIN) in client portfolios. However, should a client wish to purchase WAIN stock, Heritage would execute the trade on the client's behalf provided the client submits the request in writing. If a portfolio comes to Heritage with WAIN stock, Heritage will require written instructions from the client as to the disposition of the stock.</p> <p><b><u>Item 9.</u></b></p> <p><i>Code of Ethics</i></p> <p>Heritage places the highest priority on maintaining its reputation for integrity and professionalism. That reputation is a vital business asset. The confidence and trust placed in our firm and its employees by our clients is something we value and endeavor to protect. Heritage has comprehensive policies and procedures to achieve these goals. Heritage's Code of Ethics is intended to comply with the various provisions of the Advisers Act and also requires that all supervised persons comply with the various applicable provisions of the Investment Company Act of 1940, as amended, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and applicable rules and regulations adopted by the Securities and Exchange Commission.</p> <p>Section 204A of the Advisers Act requires the establishment and enforcement of policies and procedures reasonably designed to prevent the misuse of material, nonpublic information by investment advisers. Such policies and procedures are contained in this Code. The Code also contains policies and procedures with respect to personal securities transactions of all of Heritage's supervised persons, including Board members. These procedures cover transactions in a reportable security in which a supervised person has a beneficial interest in or accounts over which the supervised person exercises control as well as transactions by members of the supervised person's immediate family.</p> <p>Section 206 of the Advisers Act makes it unlawful for Heritage or its agents or employees to employ any device, scheme or artifice to defraud any client or prospective client, or to engage in fraudulent, deceptive or manipulative practices. This Code contains provisions that prohibit these and other enumerated activities and that are reasonably designed to detect and prevent violations of the Code, the Advisers Act and rules there under.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 8

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---	-------------------------------------

Item of Form (identify)	Answer
	<p>A complete version of the Code will be provided to client or prospective client upon request.</p> <p><b><u>Item 10.</u></b></p> <p>Heritage generally imposes a minimum dollar value of assets for starting or maintaining an account of \$500,000; but will consider starting or maintaining smaller accounts. Heritage does not charge a minimum fee. Heritage does require written notice of contract termination.</p> <p><b><u>Item 12. A. (1) &amp; (2)</u></b></p> <p>Generally, Heritage has full discretion to buy and sell securities without prior client approval under its investment advisory contract with the client. Limitations imposed on the contract by the client must be submitted in writing.</p> <p><b><u>Item 12. A. (3)</u></b></p> <p>Heritage will seek to obtain best execution on all transactions in client accounts. Equity trades are generally executed where the assets are custodied due mainly to timing and accuracy considerations. Fixed income trades are generally traded outside the client's custodian. Factors that determine the broker for a bond trade are bond cost, bond availability, and fixed income research provided by the offering broker.</p> <p><b><u>Item 12. A. (4)</u></b></p> <p>Heritage generally negotiates commissions on a best effort basis. The client's preference for a particular custodian may mean the client is paying higher commission costs than Heritage could negotiate at another custodian.</p> <p><b><u>Item 12. B.</u></b></p> <p>Heritage may recommend that clients establish brokerage accounts with the Schwab Advisor Services (Schwab) division of Charles Schwab &amp; Co., Inc. (Schwab &amp; Co.), a registered broker-dealer, Member SIPC/NYSE, to maintain custody of clients' assets and to effect trades for their accounts. Schwab &amp; Co. provides Heritage with access to its institutional trading and operations services, which are typically not available to Schwab &amp; Co. retail investors. These services generally are available to independent investment advisors at not charge to them so long as a total of at least \$10 million of the advisor's client's account assets are maintained at Schwab. Schwab's services include research, brokerage, custody, access to mutual funds and other investments that are other wise available only to institutional investors or would require a significantly</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 9



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

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Heritage Capital Management, Inc.</b>	IRS Empl. Ident. No.: 04-2780712
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Item of Form (identify)	Answer
	<p>higher minimum initial investment. Schwab also makes available to Heritage other products and services that benefit Heritage but may not benefit its clients' accounts. Some of these products and services assist Heritage in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Heritage fees from its clients' accounts, and assist with back-office support, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Heritage's accounts, including accounts not maintained at Schwab. Schwab may also provide Heritage with other services intended to help manage and further develop its business management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available these types of services to Heritage by independent third parties. The third party may discount fees it would otherwise charge for some of these services.</p> <p><b><u>Item 13. B.</u></b></p> <p>Heritage and Wainwright initiated a referral incentive program, whereby Wainwright employees who refer clients to Heritage receive 25% of the fee collected in the first year; 15% of the fee collected in the second year; and 10% of the fee collected in the third year. The referral program terminates after three years or when the client terminates the relationship, which ever comes first.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 10

# Form ADV (Paper Version)

## UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

<b>DOMESTIC INVESTMENT ADVISER EXECUTION PAGE</b>
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You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial application for SEC registration and all amendments to registration.

### Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such persons may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

### Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having custody or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:

Date:

Printed Name: Mary-Ann Calcagno

Title: Compliance Officer

Adviser CRD Number: 107845