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**FORM ADV PART 2A
BROCHURE**

This brochure provides information about the qualifications and business practices of Chadwick & D'Amato, LLC. If you have any questions about the contents of this brochure, please contact us at 603-526-2409. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Chadwick & D'Amato, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Chadwick & D'Amato, LLC is 116197.

Chadwick & D'Amato, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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Advisory Business

Form ADV Part 2A, Item 4

Chadwick & D'Amato, LLC's (the "Firm") registration was granted by the U.S. Securities and Exchange Commission on January 12, 2004. Thomas M. Chadwick (CRD Number 2870028) is Principal and Chief Compliance Officer of the Firm. Anthony J. D'Amato (CRD Number 4185989) is Principal of the Firm. Messrs. Chadwick and D'Amato respectively own fifty (50%) percent of the equity of the Firm. The Firm is not publicly owned or traded. There are no indirect owners of the Firm or intermediaries which have any ownership interest in the firm. As of December 31, 2010, the Firm managed, on a discretionary basis, \$137,180,253 which represented 780 accounts. The Firm manages client assets on an individualized basis.

Chadwick & D'Amato, LLC is an investment adviser providing financial planning, consulting, and investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities. The Firm, depending upon the engagement, offers its services on a fee basis which may include hourly and/or fixed fees as well as fees based upon assets under management. Prior to engaging the Firm to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with the Firm setting forth the terms and conditions under which the Firm shall render its services (collectively the "*Agreement*").

Prior to engaging the Firm to provide financial planning and/or consulting services, the client will generally be required to enter into a written agreement with the Firm setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion

of the fee that is due from the client prior to the Firm commencing services. The Firm's financial planning / consulting fee (estimated hourly or fixed) is generally due in full upon delivery of the financial plan or completion of the agreed upon services. Either party may terminate the agreement by written notice to the other. In the event the client terminates the Firm's financial planning and/or consulting services, the balance of the Firm's unearned fees (if any) shall be refunded to the client. If termination occurs within five business days of entering into an agreement for such services the client shall be entitled to a full refund.

In performing its services, the Firm shall not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. The Firm may recommend the services of itself and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if the Firm recommends its own services. The client is under no obligation to act upon any of the recommendations made by the Firm under a financial planning / consulting engagement and/or engage the services of any such recommended professional, including the Firm itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of the Firm's recommendations. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Firm if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing, evaluating, or revising the Firm's previous recommendations and/or services.

Firm generally manages client portfolios by allocating portfolio among certain asset classes using one or more of its proprietary investment strategies ("collectively referred to as *investment strategy*"). In so doing, the Firm shall buy, sell, exchange and/or transfer securities based upon the *investment strategy*.

The Firm's management using the *investment strategy* has been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940, as amended. Rule 3a-4 provides similarly-managed accounts, such as the *investment strategy*, with a safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following features have been specifically included in the Firm's management using the *investment strategy*:

1. **Initial Interview** – an initial interview is conducted with each client to determine the client's financial circumstances, goals, acceptable levels of risk, any reasonable restrictions on the management of their account, and other relevant circumstances;
2. **Individual Treatment** – the client's account is managed on the basis of the client's financial circumstances and investment objectives;
3. **Consultation** – an *Advisory Affiliate* of the Firm knowledgeable about the client's account shall be reasonably available to consult with the client relative to the status and management of their account;
4. **Notice of Transactions** – the client shall receive notice of all transactions in their account as if they had maintained a similar account outside of the *program*;
5. **Quarterly Statement** – the client shall be provided with a quarterly statement containing a description of all activity in the their account;
6. **Ability to Impose Restrictions** – the client shall have the ability to impose reasonable restrictions on the management of their account, including the ability to instruct the Firm not to purchase certain securities or types of securities;
7. **No Pooling** – the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in

the securities which comprise the client's account;

8. **Separate Account** – a separate account is maintained for the client with the custodian; and

9. **Ownership** - each client retains ownership of the account (e.g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

In order to meet its fiduciary duties to all of its clients, the Firm will endeavor to allocate investment opportunities among its clients on a fair and equitable basis.

Neither the Firm nor the client may assign the *Agreement* without the consent of the other party. Transactions that do not result in a change of actual control or management of the Firm shall not be considered an assignment.

A copy of the Firm's privacy policy notice and a written disclosure statement that meets the requirements of SEC Release No. IA-3060 under the Investment Advisers Act of 1940, as amended ("Advisers Act"), shall be provided to each client prior to or contemporaneously with the execution of the *Agreement*. Any client who has not received a copy of the Firm's written disclosure statement at least forty-eight (48) hours prior to executing the *Agreement* shall have five (5) business days subsequent to executing the agreement to terminate the Firm's services without penalty.

Fees and Compensation

Form ADV Part 2A, Item 5

The Firm may provide its clients with a broad range of comprehensive financial planning and consulting services (which may include non-investment related matters). The Firm will charge a fixed fee and/or hourly fee for these services. The Firm's financial planning and consulting fees are negotiable, but generally range from \$500 to \$5,000 on a fixed fee basis and/or on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. If the client engages the Firm for additional investment advisory services, the Firm may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

In the event the client determines to engage the Firm to provide investment management services, the Firm shall do so on a fee basis. If engaged, the Firm shall charge an annual fee based upon a percentage of the market value of the assets being managed by the Firm. As discussed in response to Item 12. (below), the Firm's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, the Firm shall not receive any portion of these commissions, fees, and costs. The Firm's annual fee shall be prorated and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. For the first year of services, the Firm shall charge up to 1% of assets under management for the implementation of the initial financial plan. Subsequently, the annual fee

shall vary (between 0.50% and 1.50%) depending upon the market value of the assets under management and the type of investment management services to be rendered.

The client may make additions to and withdrawals from the account at any time, subject to the Firm's right to terminate an account. If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the quarter. Clients may withdraw account assets on notice to the Firm, subject to the usual and customary securities settlement procedures. The Firm designs its portfolios as long-term investments and assets withdrawals may impair the achievement of a client's investment objectives.

For the initial quarter of investment management services, the first quarter's fees shall be calculated on a *pro rata* basis. The *Agreement* between the Firm and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. The Firm's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.

Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. The Firm may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

The Firm's clients are advised to promptly notify the Firm if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon the Firm's management services.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

None.

Types of Clients

Form ADV Part 2A, Item 7

The firm provides investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

The Firm does not impose an account minimum for starting or maintaining an account. However, as further discussed below, the Firm generally imposes a minimum annual fee for its investment management services. The Firm, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

With regard to the method of securities analysis, the firm shall use fundamental, technical and cyclical analysis.

The Firm intends to allocate its client's investment management assets, on a fully-discretionary basis, among mutual funds and exchange traded funds, as well as the securities components of variable annuities and variable life insurance contracts in accordance with the investment objectives of the client.

Investment strategies shall be long term purchases (securities held at least one year) and short term purchases (securities held for less than one year.)

Disciplinary Information

Form ADV Part 2A, Item 9

None.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

The Adviser has established a registered investment company to provide a commingled fund that allows some clients, in whole or in part, access to one of the Adviser's core strategies where otherwise the client may not meet the Adviser's minimum for a separately managed account. Additionally, the Adviser expects this type of account to simplify the Adviser's day-to-day administration and allow the Adviser to spend more time on the research process, rather than account maintenance and administration, which should benefit all clients.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Form ADV Part 2A, Item 11

The firm has adopted a written Code of Ethics in compliance with SEC rule 204A-1. The code sets forth the standards of conduct and requires compliance with federal securities laws. Our code also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the firm's Chief Compliance Officer. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

The Firm also maintains and enforces written policies reasonably designed to prevent the unlawful use of material non-public information by the Firm or any of its *Advisory Affiliates*.

The Firm does not buy nor sell for itself securities that it also recommends to clients. However, persons associated with the Firm ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with the following policies and procedures:

Unless specifically defined in the Firm's procedures (summarized below), none of the Firm's Associated Persons may effect for himself or herself, for his or her immediate family (i.e., spouse, minor children, and adults living in the same household as the Associated Person), or for trusts for which the Associated Person serves as a trustee or in which the Associated Person has a beneficial interest (collectively "*Covered Persons*"), any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of the Firm's clients.

When the Firm is purchasing or considering for purchase any security on behalf of a client, no *Covered Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when the Firm is selling or considering the sale of any security on behalf of a client, no *Covered Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security.

The foregoing policies and procedures are not applicable to (a) transactions effected in any account over which neither the Firm nor any of its *Advisory Affiliates* (as defined in this Form ADV) has any direct or indirect influence or control; and (b) transactions in securities that are: direct obligations of the government of the United States; bankers' acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; or shares issued by registered open-end investment companies.

This policy has been established recognizing that some securities being considered for purchase and sale on behalf of the Firm's clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of such securities. Under certain limited circumstances, exceptions may be made to the policies stated above. The Firm will maintain records of these trades, including the reasons for any exceptions.

Brokerage Practices

The Firm shall generally recommend that clients utilize the brokerage and clearing services of Fidelity Investments and its affiliates (collectively referred to as “*Fidelity*”) for investment management accounts.

The Firm may only implement its investment management recommendations after the client has arranged for and furnished the Firm with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, *Fidelity*, any other broker-dealer recommended by the Firm, broker-dealer directed by the client, trust companies, banks, etc. (collectively referred to herein as the “*Financial Institution(s)*”).

Clients may incur certain charges imposed by the *Financial Institution(s)* and other third parties such as custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to the Firm’s fee.

The Firm may receive from *Fidelity*, without cost, computer software and related systems support, which allow the Firm to better monitor client accounts maintained at *Fidelity*. The Firm may receive the software and related support without cost because the Firm renders investment management

services to clients that, in the aggregate, maintain a certain level of assets at *Fidelity*.

Specifically, the Firm may receive the following benefits from *Fidelity* through the Fidelity Registered Investment Advisor Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Registered Investment Advisor Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Review of Accounts

Form ADV Part 2A, Item 13

For those clients to whom the Firm provides investment supervisory services, the Firm monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom the Firm provides financial planning and/or consulting services, reviews are conducted on an “as needed” basis. Such reviews are conducted by one of the Firm’s Principals. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with the Firm and to keep the Firm informed of any changes thereto. The Firm shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts.

Those clients to whom the Firm provides investment advisory services will also receive a report from the Firm that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance as clients may request from time to time.

Those clients to whom the Firm provides financial planning and/or consulting services will receive reports from the Firm summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by the Firm.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

If a client is introduced to the Firm by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee shall be paid solely from the Firm's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor shall provide the client with a copy of the Firm's written disclosure statement which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of the Firm shall disclose the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written disclosure statement at the time of the solicitation.

Custody

Form ADV Part 2A, Item 15

The firm has 226 custodial clients, with \$111,848,533 custodial assets.

Investment Discretion

Form ADV Part 2A, Item 16

The Firm may render fully-discretionary investment management services to clients relative to: (1) variable life/annuity products that they may own, and/or (2) their individual employer-sponsored retirement plans. In so doing, the Firm either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product or the retirement plan. The client assets shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan.

The Adviser has the ability to enter into full discretionary client relationships where the Adviser has the discretion day-to-day to select both the amounts and direction (i.e. buy or sell) of securities on behalf of a client. The Adviser does not expect there to be any limitations on its discretion other than following the overall investment objectives and restrictions when the account is established (or if modified later in writing).

Voting Client Securities

Form ADV Part 2A, Item 17

The Firm may vote proxies on behalf of its clients. When the Firm accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully- described in the Firm's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in the Firm's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. At any time, clients may contact the Firm to request information about how Firm voted proxies for that client's securities or to get a copy of the Firm's Proxy Voting Policies and Procedures. A brief summary of the Firm's Proxy Voting Policies and Procedures is as follows:

- The Firm has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will generally vote proxies according to the Firm's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are to be followed as a general policy, certain issues

will be considered on a case-by-case basis based on the relevant facts and circumstances.

Since corporate governance issues are diverse and continually evolving, the Firm shall devote an appropriate amount of time and resources to monitor these changes.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that the Firm maintains with persons having an interest in the outcome of certain votes, the Firm will take appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

Financial Information

Form ADV Part 2A, Item 18

The firm does not receive advisory fees more than six months in advance.

Requirements for State-Registered Advisers

Form ADV Part 2A, Item 19

Not applicable.

Additional Information

None.