

Firm Brochure
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Martel Dorow, Inc. If you have any questions about the contents of this brochure, please contact us at: 603-436-7809, or by email at: ddubois@marteldorow.com. 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 Martel Dorow, Inc. is available on the SEC's website at:

www.adviserinfo.sec.gov

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous annual release of the Firm Brochure. The annual release of the Firm Brochure will occur in the first quarter of every calendar year. Should material changes occur prior to the next update warranting a material change impacting clients, Martel Dorow, Inc. will notify client with an interim notification.

Material Changes since the Last Update

The last ADV Part 2 was updated and filed with the States of NH March 8, 2010.

Interim material changes since this last update:

Interim filings were made to the SEC and State of NH to reflect a name change of one of the principals. Diane Agrodnia-Dorow was married and changed her name to Diane A. DuBois July 27, 2010. Additional material changes contained in this brochure since the last update, include:

Format change: Until this 2011 annual document filing, the format of the Martel Dorow, Inc. ADV II (firm brochure) was filed in compliance with the existing ADV Part II Securities and Exchange Commission template. The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 603-436-7809 or by email at: ddubois@marteldorow.com.

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Advisory Business

MARTEL DOROW, INC.

Martel Dorow, Inc. is an independent investment advisory firm located and registered in the State of New Hampshire. The firm is not affiliated with any other financial institution.

PRINCIPALS

Founding partners and principal owners, Ronald P. Martel and Diane Agrodnia Dubois formed Martel Dorow, Inc. in 1993. Each of the principals owns 50% of the shares in Martel Dorow, Inc.

INVESTMENT ADVISORY SERVICES

Martel Dorow, Inc. provides confidential financial management services specializing in retirement planning & wealth management for small business owners, entrepreneurs and medical practitioners.

The firm works with individuals, pension and profit sharing plans (plan sponsors), and trusts (trustees). Martel Dorow's Investment advisory services include:

- Portfolio management and retirement planning
- Qualified plan design, implementation and ongoing management
 - (pension, 401k and profit sharing)

Nearly 90% of Martel Dorow's investment advisory time is directed toward the activities necessary to manage investment advisory accounts (qualified plans and individual accounts). These activities include:

- Client interaction and consultation
- Research and product development
- Asset allocation
- Correspondence and reporting

FEE –ONLY (INVESTMENT ADVISORY SERVICES)

Martel Dorow, Inc. offers their investment advisory services on a fee-only basis. Account assets are invested primarily in no-load mutual funds and exchange-traded funds according to the client's Investment Advisory Service Agreement. The firm executes all trades on behalf of their clients on a discretionary basis with the exception of participant-directed qualified plans. Typically, client account assets are in the custody of a nationally recognized "qualified" discount broker, such as Charles Schwab and Company. Martel Dorow, Inc. does not act as a custodian of any client assets. (see "Brokerage Practices" on Page 10)

In addition to mutual funds and exchange traded funds, investments in a client account may also include: individual stocks, corporate debt securities, certificates of deposit, municipal securities, and U. S. Government securities

Martel Dorow, Inc. does not receive commissions or transaction fees from any investments in a client account. Martel Dorow, Inc. does not participate in wrap fee programs. Initial public offerings (IPO'S) are not available through Martel Dorow, Inc.

ASSETS UNDER MANAGEMENT

As of March 31, 2011, Martel Dorow, Inc. had \$47,760,160. of client assets under management for 78 clients. Of this total, \$32,256,801. is managed on a discretionary basis. The balance of the total assets, \$15,503,359. is for pension and profit sharing plans that are non-discretionary.

HIRING MARTEL DOROW, INC. AS YOUR INVESTMENT ADVISOR

The initial advisor- client meeting or series of meetings is free of charge and is considered an exploratory interviewing process to determine the extent to which Martel Dorow's investment advisory services may be beneficial to the client. Often this exploration takes several meetings over a span of time, depending on the scope and nature of the client's financial situation. The firm believes that this is necessary to the Advisor-Client relationship.

TAILORED RELATIONSHIPS-INVESTOR PROFILE

Martel Dorow, Inc. tailors their investment advisory services based on the client. Each client situation is unique and assessed individually taking into account many factors, to include:

- the client's individual investment needs and goals
 - capital preservation
 - current income needs
 - income with growth secondary
 - long term growth
- the client's personal and/or business objectives
- the client's tolerance for risk
 - (see *Risk of Loss* page 11)
- the client's investment time horizon
- the client's legacy plans

Within the context of the Advisor-Client relationship, a client may provide special parameters regarding the management of their account assets. For example, the client may specify that they do not want to invest in companies that manufacture tobacco products.

Martel Dorow considers all this information in determining an overall client investor profile.

Investor Profile

Martel Dorow, Inc. has 5 general categories of Investor Profiles.

- Conservative
- Moderately Conservative
- Moderate
- Moderately Aggressive
- Aggressive

All clients review and agree to one of these categories as their investor profile. Martel Dorow, Inc. uses the investor profile as a guideline for a client's asset allocation. Within these categories, investment decisions are made on an individual client by client basis. (see *INVESTMENT STRATEGIES* page 9)

A client's profile is reviewed at least annually and can be changed due to life events or at the request of the client at any time. Any changes in the client's investor profile will be confirmed with the client in writing.

Examples of life changes that may impact a client's investor profile are:

- Age
- An impending divorce
- Retirement timeline changes
- Plans to purchase a business

INVESTMENT ADVISORY SERVICES AGREEMENT

When a prospective client decides that they would like to hire Martel Dorow, Inc. as their investment advisor, an Investment Advisory Services Agreement is executed. The scope of work and fee for the services is clearly defined in the Agreement which is provided to the client in writing at the start of the Advisor –Client relationship. The Investment Advisory Services Agreement includes the following:

- Engagement clause -defining the scope and terms of investment management relationship
- Flow of information clause -the ongoing review of any and all pertinent financial information necessary to effectively manage the client account in accordance with the needs, objectives and investor profile of the client.
- Execution clause – defining the necessary execution of documents to facilitate management of accounts.
- Risk of Loss Clause – explanation of market and client investment risk.
- Schedule of fees and billing process.
- Termination Clause (immediately upon written receipt by advisor or client) and computation of prorated fees.
- Assignment clause- Investment Advisory Agreement may not be assigned to another advisor without client consent.
- Disclosure - Insurance Products (commissions).
- Exclusivity Clause - the firm has multiple clients that it advises.
- Acknowledgements, contract assertions and severability clause -Standard Contract Language, Signatures

ADDITIONAL SERVICES

Value-Added Services – included in Investment Advisory fee

Very often, Martel Dorow will also provide services to clients on matters not directly involving their advisory accounts. These activities may include:

- Tax Planning
- Business Continuity Planning
- ERISA compliance (qualified plans)
- Risk management
 - (Long Term Disability, Life Insurance, Long Term Care, Health Insurance/Medicare)
- Education Planning (529 plan investment selection)
- Retirement Income Planning
- Estate Planning

Many of these Financial Planning activities are “value added” services and are included as part of our investment advisor management fee.

Projects- Billed on an hourly rate basis

On occasion, a client or prospective client may have a special project which requires extensive time and/or resources beyond the normal scope. In these select situations, Martel Dorow provides services on an hourly rate basis. The hourly rate is agreed upon prior to the services rendered and is payable upon an agreeable schedule.

Examples of a special project include:

- consulting on a qualified plan audit
- consulting on a divorce -preparation of a proposed financial settlement
- consulting on the sale or purchase of a business
- researching an unusual investment opportunity
- consulting on Estate and Legacy planning beyond the normal scope

Risk Management – Commissionable Products

Part of Martel Dorow’s overall wealth management approach to Investment Advisory Services includes discussing risk management –planning for the “what if’s” of life. Diane DuBois began her career in 1985 as an insurance professional and has extensive expertise in risk management and insurance product analysis beyond the normal scope of the Investment Advisory Services Agreement. Diane brings this to all Martel Dorow, Inc. advisor–client relationships.

At a minimum, Martel Dorow requests that a client shares the basic information regarding their insurance amounts for their permanent file.

In most cases, clients choose to have their insurance contracts reviewed and assessed. The resulting analysis and information can be helpful to a client in a number of ways including:

- Gaining a better sense of the provisions and potential deficits in their current policies
- Gaining insights into the pros and cons of shifting risk with various types of insurance policies
- Cost and cash flow analysis
- Requesting more detailed information and comparisons from the Insurance Companies they have policies with.
- Having qualified conversations with their existing insurance professional.

Martel Dorow, Inc. is licensed to sell insurance products including:

- Life Insurance
- Long Term Disability Income Insurance
- Long Term Care Insurance
- Annuities.

All of these products are most often commissionable products. If a client chooses to utilize Martel Dorow, Inc. to pursue securing an insurance product, Martel Dorow, Inc., may be paid a commission (receives cash) from a non-client (insurance company). Any product being discussed with a client that involves a commission is fully disclosed as being a commissionable product.

Martel Dorow, Inc. benefits when a client uses the firm to purchase an insurance product vs. utilizing another insurance broker. This could be considered a conflict of interest because the firm requires access to insurance documents and gives feedback and recommendations to the client within the context of the investment advisor –client relationship. This interaction may lead to the client securing an insurance policy through Martel Dorow, Inc. vs. another insurance broker. This conflict of interest is disclosed and discussed with the client.

Martel Dorow, Inc. believes that they have the objectivity to put the best interest of the client ahead of the needs of the firm. The firm continues to offer to secure insurance products on behalf of their clients, because Martel Dorow, Inc. believes that the benefit to the client and level of expertise outweighs any conflict of interest. A client is never obligated to purchase insurance with Martel Dorow, Inc.

Martel Dorow, Inc. is not affiliated with any insurance company. Diane A. DuBois (founding partner) is contracted with multiple insurers offering top products in the insurance marketplace. She is very objective in her approach and is not limited by a particular company or product. Her expertise is generally utilized solely for the benefit of Martel Dorow, Inc. clients and their family members.

Tax Preparation- Hourly Rate

Ron Martel (a founding partner) has an extensive background in tax compliance and financial expertise beyond the scope of the Investment Advisory Services Agreement. Ron brings this expertise to all Martel Dorow, Inc. advisor-client relationships. Tax returns and other financial documents are reviewed as part of Martel Dorow's due diligence process in managing client assets. Interaction with a client's Accountant and Bookkeeper is sometimes necessary as well. Martel Dorow, Inc. gains valuable insights as a result of their review process and provides proper feedback to the client as part of their ongoing investment advisor –client relationship.

Additionally, Ron Martel maintains his continuing education as an accountant and prepares tax documents for personal and business State and Federal Tax Returns. This practice is secondary to the Investment Advisory Services Martel Dorow, Inc. provides and is offered exclusively to their Investment Advisory Services clients.

If a client wants to hire Martel Dorow, Inc. to be their tax compliance professional (accountant) than a "best fit" analysis is conducted. Martel Dorow, Inc. reviews the scope and nature of the client's tax issues and then makes a "best- fit" assessment. Based on this assessment, Martel Dorow, Inc. may refer an Investment Advisory Services client to another tax professional if they believe that it is to the client's best interest.

The firm benefits when a client chooses to utilize Martel Dorow, Inc for their tax compliance vs. utilizing another tax professional because the firm is paid for this service. This could be considered a conflict of interest because the firm requires access to tax and financial document and provides feedback and recommendations to the client within the context of the Investment Advisor –Client relationship. This interaction is often what leads to the client hiring Martel Dorow, Inc. to provide their tax preparation services. This conflict of interest is disclosed and discussed with the client.

Martel Dorow, Inc. believes that they have the objectivity to put the best interest of the client ahead of the needs of the firm. The firm continues to offer tax compliance services to their clients, because Martel Dorow, Inc. believes that the benefit to the client and level of expertise outweighs any conflict of interest. A client is never obligated to utilize Martel Dorow, Inc. for their tax compliance.

FEES AND COMPENSATION

INVESTMENT ADVISORY FEES

Martel Dorow's "Standard" annual Investment Advisory fee is based on a percentage of the investable assets according to the following tiered schedule:

- 1.4%- on the first \$500,000;
- 1.2%- on the next \$500,000 (from 500,001 to 1,000,000); and
- 1.0%- on the assets above \$1,000,000.

Investment advisory fees are billed quarterly, in advance. This means that Martel Dorow invoices clients at the start of a quarter. Payment in full is expected upon receiving this invoice. Fees are usually deducted from a designated client account, however it is not mandatory. If the client chooses this option, the client must consent in advance to direct debiting of their investment account.

Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Martel Dorow's minimum annual Investment Advisory fee is \$5,600., which is based on their minimum account size at the standard rates. Martel Dorow, Inc., in its sole discretion, may waive its minimum fee and charge a lesser investment advisory fee. All fees are negotiable and will be considered on a case by case basis at the discretion of Martel Dorow, Inc.

The client or Martel Dorow, Inc. may terminate an Investment Advisory Services Agreement by written notice to the other party. At termination, fees will be refunded on a prorated basis for the portion of the quarter not completed. The portfolio value at the beginning of the quarter is used as the basis for the fee computation, adjusted for the number of days during the quarter prior to termination.

HOURLY RATE FEES

The following services beyond the normal scope of the Investment Advisory Services Agreement are billed to a client at a standard hourly rate of \$200./hour with a minimum billing of \$250.:

- Tax planning and preparation
- Special Projects

Please note that a client has full disclosure of these fees and the scope of the work that is outside the scope of the Investment Advisory Service Agreement.

COMMISSIONS

If a client chooses to utilize Martel Dorow, Inc. to pursue securing an insurance product, Martel Dorow, Inc., may be paid a commission (receives cash) from a non-client (insurance company). Any product being discussed with a client that involves a commission is fully disclosed as being a commissionable product.

Martel Dorow, Inc. is not affiliated with any insurance company and principal, Diane A. DuBois, a founding partner, is contracted with multiple insurers and maintains her continuing education and licensing for Life Insurance, Annuities, Long Term Disability and Long Term Care in New Hampshire Maine, Massachusetts and Florida.

CUSTODIAL AND TRANSACTION FEES

Martel Dorow, Inc. does not maintain custody of client assets that they manage. Client assets must be maintained in an account at a “qualified custodian”, generally a broker-dealer or bank. Please refer to the section “*CLIENT BROKERAGE AND CUSTODY COSTS*” on page 13.

EXPENSE RATIOS

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid to Martel Dorow, Inc. or the discount broker for transaction fees.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

PAST DUE ACCOUNTS AND TERMINATION OF AGREEMENT

Martel Dorow, Inc. reserves the right to stop work on any account that is more than 90 days overdue. Any unused portion of fees collected in advance will be refunded within 10 days.

PERFORMANCE-BASED FEES

SHARING OF CAPITAL GAINS

Martel Dorow, Inc. Investment Advisory Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Martel Dorow, Inc. does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

TYPES OF CLIENTS

DESCRIPTION

Martel Dorow, Inc. provides confidential investment advisory services specializing in Retirement Planning & Wealth Management for Small Business Owners, Entrepreneurs and Medical Practitioners.

The firm works with individuals, pension and profit sharing plans (plan sponsors), and trusts (trustees).

Although client relationships vary in scope and length of service, in general Martel Dorow’s Advisor client relationships are long term and comprehensive in nature.

ACCOUNT MINIMUMS

MINIMUM ASSETS UNDER MANAGEMENT (AUM) FOR A PROSPECTIVE CLIENT

The minimum assets under management (AUM) for a new client is \$ 400,000.

The source of a prospective client's AUM may include:

- Current and Past Employer Pension and Profit Sharing Plans (eligible for rollovers)
- Personal IRA's and Roth Accounts
- IRA Rollover Accounts
- Trust Accounts
- Bank CD's
- Annuities
- Saving and Checking Accounts
- Current Employer Qualified Plan (401k) that is participant-directed (you have the ability to make the investment decisions)

ACCOUNTS LESS THAN THE MINIMUM AUM

Accounts of less than \$400,000 in AUM may be set up when a prospective client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$400,000. within a reasonable period of time.

- A minimum fee is applied to accounts below \$400,000.
- The minimum annual fee is \$5,600. (\$400,000. X 1.4%).

At the start of any quarter that the account remains below the \$400,000., the minimum annual fee of \$5,600. will apply. The quarterly bill will be rendered for \$1,400.

CLIENT'S (AUM) FALLING BELOW THE MINIMUM

At the start of a quarter when a client's assets under management (AUM) falls below the minimum AUM of \$400,000., the minimum annual fee of \$ 5,600. will apply. A quarterly bill will be rendered for \$1,400.

EXCEPTIONS TO THE MINIMUM AUM

Martel Dorow, Inc. has the discretion to waive the account minimum.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

METHODS OF ANALYSIS

Martel Dorow utilizes a fundamental analysis approach when formulating investment advice and decisions about client accounts.

Core, Supporting, and Specialty investment options are selected by conducting a "tops- down" and "bottoms- up" screening of investments within their investment categories.

Tops- down

The universe of investment options is very large. In order to objectively find the best investment options for Martel Dorow clients, queries are conducted at least annually to identify investment options that are in the top tier of their asset categories.

Bottoms- up

The resulting information allows Martel Dorow to make quantitative assessments of an investment measured against its investment category peer group. Various investment measurements are compared within the groupings including:

- Past performance over various time periods
- Investment expenses
- Volatility
- Downward variation

Additional information regarding the investments is collected and considered in the selection process.

Sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Analytical sources of information that Martel Dorow, Inc. uses include:

- Morningstar
- Charles Schwab & Company's Advisor Services
- Standard & Poor's *The Outlook*
- Various investment industry research websites

INVESTMENT STRATEGIES

Martel Dorow, Inc. uses an investment strategy approach that is based on an **Investor Profile Asset Allocation** utilizing **Core, Supporting** and **Specialty investments**.

Investor Profile Asset Allocation

Martel Dorow's investment strategy is to design a mix of diversified investments (asset allocation) to meet the client's investor profile. For more information on factors considered in determining an investor profile, please refer to *Tailored Relationships- Investor Profile* on page 2.

Martel Dorow, Inc. constructs diversified portfolios comprised primarily of mutual funds of U.S. and non-U.S. companies across a broad capitalization range. Martel Dorow also diversifies investor assets through the purchase of debt securities using both actively managed mutual funds and individual stocks and bonds.

Core investments are the foundation or centerpiece of a client portfolio. Core investment options are selected based on several criteria including:

- Strong preservation of capital
- Emphasis on current income generation
- Top quartile long-term performance
- Experienced management team
- Low volatility
- Efficient expense ratio

A client's allocation of assets (mix of diversified investments in their account portfolio) will include varying amounts of Core investment holdings depending on the client's investor profile.

For example, a client with a conservative investor profile, who wants current income and stability, with some increase in the value of their investments (capital appreciation-growth), would have the majority of their assets allocated to Core investment holdings. Conversely, the more aggressive a client's investor profile is, the smaller the weighting to Core investment holdings will be.

Supporting and Specialty investment holdings may have characteristics including:

- Country, Region or Industry Sector investment concentrations
- Emphasis on Growth (capital appreciation)
- Top quartile performance
- Experienced management team
- Higher risk and volatility to obtain potentially higher returns
- Efficient expense ratio

Supporting and Specialty investments are added to a client's portfolio in varying degrees, depending on the client's investor profile. The more aggressive a client's investor profile is, the larger the weighting to Supporting and Specialty investment holdings will be.

For example, in the case of a client with an aggressive long-term investor profile, whose primary objective is growth and does not need current income, greater volatility is acceptable in exchange for a potentially high long-term return. In this instance, there would be a greater allocation to support and specialty holdings, and a lower emphasis on core holdings. Conversely, the more conservative the investor profile is, the smaller the weighting to Supporting and Specialty investment holdings will be.

Martel Dorow reviews client portfolios on at least a quarterly schedule, to insure that the asset allocation remains consistent with the client's current investor profile. Martel Dorow does this by reviewing the mix of various account investment holdings and then rebalances the investment mix if necessary. Martel Dorow's review also insures that the fundamental attributes of the client's investments continue to meet the highest standards utilizing Martel Dorow's methods of analysis.

All Portfolios are rebalanced at least annually to maintain an asset allocation weighting tied to a client's investor profile.

Martel Dorow uses long-term purchases (securities held at least one year) and short-term purchases (securities sold within one year) to implement its investment strategies for clients.

RISK OF LOSS

Martel Dorow's investment approach continuously keeps the risk of loss in mind when allocating account assets. All investments have certain risks and it is important that an investor is aware that they could lose money. Investors should be aware of the various types of risk involved when investing.

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. In general, the prices of debt securities rise when interest rates fall, and the prices fall when interest rates rise.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Credit Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

DISCIPLINARY INFORMATION

LEGAL AND DISCIPLINARY

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment practices or clients.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

No Martel Dorow, Inc. advisor or employee has any arrangements or relationships material to our advisory business other than those disclosed in this document.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CODE OF ETHICS

The employees of Martel Dorow, Inc. have committed to a Code of Ethics that is available for review by clients and prospective clients upon request.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Martel Dorow, Inc. and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the Martel Dorow, Inc. *Compliance Manual*.

PERSONAL TRADING

The Chief Compliance Officer of Martel Dorow, Inc. is Diane Agrodnia DuBois. She reviews all employee trades each quarter. Her trades are reviewed by Ronald P. Martel. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, these trades do not affect the securities markets and does not result in a conflict of interest for clients.

BROKERAGE PRACTICES

CUSTODIAN AND BROKER USE

Martel Dorow, Inc. does not maintain custody of client assets that we manage, although Martel Dorow, Inc. may be deemed to have custody of the client's assets if the client gives Martel Dorow, Inc. authority to withdraw assets from the client's account (see 'CUSTODY' below). Client assets must be maintained in an account at a "qualified custodian", generally a broker-dealer or bank. Martel Dorow, Inc. recommends that its clients use Charles Schwab & Co, Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. Martel Dorow, Inc. is independently owned and operated and is not affiliated with Schwab. Schwab will hold the client's assets in a brokerage account and buy and sell securities when Martel Dorow, Inc. instructs them to. While Martel Dorow, Inc. recommends that its clients use Schwab as custodian/broker, the client will decide whether to do so and will open their account with Schwab by entering into an account agreement directly with Schwab. Martel Dorow, Inc. does not open the account for the client, although Martel Dorow, Inc. may assist the client in doing so. Even though the client's account is maintained at Schwab, Martel Dorow, Inc. can still use other brokers to execute trades for the client's account as described below (see "Client Brokerage and Custody Costs" page 13).

HOW MARTEL DOROW, INC. SELECTS BROKERS AND CUSTODIANS

Martel Dorow, Inc. seeks to use a custodian/broker who will hold the client's assets and execute transaction on terms that are, overall, most advantageous when compared to other available providers and their services. Martel Dorow, Inc. considers a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for the client's account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payments, etc.)
- Availability of investment research and tools that assists Martel Dorow, Inc. in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to Martel Dorow, Inc. and their other clients
- Availability of other products and services that benefit Martel Dorow, Inc., as discussed below (see *"Products and Services Available to Martel Dorow, Inc. from Schwab"* page 14)

CLIENT BROKERAGE AND CUSTODY COSTS

For Martel Dorow, Inc.'s clients' accounts that Schwab maintains, Schwab generally does not charge separately for custody services but is compensated by charging commissions or other fees on trades that it executes or settles into a client's Schwab account. This commitment benefits the client because the overall commission rates the client pays or transaction fees are lower than they would be otherwise. In addition to commissions, Schwab charges the client a flat dollar amount as a "prime broker" or "trade away" fee for each trade that Martel Dorow, Inc. has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's Schwab account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize the client's trading costs, Martel Dorow, Inc. has Schwab execute most trades for the client's account. Martel Dorow, Inc. has determined that having Schwab execute most trades is consistent with Martel Dorow, Inc.'s duty to seek "best execution" of the client's trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see *"How Martel Dorow, Inc. Selects Brokers and Custodians"* page 13).

PRODUCTS AND SERVICES AVAILABLE TO MARTEL DOROW, INC. FROM SCHWAB

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like Martel Dorow, Inc. They provide Martel Dorow, Inc. and the clients with access to its institutional brokerage – trading, custody, reporting, and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help Martel Dorow, Inc. manage or administer the clients' accounts, while others help Martel Dorow, Inc. manage and grow the business. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to Martel Dorow, Inc. as long as the clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If the clients collectively have less than \$10 million in assets at Schwab, Schwab may charge Martel Dorow, Inc. quarterly service fees of \$1,200. Following is a more detailed description of Schwab's support services:

SERVICES THAT BENEFIT A CLIENT

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which Martel Dorow, Inc. might not otherwise have access or that would require a significantly higher minimum initial investment by the clients. Schwab's services described in this paragraph generally benefit the client and the client's account.

SERVICES THAT MAY NOT DIRECTLY BENEFIT A CLIENT

Schwab also makes available to Martel Dorow, Inc. other products and services that benefit Martel Dorow, Inc. but may not directly benefit the client or the client's account. These products and services assist Martel Dorow, Inc. in managing and administering the clients' accounts. They include investment research, both Schwab's own and that of third parties. Martel Dorow, Inc. may use this research to service all or a substantial number of the clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

SERVICES THAT GENERALLY BENEFIT ONLY MARTEL DOROW, INC.

Schwab also offers other services intended to help Martel Dorow, Inc. manage and further develop the business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to Martel Dorow, Inc. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide Martel Dorow, Inc. with other benefits, such as occasional business entertainment of the personnel.

MARTEL DOROW'S INTEREST IN SCHWAB SERVICES

The availability of these services from Schwab benefits Martel Dorow, Inc. because Martel Dorow, Inc. does not have to produce or purchase them. Martel Dorow, Inc. hasn't had to pay for Schwab's services so long as the clients collectively keep a total of at least \$10 million of the client's assets in accounts at Schwab. The \$10 million minimum may give Martel Dorow, Inc. an incentive to recommend that the client maintains the client's account with Schwab, based on the client's interest in receiving Schwab's services that benefit Martel Dorow, Inc.'s business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of the client's transactions. This is a potential conflict of interest. It is Martel Dorow, Inc.'s belief that the selection of Schwab as custodian and broker is in the best interests of the clients. Martel Dorow, Inc.'s selection is primarily supported by the scope, quality, and price of Schwab's services (see *"How Martel Dorow, Inc. Selects Brokers and Custodians"* page 13) and not Schwab's services that benefit only Martel Dorow, Inc.

REVIEW OF ACCOUNTS

PERIODIC REVIEWS

Account reviews are performed quarterly by advisors Ronald P. Martel, President. Account reviews are performed more frequently when market conditions dictate.

REVIEW TRIGGERS

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

REPORTS

Quarterly, the firm provides each client with a written report specific to their investment advisory account(s). This information includes:

- account performance for various time frames
- performance benchmarking with appropriate indices
- a written commentary detailing:
 - the previous quarter's market conditions,
 - future market outlook and,
- an explanation of Martel Dorow's Investment Strategies as they pertain to the management of the client's account(s)

Qualified Plans

A comprehensive **written report** is provided to trustee(s) on an annual basis for all client Qualified Plans. This report provides the following:

- ERISA compliance documentation
- Documentation of Fiduciary "Due Diligence"
- Investment Policy Statement Review
- Objective Measurement of Plan Funding Options against Investment Policy Statement
- ERISA Plan Document Review
- Recommendations

CLIENT REFERRALS AND OTHER COMPENSATION

INCOMING REFERRALS

Martel Dorow, Inc. has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

REFERRALS OUT

Martel Dorow, Inc. does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

CLIENT REFERRALS AND OTHER COMPENSATION

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities of our clients.

CUSTODY

ACCOUNT STATEMENTS

All assets are held at qualified custodians. In order to be deemed a qualified custodian, the custodians need to provide account statements directly to clients at their address of record at least quarterly.

PERFORMANCE REPORTS

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Schwab to deduct our advisory fees directly from your account. Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them. Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Martel Dorow, Inc.

Please note that Martel Dorow, Inc. sends an invoice for Investment Advisory Fees even when the fees are directly are deducted directly from your account.

INVESTMENT DISCRETION

DISCRETIONARY AUTHORITY FOR TRADING

Martel Dorow, Inc. accepts discretionary authority to manage securities accounts on behalf of clients. Martel Dorow, Inc. has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

The client approves the custodian to be used and the transaction fees paid to the custodian. Martel Dorow, Inc. does not receive any portion of the transaction fees paid by the client to the custodian on certain trades.

Discretionary trading authority facilitates prompt placing of trades for a client account.

LIMITED POWER OF ATTORNEY

A client signs a limited power of attorney so that Martel Dorow, Inc. can promptly execute trades on a client's behalf.

VOTING CLIENT SECURITIES

PROXY VOTES

Martel Dorow, Inc. does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, Martel Dorow, Inc. will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

FINANCIAL INFORMATION

FINANCIAL CONDITION

Martel Dorow, Inc. does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because Martel Dorow, Inc. does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200. per client six months or more in advance.

**Martel Dorow, Inc.
Brochure Supplement
(Part 2B of Form ADV)
RONALD P. MARTEL**

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Phone: 603-436-7809
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March 31st, 2011

This brochure supplement provides information about Ronald P. Martel that supplements the Martel Dorow, Inc. brochure. You should have received a copy of that brochure. Please contact Diane A. DuBois if you did not receive Martel Dorow, Inc.'s brochure or have any questions about the contents of this supplement.

Additional information about Ronald P. Martel is available on the SEC's website at:
www.advisorinfo.sec.gov

RONALD P. MARTEL

Date of Birth: November 24, 1947

EDUCATIONAL BACKGROUND:

- Providence College (1969) B.S. Accounting

BUSINESS EXPERIENCE:

- (1969 --1971) Auditor, Peat, Marwick, Mitchell
- (1971 -- 1974) Comptroller, Bradford Mutual Fund Services Inc., A Mutual Fund Transfer Agent
- (1975 -- 1980) Director, Senior Vice President & Treasurer, Bradford Trust Company of Boston
- (1981 -- 1993) Owner, Self-Employed, RPM & Associates
- (1984 --1987) Controller, Pepsi-Cola Bottling Co. of Greenland, NH
- (1987 --1991) Controller, Winebaum News, Inc.
- (1993 --present) President, Martel Dorow, Inc. -Wealth Management

DISCIPLINARY INFORMATION: None

OTHER BUSINESS ACTIVITIES:

In addition to providing Investment Advisory Services, Ron does tax compliance and prepares corporate and personal returns on a fee basis. Please refer to Additional Services: TAX PREPARATION - Page 4 of the Firm Brochure.

ADDITIONAL COMPENSATION: Please refer to Fess and Compensation: HOURLY RATE – page 5 of the Firm Brochure.

SUPERVISION:

Ron Martel is supervised by Diane Agrodnia DuBois, Chief Compliance Officer for Martel Dorow, Inc. Diane reviews Ron's work through frequent office interactions as well as formal reviews of trading activity and written file notes. Diane also reviews Ron's activities through Martel Dorow's client relationship management system and emails.

Diane Agrodnia DuBois contact information:

Phone: 603-436-7809

Email: ddubois@marteldorow.com

ARBITRATION CLAIMS: None

SELF-REGULATORY ORGANIZATION OR ADMINISTRATIVE PROCEEDING: None

BANKRUPTCY PETITION: None

**Martel Dorow, Inc.
Brochure Supplement
(Part 2B of Form ADV)
DIANE AGRODNIA DUBOIS**

**Martel Dorow, Inc.
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www.marteldorow.com
ddubois@marteldorow.com**

March 31, 2011

This brochure supplement provides information about Diane Agrodnia DuBois that supplements the Martel Dorow, Inc. brochure. You should have received a copy of that brochure. Please contact Diane Agrodnia DuBois if you did not receive Martel Dorow, Inc.'s brochure or have any questions about the contents of this supplement.

Additional information about Diane Agrodnia DuBois is available on the SEC's website at:
www.advisorinfo.sec.gov

DIANE AGRODNIA DUBOIS, QPFC

Date of birth: May 29th, 1962

EDUCATIONAL BACKGROUND:

- University of NH (1985) BA -Psychology and Business
- Post Graduate Education:
 - College for Financial -CFP Curriculum
 - National Association of Insurance and Financial Advisors NAIFA
AKA: National Association of Life Underwriters -Curriculum
 - State Continuing Education requirements NH, Me, Ma, FL
 - Life, Accident and Health Insurance
 - Variable Annuities
 - Long Term Care
 - American Society of Pension Planners and Actuaries (ASPPA)-curriculum
 - Professional Credentials: (QPFC) - Qualified Plan Financial Consultant

BUSINESS EXPERIENCE:

- 1985 --1993: SunLife Financial
- 1993 --2001: Beacon Integrated Resources --Insurance Brokerage Firm -founding partner.
- 1993 -- present: Principal, Martel Dorow, Inc. -Wealth Management

DISCIPLINARY INFORMATION: None

OTHER BUSINESS ACTIVITIES:

In addition to providing Investment Advisory Services, Diane is licensed to sell insurance products. Please see Additional Services: RISK MANAGEMENT - Page 3 of the Firm Brochure.

ADDITIONAL COMPENSATION: Please see Fees and Compensation: COMMISSIONS - page 5 of the Firm Brochure.

SUPERVISION:

Diane Agrodnia DuBois is supervised by Ron Martel, President of Martel Dorow, Inc. Ron reviews Diane's work through frequent office interactions as well as formal reviews of trading activity and written file notes. Ron also reviews Diane's activities through Martel Dorow's client relationship management system and emails.

Ron Martel's contact information:

Phone: 603-436-7809

Email: rmartel@marteldorow.com

ARBITRATION CLAIMS: None

SELF-REGULATORY ORGANIZATION OR ADMINISTRATIVE PROCEEDING: None

BANKRUPTCY PETITION: None