



Lexington Investment Counsel, LLC

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12-31-2010

Form ADV Part 2A, Item 1

This Brochure provides information about the qualifications and business practices of Lexington Investment Counsel, LLC ["LEXINGTON"]. If you have any questions about the contents of this Brochure, please contact us at 386 274-2533 and/or david@investlic.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.

LEXINGTON is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about LEXINGTON also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

Form ADV Part 2A, Item 2

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 12-31-2010 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting David N. Jones, Chief Compliance Officer at 386 274-2533 or david@investlic.com.

Additional information about LEXINGTON is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with LEXINGTON who are registered, or are required to be registered, as investment adviser representatives of LEXINGTON.

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Advisory Business

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Lexington Investment Counsel, LLC - DBA Lexington Investment Counsel (hereinafter "LEXINGTON" or the "firm") is an investment adviser registered with the Securities and Exchange Commission. LEXINGTON has been in business since 2003 and the principal owner is Lexington Wealth Management, LLC. LEXINGTON offers personalized investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities. LEXINGTON's services and fee arrangements are described in the following pages.

Individuals associated with LEXINGTON will provide the firm's investment advisory services. These individuals are appropriately licensed, qualified or authorized to provide advisory services on LEXINGTON's behalf. Such individuals are known as Investment Adviser Representatives (IARs).

LEXINGTON will offer to clients Investment Management Consulting services.

Information will be obtained through personal interviews with each client. Information is obtained concerning the clients' current financial status, future goals and attitudes toward risk. Related documents supplied by the client are carefully reviewed. A written proposal, which includes a broad overview of the course of action LEXINGTON recommends for the client, is then prepared based upon the data gathered and information provided by the client. If the client chooses to proceed, LEXINGTON will then work with the client to implement the suggestions/recommendations made in the proposal.

LEXINGTON's Investment Management Consulting consist of the following:

- Portfolio Analysis
- Asset Allocation Studies
- Investment Planning in Trust or Partnerships
- Tax Efficient Portfolio Management

LEXINGTON provides investment and portfolio management consulting services to high net worth clientele. Professional management of a client's portfolio includes but is not limited to investing in Equities, Fixed Income, Real Estate and Cash Equivalent instruments. Portfolios are designed based on the client's investment objectives, risk tolerance, net worth, net income, and other various suitability factors.

LEXINGTON manages client accounts on an individualized basis. Further restrictions and guidelines imposed by clients affect the composition and performance of portfolios. For these reasons, performance of portfolios within the same investment objective may differ and clients should not expect that performance of their portfolios would be identical with the average client of LEXINGTON.

LEXINGTON may utilize the services of third party money managers (MM), to manage the client's assets and provide portfolio management services. All MMs that the firm recommends to its clients must be properly licensed as investment advisers with either the Securities and Exchange Commission or with the appropriate state authority(ies).

Under these arrangements, LEXINGTON will gather information from the client about the client's financial situation, investment objectives, and reasonable restrictions the client may wish to impose on the management of the account. LEXINGTON will then assist the client in selecting a particular MM for account management. Thereafter, LEXINGTON will monitor the MM's performance; review reports provided to the client by the MM; communicate information to the MM as warranted; conduct periodic reviews of the client's account; and assist the client in understanding and evaluating the services provided by the MM, among other services. LEXINGTON's primary objective is to align the client with the appropriate adviser to allow the client to capitalize on opportunities that will strengthen or enhance their personal portfolio.

The MM will actively manage the client's portfolio and will assume investment discretion and trading authority over the managed account. Under such arrangements, LEXINGTON will not manage or obtain investment discretion or trading authority over the assets in any client's managed account. However, LEXINGTON will assume discretionary authority to hire and fire MMs, give instructions to MMs to buy or sell for tax purposes, distributions and reallocate the client's assets to other MMs, where such action is deemed to be in the best interest of the client.

All fees payable to the MMs are separate and distinct from the customary asset management fees charged by LEXINGTON

When appropriate to the needs of the client, LEXINGTON may manage the client account(s) directly. Such advice will typically involve providing a variety of services, which may include investment buy/sell recommendations and asset allocation, including the potential selection of mutual funds and/or exchange traded funds for the client's account based upon an analysis of their individualized needs, goals and objectives. Under such arrangements, LEXINGTON will assume full discretionary and trading authority over the investments held in the client's account. This will include the authority to determine, without prior client consent, the securities, and the amount of securities, to be bought or sold, the broker or dealer to be used, and the commission rates to be paid.

In limited circumstances, and at LEXINGTON's discretion, the firm may enter into non-discretionary arrangements with advisory clients. Where LEXINGTON enters into non-discretionary arrangements with clients, LEXINGTON will obtain the client's approval prior to the execution of a trade.

LEXINGTON does not represent, warrant or imply that the services or methods of analysis employed by the firm can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

LEXINGTON shall never have custody of any client funds or securities, as the services of an independent custodian will be used for these asset management services.

While the firm endeavors at all times to offer clients its specialized services at reasonable costs, the fees charged by other advisers for comparable services may be lower than the fees charged by LEXINGTON.

Assets Under Management

As of December 31, 2010, we managed approximately \$26,184,808 in client assets on a discretionary basis, \$53,746,277 on a non-discretionary basis for a total of \$79,931,085.

Fees and Compensation

Form ADV Part 2A, Item 5

The fee for portfolio management services AND other wealth management services when billed on a percentage of assets is based on the following tiered fee schedule:

Managed Assets	Annualized Fee
\$0 - \$1,000,000	1.25%
\$1,000,001 - \$3,000,000	1.00%
\$3,000,001 - \$5,000,000	0.85%
\$5,000,001 - \$10,000,000	0.70%
Over \$10,000,000	Negotiable

Fees are negotiable on a case-by-case basis. Although LEXINGTON believes the combined advisory fee charged by the firm and the MMs are competitive, total fees exceeding 3% of assets under management could be considered excessive. Comparable services may be obtained from other sources at a lower price.

The management fee will be calculated based on the investment account assets market value on the last day of the quarter, including any margin balances, and payable at the beginning of each calendar quarter. A pro rata fee will be charged for any period less than a full quarter. In the event that there is a withdrawal of investment account assets or the Wealth Manager (Adviser) or Wealth Management Agreement is terminated during a calendar year, a pro-rata refund will be issued to the client for unearned management fees.

On margin balances LEXINGTON will assess its advisory fee on the gross balance of the account.

Client accounts will be held in custody at, and securities will be purchased or sold through, the facilities of TD Ameritrade, Inc. ("TD Ameritrade"), an unaffiliated broker dealer. Clients are hereby advised that there are transaction charges involved with purchasing or selling securities. LEXINGTON does not share in any portion of the brokerage fees/transaction charges imposed by TD Ameritrade.

LEXINGTON will either invoice the client directly for the advisory fees or the qualified custodian holding the clients' funds and securities will debit the client account directly for the advisory fees. Where the client account is debited directly for the advisory fee, the client will provide written authorization permitting the fees to be paid directly from their account held by the qualified custodian. LEXINGTON will not have access to client funds for payment of fees without client consent in writing. Further, the qualified custodian agrees to deliver a quarterly account statement directly to the client. The client is encouraged to review their account statements for accuracy. LEXINGTON will receive a duplicate copy of the statement that was delivered to the client.

The Wealth Management Agreement ("Agreement") shall be effective on and from the date signed and unless otherwise terminated as provided therein. Notwithstanding anything to the contrary contained in the Agreement, either party may terminate the Agreement at any time upon 30 days written notice to the other party. Any termination of the Agreement shall be deemed to occur as of the termination date set forth in such notice.

The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (SEC Rule 205(a)(1)).

All fees paid to LEXINGTON are separate and distinct from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. Such fees will generally include a management fee, other fund expenses, and a possible distribution fee. Mutual funds may also impose sales charges and clients may pay an initial or deferred sales charge. The client should review all fees charged by mutual funds, exchange traded funds, LEXINGTON and others to fully understand the total amount of fees to be paid by the client.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

LEXINGTON does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Types of Clients

Form ADV Part 2A, Item 7

LEXINGTON provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, trust programs, and other U.S. institutions.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

LEXINGTON uses Modern Portfolio Theory ("MPT") as one of its core investment strategies. MPT is a sophisticated investment decision making approach that theoretically permits an investor to classify, estimate, and control both the kind and the amount of expected risk and return through proper asset allocation.

Investing in securities involves risk of loss that clients should be prepared to bear.

Disciplinary Information

Form ADV Part 2A, Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of LEXINGTON or the integrity of LEXINGTON's management. LEXINGTON has the following information that is applicable to this item.

In 1995 Mr. Dale Veitch was employed by an independent financial services firm as a salaried employee and worked for the firm for approximately 3 years. Mr. Veitch was approved as an investment adviser representative and worked as an investment adviser representative during his term of employment. While Mr. Veitch was an employee of the firm all securities were approved by his supervisor and owner of the firm as well as the Firm's broker dealer (firm that approves securities for sale and serves in the role of compliance) and the Firm's security attorney who previously worked for the SEC. During this period Mr. Veitch recommended that clients of the firm purchase a security that eventually went into default.

In 1998 Mr. Veitch left his former employer and started his own fee-only investment advisory firm with four other colleagues. The Florida Division of Securities granted registration to the firm as an investment adviser. The Florida Division of Securities granted Mr. Veitch's application to serve as an associated investment adviser with the firm. Mr. Veitch worked as an investment adviser through 2003.

In 2000 the Florida Division of Securities determined the security sold by Mr. Veitch in 1995-1996 needed be registered with the department. This was contrary to what Mr. Veitch's employer, broker dealer and a lawyer advised him; they advised him the securities did not need to be registered. Mr. Veitch's legal responsibility was based on strict liability, which means that Florida did not have to prove that Mr. Veitch knowingly sold an unregistered security; they simply had to prove that he advised clients to buy the investments in question. Therefore Mr. Veitch had to agree to a judgment for the sale of the investments. Mr. Veitch subsequently satisfied all judgments.

In 2003 Mr. Veitch, together with an experienced investment advisor, formed a new company, LEXINGTON. This Company and Mr. Veitch's partner were approved by the State of Florida, Office of Financial Regulation (OFR).

In 2004 an administrative judge found that although Mr. Veitch had no intent to harm anyone she could not approve Mr. Veitch's registration "*at this time*" due to the non- dischargeable nature of the judgments that Mr. Veitch previously satisfied.

In 2010 Mr. Veitch was approved as an investment adviser representative with LEXINGTON by the OFR with restrictions.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Lexington Family Office Services, LLC ("LFO") is affiliated with LEXINGTON through common ownership. LFO may offer family office services to clients of LEXINGTON. Clients are instructed that the fees paid to the Firm for advisory services are separate and distinct from fees paid to LFO for family office services. Clients to whom the Firm offers advisory services are informed that they are under no obligation to use the services of LFO and may use the family office services provider of their choosing.

Code of Ethics

Form ADV Part 2A, Item 11

LEXINGTON or individuals associated with the Firm may buy or sell – for their personal account(s) - investment products identical to those recommended to clients. It is the expressed policy of LEXINGTON that employees shall not have priority in any purchase or sale over clients' accounts.

(1)(2)

LEXINGTON has adopted a Code of Ethics, the full text of which is available to clients and prospective clients upon request. LEXINGTON has several goals in adopting this Code. First, the Firm desires to comply with all applicable laws and regulations governing its practice, and the management of LEXINGTON has determined to set forth guidelines for professional standards, under which all associated persons of the Firm are to conduct themselves. The Firm has set high standards, the intention of which is to protect client interests at all times and to demonstrate its commitment to its fiduciary duties of honesty, good faith and fair dealing with clients. All associated persons are expected to adhere strictly to these guidelines, as well as any procedures for approval and reporting established in the Code of Ethics primarily related to violations of the Code. In addition, LEXINGTON maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by LEXINGTON or any person associated with the Firm.

Footnotes:

⁽¹⁾ This investment policy has been established recognizing that some securities being considered for purchase and/or sale on behalf of LEXINGTON's clients trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with LEXINGTON's records in the manner set forth above.

⁽²⁾ The foregoing does not apply to certain types of securities, such as obligations of the U.S. Government, and shares in open-end mutual funds. Open-end mutual funds are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds by Advisory Representatives are not likely to have an impact on the prices of the fund shares in which clients invest.

As an employee of LEXINGTON, associated persons may learn confidential information concerning LEXINGTON and its clients. "Confidential information" generally means all information not publicly available (through the media or public records) and includes, but is not limited to:

- The composition of client portfolios.
- Certain records, procedures and other proprietary information.
- Family and personal information.

It is LEXINGTON's policy that individuals employed by the firm must not disclose, directly or indirectly, any confidential information to anyone other than LEXINGTON personnel and authorized professional advisors such as broker dealers, attorneys, and accountants who need such information in order to discharge their professional services.

Brokerage Practices

Form ADV Part 2A, Item 12

LEXINGTON will generally recommend that a client in need of brokerage and custodial services utilize TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. All such broker dealers/custodians are unaffiliated and offer independent investment advisers services, which include custody of client securities, trade execution, clearance and settlement of transactions, and daily research and investment information. LEXINGTON receives some benefits from TD Ameritrade through its participation in these programs. The Firm and/or its IARs may receive benefits such as assistance with conferences and educational meetings from product sponsors.

There is no direct link between the firm's participation in the TD Ameritrade Institutional program and the investment advice it gives to its clients, although LEXINGTON receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then

allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to LEXINGTON by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by LEXINGTON's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit LEXINGTON but may not benefit its client accounts. These products or services may assist LEXINGTON in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help LEXINGTON manage and further develop its business enterprise. The benefits received by the firm or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by LEXINGTON or its related persons in and of itself creates a potential conflict of interest and may indirectly influence LEXINGTON's choice of TD Ameritrade for custody and brokerage services.

In selecting a broker dealer based on discretionary authority or in suggesting a broker dealer on behalf of a non-discretionary account, LEXINGTON will endeavor to select those brokers or dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker's reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker might charge is permissible if the difference in cost is reasonably justified by the quality of the brokerage services offered. In addition, LEXINGTON may cause the account to pay a higher commission in recognition of the value of "research services" and additional brokerage products and services a broker-dealer has provided or may be willing to provide.

In limited circumstances and at the Firm's discretion, some Clients may instruct LEXINGTON to use one or more particular brokers for the transactions in their accounts. Clients who may want to direct the Firm to use a particular broker should understand that this may prevent LEXINGTON from effectively negotiating brokerage compensation on their behalf and may also prevent LEXINGTON from obtaining the most favorable net price and execution. Moreover, Clients that direct brokerage may incur additional costs for performance reporting. Thus, when directing brokerage business, Clients should consider whether the commission expenses, execution, clearance, and settlement capabilities that they will obtain through their broker are adequately favorable in comparison to those that LEXINGTON would otherwise obtain for its Clients.

While LEXINGTON and its associated persons, as part of their fiduciary duty, endeavor to put the interest of the Clients first, Clients should be aware that receipt of additional compensation itself creates a potential conflict of interest.

Review of Accounts

Form ADV Part 2A, Item 13

Client accounts are reviewed at least on a quarterly basis and quarterly performance reports are provided to each client.

Portfolios are reviewed quarterly with the client if the client has engaged LEXINGTON in an ongoing Wealth Management Agreement. At the request of the client and if agreed to by LEXINGTON's representative, portfolio reviews can be done less frequently than quarterly but not less than annually. This level of review does not apply to hourly arrangements, flat fee arrangements, or non-fee based accounts.

In addition to the quarterly performance reports reference above, the custodian will send monthly statements to the client. Additional reports are prepared at LEXINGTON's discretion. Hourly and one-time Wealth Management services do not include quarterly reporting or annual reviews.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

Employee and non-employee (outside) solicitors, e.g. unaffiliated broker/dealers, investment advisers, accountants, attorneys, etc., who are directly responsible for bringing a client to LEXINGTON, may receive compensation from LEXINGTON for the client referral. Under these arrangements, the client does not pay higher fees than LEXINGTON's normal/typical advisory fees.

Such arrangements will comply with the requirements set forth under the Investment Advisers Act of 1940 and/or the applicable state Securities Acts, including the requirement for a written agreement between LEXINGTON and the solicitor. Non-employee solicitors must provide a copy of LEXINGTON's ADV Part II (Disclosure Brochure) and a separate solicitor's disclosure statement regarding the relationship between the solicitor and LEXINGTON to the prospective client at the time of the solicitation or referral. The client will be requested to acknowledge this arrangement prior to acceptance of the client's account for advisory services. Applicable state laws may require these persons to become either licensed or registered as representatives of LEXINGTON or as an independent investment adviser.

Custody

Form ADV Part 2A, Item 15

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. LEXINGTON urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

LEXINGTON does not act as a custodian

Investment Discretion

Form ADV Part 2A, Item 16

LEXINGTON usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, LEXINGTON observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, LEXINGTON's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to LEXINGTON in writing.

Voting *Client* Securities

Form ADV Part 2A, Item 17

As a matter of firm policy and practice, LEXINGTON does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. LEXINGTON may provide advice to clients regarding the clients' voting of proxies.

Financial Information

Form ADV Part 2A, Item 18

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about LEXINGTON's financial condition. LEXINGTON has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.