

Item 1 – Cover Page

Evaluation Associates LLC
200 Connecticut Avenue, Suite 700
Norwalk, CT 06854
(203) 855-2200
www.evaluationassociates.com
March 2, 2011

This Brochure provides information about the qualifications and business practices of Evaluation Associates LLC. If you have any questions about the contents of this Brochure, please contact us at (203) 855-2200 or email us at eainfo@evaluationassociates.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 Evaluation Associates LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

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 March 31, 2011 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 us at (203) 855-2200 or email eaiinfo@evaluationassociates.com.

Additional information about Evaluation Associates LLC is also available via the SEC’s web site www.adviserinfo.sec.gov.

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Item 4 – Advisory Business

Evaluation Associates LLC is a full service investment consulting firm providing services to institutional investors since 1976. We are an independently managed, wholly-owned subsidiary of Milliman, Inc. an actuarial and consulting firm.

Today Evaluation Associates' service model provides discretionary and non-discretionary assistance in defining investment objectives and guidelines, setting asset mix, evaluating and selecting investment managers and other investment services and presenting performance measurement and certain monitoring services.

Our current client base includes:

- Corporate and Public Defined Benefit and Defined Contribution Plans
- Foundations
- Endowments
- Healthcare Organizations
- Faith Based Organizations
- Wealth Management Organizations
- High Net Worth Families and Individuals

We provide a comprehensive array of advisory services designed to assist you in achieving your investment objectives. Our services, identified below, are offered on both a retainer and project basis.

Evaluation Associates also sells Manager Data Services ("MDS") to registered investment advisers, explained in detail under the "Advisory Services" section of this item.

Advisory Services

Retainer relationship services are both summarized and fully described below:

- Investment Policy Development, Review, and Revision
- Asset Allocation
- Asset-Liability Analysis
- Portfolio Structure
- Manager Selection
- Monitoring of Investment Managers
- Performance Measurement and Portfolio Analysis
- Tailored Advisory Services

Investment Policy Development and Review

Evaluation Associates believes that the establishment of a comprehensive investment policy is the most important step in the development of a successful investment program. It communicates the client's philosophies, expectations, objectives, and guidelines for the investment of all plan assets. Our consultants work closely with clients to develop or revise investment policies that are specific to their needs.

A carefully crafted investment policy provides critical guidelines across a wide range of issues including:

- Purpose and background of investment program
- Duties and responsibilities of all parties
- Objectives and guidelines—investment time horizon, risk tolerances, performance expectations, asset allocation, and rebalancing guidelines
- Investment manager selection procedures
- Securities guidelines and investment restrictions
- Review and control procedures—monitoring requirements

Asset Allocation

Successful fund management requires a long-term asset allocation strategy customized to the specific goals and risk/return objectives of each client. We help clients determine their risk tolerance while setting achievable goals for growing assets, maintaining purchasing power, or providing income.

We take a long-term view and strongly believe in diversification across several asset classes to reduce risk. Our consulting teams evaluate and select asset classes that fit the parameters and restrictions of each client's investment profile. Our interactive asset allocation process gives each client the ability to assess alternative asset allocation mixes and analyze the effects on the risk/return metrics after making changes to the asset allocation mix.

Evaluation Associates' Asset Allocation Committee, composed of senior consultants and research professionals, develops long-term asset class expectations at the beginning of each year using a well-researched process. The asset class assumptions consist of expected returns, standard deviations, and correlations for traditional and alternative asset classes and form the basis for our asset allocation and asset/liability studies. We utilize state-of-the-art asset allocation tools and methods to ensure the integrity of the asset allocation outputs and continually research new opportunities to help optimize the performance of our clients' investment programs.

Asset-Liability Analysis

Evaluation Associates offers state-of-the-art asset-liability modeling and risk budgeting capabilities. Our asset-liability modeling analyses quantify the potential financial impact of the pension plan (funding, balance sheet, and pension expense) on the plan sponsor organization and are tailored to our clients' specific circumstances, liability characteristics, and financial objectives.

We believe that the overall risk tolerance (i.e., how much financial risk a pension plan imposes on the sponsoring enterprise) is of paramount importance in developing an investment policy. We seek to identify the appropriate level of risk to be taken and the optimal blend of risks to achieve our clients' specific financial objectives.

The main objectives of an asset-liability study for a pension plan are:

- Quantifying the level and sources of investment risk and return relative to the plans' liabilities; and analyzing the financial efficiency (risk/return) of the current asset allocation
- Analyzing the effect on key risk/return metrics by making changes to the current asset allocation
- Selecting the optimal asset allocation policy to control financial risks (funding, balance sheet, and pension expense) and maximizing surplus returns to reduce the long-term cost of the plan

Through a comprehensive risk budgeting analysis, we also can address asset allocation (beta) and portfolio structure (alpha) risk/return together to develop more financially efficient portfolios than might otherwise be attained if they were addressed separately.

Portfolio Structure

After determining an appropriate asset allocation strategy, we work with clients to identify strategies within asset classes that can provide excess returns (net of fees) above a specified benchmark, subject to an acceptable level of risk (tracking error) and size, style, regional or quality biases.

We believe that active management can add significant value to institutional portfolios, but should primarily be employed in asset classes that offer the highest probability of success and can have a meaningful impact on total portfolio performance.

Our industry-leading risk budgeting capabilities give our clients the ability to assess alternative portfolio structures (passive, enhanced index, active long-only, 130/30, and portable alpha), analyze the effects on the risk/return metrics, and optimize a portfolio structure to meet their specific goals and objectives.

Manager Selection

Evaluation Associates is widely known for its thorough and disciplined investment manager search and selection process. Each year our research staff conducts approximately 1,000 in-depth interviews with traditional and alternative asset managers, evaluating each across a broad range of quantitative and qualitative criteria. We get to the heart of what really drives each manager's performance, the stability of the firm, the quality of its processes and people, and many other factors to find the right fit for our clients.

Applying this research, Evaluation Associates develops specific manager recommendations for further analysis and discussion with our clients. After we refine a short list of candidates, we schedule and participate in manager interviews with our clients and provide input to help guide the final decision-making process.

Monitoring of Investment Managers

We conduct both qualitative and quantitative research on the managers we follow because there is more to the story than numbers. We look for managers who provide consistency of returns given each client's objectives and risk tolerance. The qualitative elements include organizational structure (ownership/succession, business model, competing interests), investment staff (stability, experience, incentives/compensation), investment process (philosophy, strategy, portfolio construction, risk management, decision-making), and research (depth of staff, internal/external, specialist/generalist). The quantitative aspects of the monitoring and due diligence process focus on performance (absolute and relative to peers/benchmark), attribution, risk profile, and current portfolio positioning.

Performance Measurement and Portfolio Analysis

We provide comprehensive executive summary reports with a narrative summary to clients on a quarterly basis. These reports encapsulate all the details from our performance and attribution reports and present the information in a concise, user-friendly summary format. At the total fund, asset class, and individual manager levels, these reports provide performance attribution relative to benchmarks and comparisons of the returns, risk, and up/down market capture relative to benchmarks and peer universes. In addition, we provide monthly performance spreadsheets and monthly market commentary written by our research group. We have found our reporting formats to be quite effective for presenting results, but we are flexible and can tailor reports to meet your needs.

Defined Contribution Services

Investment Policy Design & Monitoring

- Define investment consultant, trustee, investment committee, and investment manager responsibilities
- Delineate investment guidelines
- Document monitoring and reporting process
- Address participant issues

Program Benchmarking & Design

- Review current structure versus peer groups
- Monitor for completeness
- Proactively identify market trends

Investment Options

- Qualitatively and quantitatively evaluate the strength of each option
- Identify overlap or gaps among existing options
- Review mutual fund, commingled fund, and separate account alternatives
- Evaluate and/or customize target date/life cycle funds
- Evaluate company stock and concentrated ownership patterns

Performance Measurement & Monitoring

- Monitor performance on an absolute, relative, and risk-adjusted basis
- Review style consistency for all investment options
- Provide reports to Investment Committee on qualitative and quantitative basis
- Review of fees

Fiduciary Services

- Documented manager due diligence
- Review plan design for compliance with PPA and assist with 404(c) compliance for investment matters
- Help Investment Committee implement best practices
- Serve as plan fiduciary

Additional Services

- Evaluating and selecting bundled and unbundled service providers who are best in class on both a total cost and performance basis
- Understand total cost of plan services including investment management, transition, recordkeeping, and administration fees

Tailored Advisory Services

Evaluation Associates frequently undertakes customized, special assignments from clients to resolve urgent challenges, address strategic needs, or investigate new investment opportunities. Many clients have large internal staffs but rely on Evaluation Associates to perform due diligence reviews of managers with traditional as well as alternative investment mandates. Past assignments also have included custodian searches, development of education programs for staff and committees, and best-practices analyses for defined contribution benchmarking.

Manager and Data Services

The Manager and Data Services ("MDS") division of Evaluation Associates LLC ("EAI") provides four services to Registered Investment Advisors (RIAs) who distribute investment products to the retail, high net worth, and institutional investor marketplace:

- Quantitative analysis and comparisons of the RIA's investment products to the EAI institutional peer group database, using industry-standard performance, risk, and MPT statistics
- Quantitative portfolio attribution analysis of the RIA's investment portfolios to decompose the portfolio's return into sector and stock selection factors
- Semi-annual updates on industry trends and product development, and institutional search activity at a macro level
- Targeted qualitative due diligence reviews of the RIA's investment products

MDS clients are served by a dedicated team which does not service our consulting client base. MDS clients are charged on a fixed fee schedule based on the reporting and service requirements of each client.

As of December 31, 2010 Evaluation Associates assets under advisement are \$250 Billion.

Item 5 – Fees and Compensation

Fees paid to Evaluation Associates LLC by employee benefit fund sponsors and other clients are negotiable and are payable either on an annual retainer basis, a percentage of assets under management, or on a project-specific or unit-of-work basis, depending on the clients' needs and the nature of the consulting work required. We have one or more clients who have negotiated provisions in their agreements, which provide these clients with the same fee terms that are offered to any other clients of Evaluation Associates where similar scope of services and complexity of work is provided under the agreement(s). Retainer fees are generally billed at the beginning of each calendar quarter. Projects are generally billed upon completion of the project. In case of termination, unused clients' fees are refunded on a pro-rata basis. Fees may be paid in cash or through directed commission programs.

Consulting clients may elect to make payment of their fees through commissions generated by trading with third party broker/dealers. Upon request from such clients Evaluation Associates then directly bills these broker dealers. Clients may also direct their broker dealers to pay our invoices. Evaluation Associates' fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Evaluation Associates' fee, and Evaluation Associates shall not receive any portion of these commissions, fees, and costs.

As stated in Item 4, Evaluation Associates provides services to registered investment advisers through our Manager and Data Service Division. MDS clients are charged on a fixed fee schedule based on the reporting and service requirements of each client. We acknowledge that these relationships present a potential conflict of interest which is carefully managed through disclosure to our clients and prospective clients in a myriad of ways and at different times. MDS clients are served by a dedicated team which does not service our consulting client base. Evaluation Associates provides a full list of RIA clients which also outlines the services provided in all quarterly client reports as well as in every manager search conducted.

Our RIA clients recognize they do not receive different treatment in our analysis of them as a result of being (or not being) a client of our MDS division. RIAs and other service providers do not pay fees to be included in EAI publications, databases, searches, or manager research meetings. Purchasing MDS services in no way affects the RIAs appropriateness for inclusion in searches and has no impact or consideration in search activities performed for our consulting clients. EAI does not own and is not affiliated with a broker-dealer, has no revenue-sharing arrangements with non-affiliated broker-dealers, and receives no economic benefit from a decision to hire any RIA.

Item 6 – Performance-Based Fees and Side-By-Side Management

Evaluation Associates does not currently have client arrangements where performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) are charged.

Evaluation Associates may enter into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. Evaluation Associates will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (The Advisors Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, Evaluation Associates shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for Evaluation Associates to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Evaluation Associates has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 – Types of Clients

Our current client base includes:

- Corporate and Public Defined Benefit and Defined Contribution Plans
 - Foundations
 - Endowments
 - Healthcare Organizations
 - Faith Based Organizations
 - Wealth Management Organizations
 - High Net Worth Families and Individuals
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- Our primary method of providing services to our clients is through advisory consulting retainer relationships. In this capacity, we work with approximately 110 institutional investors, ranging in size from \$20 million to multibillion dollar plans. We also work with many organizations on a project basis, providing an independent and objective perspective.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Evaluation Associates' analysis is devoted mainly to selecting investment management organizations rather than to individual securities. The analytical process includes both quantitative and qualitative elements. Quantitative elements include: the organization's historical return and characteristics, together with an analysis of portfolio characteristics. Qualitative elements include: analysis of the background and qualifications of key investment personnel and analysis of organizational stability and controls. We have three principal sources of information for evaluating and selecting portfolio managers. First, our research and consulting personnel attend numerous in-person meetings each year with portfolio managers deemed to be qualified to manage institutional-size pools of assets. In addition, during the course of a year, numerous portfolio managers' personnel visit our offices for meetings with client executives and consulting and research personnel. This information is further supplemented by visits to and telephone discussions with portfolio management organizations when circumstances suggest further inquiries are in order.

Second, Evaluation Associates uses the computer database facilities developed and maintained internally to monitor, compile, record and report the investment results achieved by institutional portfolio managers. In addition to investment results reported publicly (e.g., bank collective investment funds), this database includes information not generally reported publicly and includes information such as that generated by the visits and telephone calls discussed in the preceding paragraph. Moreover, we serve as a consultant to other institutional clients whose accounts are advised by multiple portfolio managers. The investment results being obtained by their managers are also available for evaluation purposes.

Third, in addition to the internal research generated we review and evaluate certain publicly available information concerning portfolio managers contained in financial newspapers, magazines, manager-prepared information and research and statistical materials prepared by other sources.

The analysis described above is conducted across Equity, Fixed Income, Hedge Fund of Funds, Hedge Funds, Real Estate, Private Equity, Commodities and Venture Capital investment strategies.

Any investment involves risk of loss that clients should be prepared to bear. Evaluation Associates defines risk as the degree of uncertainty in achieving quantifiable, explicit goals and objectives. We measure risk in our quarterly reports as we review each client's assets vs. liabilities, asset allocation vs. the target and ranges, and the risk/return analysis of the total fund, each asset class, and each manager. We incorporate our client's absolute risk tolerance in the development of the investment policy statement by determining eligible asset classes, and the targets and acceptable ranges around those targets. Consideration must be given to asset class liquidity where private market investments have limited or no liquidity provisions. Manager analyses include qualitative and quantitative reviews of a manager's absolute and relative investment risk. Relative investment risk is plotted for each advisor against its appropriate universe measure. Evaluation Associates takes a proactive approach to monitoring and measuring investment risk. We believe risk management and risk budgeting are on-going processes that must be continually reviewed and evaluated based on the plan's investment guidelines and the plan sponsor's changing appetite for risk.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Evaluation Associates or the integrity of Evaluation Associates' management.

Evaluation Associates has not experienced any material legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

Evaluation Associates is a wholly owned subsidiary of Milliman, Inc. ("Milliman"). Milliman is a registered investment adviser firm and provides pension actuarial consulting services.

See response to Item 12.

See response to Item 4, Manager and Data Services division of Evaluation Associates.

At the request of an affiliate's institutional client, the affiliate may have investment, brokerage or commission discretion in connection with its advisory services. Affiliate's recommendations on the selection of a broker will take into account a number of factors, including execution capabilities, responsiveness, price, commission rate, credit risk, clearance procedures, custodial and reporting services and market, statistical and other research provided. Based on the quality and quantity of brokerage services provided, an account may pay a brokerage commission in excess of that which another broker, especially a "discount broker," might have charged for effecting the same transaction. Research services furnished by brokers through whom affiliate's clients effect transactions may be used in servicing all accounts and such services may not all be used by affiliate in connection with the accounts that paid commissions to the broker providing such services.

Item 11 – Code of Ethics

Evaluation Associates has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, reporting of gifts and business entertainment items, and personal securities trading procedures. All supervised persons at Evaluation Associates must acknowledge the terms of the Code of Ethics annually.

Evaluation Associates' investment advisory services may include recommendations to purchase or sell particular types or categories of securities or investment products. It may also involve rendering advice with respect to particular securities or investment products. Concurrently with this advice, investment consultants may generally purchase, sell or hold investments within these categories or within the particular securities or investment products, as most are publicly traded.

A copy of Evaluation Associates' code of ethics for investment advisers is available to any client or prospective client upon request.

Item 12 – Brokerage Practices

Evaluations Associates may recommend to clients the services of certain brokers, but solely with respect to commission recapture programs and receives no separate compensation for this service over and above its regular consulting fees. The brokers are chosen based upon the quality of the execution services provided and the competitiveness of the commission rates charged.

Item 13 – Review of Accounts

Each consulting account is managed by a senior consultant who is in regular contact with the client and periodically (typically quarterly) reviews a client's portfolio. Accounts are reviewed by the Managing Director as required.

Clients receive quarterly reports showing performance results for client's total account and for each portion of the account assigned to outside investment management organizations. Reports also include materials designed to identify other appropriate characteristics of the total account and relevant components.

Risk Management Process

We define risk as the degree of uncertainty in achieving quantifiable, explicit goals and objectives. We measure risk in our quarterly reports as we review each client's assets vs. liabilities, asset allocation vs. the target and ranges, and the risk/return analysis of the total fund, each asset class, and each manager. We incorporate our client's absolute risk tolerance in the development of the investment policy statement by determining eligible asset classes, and the targets and acceptable ranges around those targets. Consideration is also given to asset class liquidity where private market investments have limited or no liquidity provisions. Manager analyses include qualitative and quantitative reviews of a manager's absolute and relative investment risk. Relative investment risk is plotted for each advisor against its appropriate universe measure. Evaluation Associates takes a proactive approach to monitoring and measuring investment risk. We believe risk management and risk budgeting are on-going processes that must be continually reviewed and evaluated based on the plan's investment guidelines and the plan sponsor's changing appetite for risk.

The modeling of risk, return, performance-based style analysis, upside/downside risk, draw downs, and MPT statistics are accomplished through third party platforms. Typical measures of risk are: standard deviation, sharpe ratio, tracking error, and information ratio.

When reviewing risk, we focus on:

- Total fund asset allocation by asset class (as defined by the client) and variance from the policy targets
- Total fund returns, contribution of each asset class to that return, and attribution as to its source (asset allocation or manager performance) relative to the total fund custom benchmark
- Total fund and each manager's returns in latest quarter, year to date, three- and five-years relative to its benchmark and a universe of peer funds
- Risk/reward and up/down market capture relative to benchmark and peer universe over last five-year period
- Each equity manager's portfolio characteristics performance attributed to stock selection and sector weighting

We use a variety of investment tools to evaluate risk for our clients. Included among these tools are:

- Performance measurement and returns-based style analysis platforms used to analyze style drift and downside risk given individual manager returns. The analysis can be used for individual managers, market indices and total portfolios.
- Market Capture Analysis offers additional insights into understanding the frequency and magnitude of risk, including sharpe and information ratios, upside/downside capture, and maximum draw-downs.
- A third party manager database is used to supplement internal systems.
- Our portfolio analytics highlight potential areas of risk on the total portfolio, sector and individual issue level.
- Interrogator, our proprietary system, is a centralized database that offers our consultants immediate online access to research information. At the investment manager level, our research team meets or speaks frequently with our universe of active managers to review organizational and staff developments, current portfolio strategy, and performance attribution. These evaluations and current buy/hold/sell opinions are captured every day in Interrogator.

Item 14 – Client Referrals and Other Compensation

Generally, employees' total compensation is determined based on a number of factors, one of which is client referrals, and there is no set formula dictating the contribution of any of these factors to employee compensation. Senior consultants are compensated with a combination of base salary and incentives for client retention and new business.

Evaluation Associates may also compensate third parties for referring clients. Compensation may be based on a percentage of the compensation earned by Evaluation Associates as a result of the referral. Evaluation Associates will pay compensation to such third party only pursuant to a written agreement. A separate disclosure document is provided to these referred entities.

Item 15 – Custody

Evaluation Associates does not currently have custody of client assets.

Item 16 – Investment Discretion

Today Evaluation Associates operates in an advisory capacity to our clients.

Item 17 – Voting Client Securities

Evaluation Associates does not vote client securities.

Item 18 – Financial Information

This item is not applicable to Evaluation Associates.