

# AAM

Ascension Asset Management LLC  
950 Third Avenue  
28<sup>th</sup> Floor  
New York, NY 10022  
(212) 935-0782

February 8, 2011

Ascension Asset Management LLC is an independent registered investment advisory firm that provides asset allocation and portfolio management services for private clients, families and foundations.

This brochure provides information about the qualifications and business practices of Ascension Asset Management LLC. If you have any questions about the contents of this brochure, please contact us at (212) 935-0782. 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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training

## Item 2 - Material Changes

Summary of material changes from our last annual update (ADV Part 2 dated March 23, 2010)

### New Officers

The following individuals are new officers of Ascension Asset Management LLC:

Patrick L. Smith	- Senior Vice President
	Compliance Officer
Pamela Shiells	- Vice President
	Administrative Officer

## Item 3 - Table of Contents

### Table of Contents

- Mission Statement
- Investment Approach
- Approach to Bond Investment
- Approach to Common Stock Investment
- Composite Investment Results
  - With Asset Allocation
- Officers Of The Firm
- Fee Schedule

## Item 4 - Advisory Business

Ascension Asset Management LLC is an independent registered investment advisory firm that provides asset allocation and portfolio management services for private clients, families and foundations. The firm was started in June 2004 by Grenville M. Gooder Jr. who is the owner.

Ascension Asset Management establishes separate portfolios for each client based on a mutual understanding of investment goals and individual circumstances. Within this framework we seek to achieve above average long term investment returns that are commensurate with each client's risk tolerance. Preservation of capital is the number one goal for all of our clients. Therefore, risk management is an important responsibility.

We endeavor to meet with clients on a regular basis (annually if possible) to review investment objectives as well as the implementation of investment policy. Clients receive quarterly portfolio valuations together with six and 12 month performance data. Clients are encouraged to compare statements provided by Ascension Asset Management with those provided by their custodian.

Ascension Asset Management does not participate in wrap fee programs.

Ascension Asset Management supervises portfolios on both a discretionary and a non-discretionary basis. As of December 31, 2010 the firm managed \$114.7 million, of which \$112.9 million was discretionary and \$1.8 million was non-discretionary.

## Item 5 - Fees and Compensation

Ascension Asset Management LLC charges investment advisory fees based on a percentage of Assets Under Management (AUM) as follows:

Fixed Income (Cash & Bonds)

.5% of 1% per annum

Common Stocks

1.0% per annum

These fees are negotiable.

Ascension Asset Management will deduct advisory fees directly from client's accounts with written authorization, or clients may choose to be billed for fees incurred. Clients may select either method of payment. Fees are either deducted, or billed, on a quarterly basis.

Clients may pay other fees in connection with our advisory services, such as custodian fees or mutual fund expenses. Clients will incur brokerage and other transaction costs. Clients are directed to Section 7 of our brochure for more information on brokerage costs.

Investment advisory fees are paid quarterly in advance, and clients may terminate their contracts with five days' written notice. Refunds will be given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract.

Neither Ascension Asset Management, nor its employees, accepts compensation for the sale of securities or other investment products. Investment advisory fees are the sole source of revenues for Ascension Asset Management LLC.

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

Neither Ascension Asset Management, nor its employees, accept performance-based fees - that is, fees based on a share of capital gains, on, or capital appreciation of, the assets of a client. Investment advisory fees based on a percentage of assets under management (AUM) are the sole source of revenues for Ascension Asset Management LLC.

## Item 7 - Types of Clients

Ascension Asset Management LLC works with private clients, families and foundations. There is no minimum account size.

#### Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

In determining asset allocation we evaluate risk and reward factors in the overall economic and investment environment. We communicate our analysis to clients in written form twice each year.

Our investment strategy is to buy and hold securities for the medium to long term (three to five years). We evaluate fundamental factors such as creditworthiness and growth potential on a continuing basis for each investment that we make. If these factors remain positive, we often hold investments for many years. If these factors are no longer positive in our opinion, we sell them and hold cash until we identify other investment opportunities. We discuss this process with clients.

We have made a few higher risk investments for clients who have agreed to this strategy. We have classified these investments as venture capital.

#### Item 9 - Disciplinary Information

There are no criminal or civil actions in a domestic, foreign or military court of competent jurisdiction in which our firm or a management person has been convicted, named in a proceeding or been involved in any way.

There is no administrative proceeding before the SEC in which our firm or management person has been involved.

There is no self-regulatory organization proceeding in which our firm or management person has been involved.

#### Item 10 - Other Financial Industry Activities and Affiliations

None of our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

None of our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Grenville M. Gooder, Jr. and David N. Platt are managing members of Westway Development LLC, which is a custody account at Fiduciary Trust Co. Intl. that holds only Mascon Global Ltd. GDRs. We, as well as clients of Ascension Asset Management LLC and Platt Capital Management, have invested in Westway Development LLC. As managing members, we receive no fees from Westway Development and have no conflict of interest whatsoever with clients of our firm.

We do not recommend or select other investment advisors for our clients. We do not receive any compensation from other advisers and have no conflicts of interest or other business relationships with other advisers.

#### Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Pursuant to SEC Rule 204A-1, all members of our firm have signed a Code of Ethics established for small investment adviser firms by the Investment Adviser Association of America, an organization to which we belong. A copy of this Code of Ethics will be provided to any client or prospective client upon request.

#### Item 12 - Brokerage Practices

With regard to fixed income transactions (notes and bonds), we use brokers and dealers that we have known for years that are honest and reliable. We check bids and offerings against information from Bloomberg and then negotiate spreads (commissions) based on factors such as liquidity and size of transaction.

Common stock transactions are done with brokers that we know to be reliable in obtaining good executions on behalf of our clients. In determining commission rates, we use the following schedule: \$.06 per share for stocks over \$30.00; \$.05 per share for stocks between \$20.00 and \$30.00; and \$.04 for stocks selling under \$20.00.

We have a soft dollar arrangement that abates a portion of commissions to purchase technical market research from Louise Yamada & Associates. We benefit from this arrangement because we do not have to pay for this third-party research directly. We believe that our clients benefit from our use of this research. Also, we use the same commission rate schedule for all clients, so that all clients benefit equally from this third party research/commission arrangement.

We do not receive client referrals from broker-dealers or third parties.

When clients use custodians that are broker-dealers, transactions are often carried out by that party. We are able to negotiate common stock commissions consistent with the schedule cited above.

When bond and stock transactions are carried out for several clients at the same custodian, these transactions are combined for execution into an omnibus account.

#### Item 13 - Review of Accounts

Grenville Gooder reviews client accounts at least once each quarter and reviews client holdings on a continuous basis.

We send each client portfolio valuations on a quarterly basis and send a written letter in January and July providing 12 month and 6 month performance results as well as our analysis of the economic and investment outlook.

We also speak with clients frequently by telephone and if possible meet with each client at least one day each year.

#### Item 14 - Client Referrals and Other Compensation

We get no economic benefit from non-clients for providing investment advice.

We have a relationship involving 5 accounts with William B. Snyder & Associates, Inc. William Snyder, a former boss of Grenville Gooder at Loomis Sayles & Co., introduced these accounts to us several years ago. We work together servicing these clients and we share fees. There is no conflict of interest.

#### Item 15 - Custody

We do not have custody of client funds or securities. All clients use qualified custodians (banks and brokerage firms) who send monthly statements directly to clients. With our quarterly statements we include a message urging clients to compare the account statements they receive from their qualified custodian with those received from us.

#### Item 16 - Investment Discretion

We accept discretionary authority to manage securities accounts on behalf of clients. We obtain written authorization that provides full discretion to direct a custodian to buy, sell or exchange securities held in each custody account. We are not authorized to receive or take possession of any stocks, bonds or other securities or cash in the custody account.

#### Item 17 Voting Client Securities

We do not have authority to vote client securities. Clients can choose to receive proxies or solicitations directly from their custodian and they can contact us with questions about a particular solicitation.

#### Item 18 Financial Information

We do not require or solicit prepayment of more than \$1,200.00 in fees per client six months or more in advance.

We have not been the subject of a bankruptcy petition at any time during the past ten years.