

Item 1 Cover Page:

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Date of Brochure:

January 4, 2012

Form ADV, Part II; our “Disclosure Brochure” or “Brochure” as required by the Investment Advisors Act of 1940 is a document between clients and/or potential clients and T.H. Fitzgerald & Co. (“the firm” “THF&CO.”). This Brochure provides information about our qualifications and business practices.

If you have any questions about the contents of this brochure, please contact us at 203.729.1200 and or at ksd@thfitzgerald.com. The information in this brochure has not been approved or verified by the Securities and Exchange Commission (SEC) or by any State Securities Authority.

Additional information about our firm is also available at the SEC’s website, www.advisorinfo.sec.gov (click on the link, select “investment advisor firm” and type in T.H. Fitzgerald & Co.) Results will provide you both Part I and Part II of our Form ADV.

We are a registered investment advisor with the Securities and Exchange Commission. Our registration as an Investment Advisor does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisors) which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

Item 2: Summary of Material Changes as of 1-04-2012

- Commissions charged have been reduced from .04 cents a share to .035 cents per share. ETFs are traded at .02 cents per share
 - The Firm no longer has a high-net worth client. The firm no longer has a trust account. We have 9 institutional clients.
 - The firm added two new brokers ~ Themis and William Smith & Co.
 - The firm no longer trades with Lek Securities.
 - Thomas M. Rianhard, IV is no longer with the firm.
 - The firm has instituted a policy that prohibits employees to use social media sites such as LinkedIn, Facebook, My Space or Twitter to promote T.H. Fitzgerald & Co. or its portfolio or its investments policies or its performance.
1. In future filings, this section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website: www.advisorinfo.sec.gov.
 2. We may, at any time, update this Brochure and either send you a copy or offer to send you a copy (either by electronic means, i.e. email, or in hard copy form).
 3. If you would like another copy of the Brochure, please download it from the SEC website as indicated above, or, please contact our Chief Compliance Officer (CCO), Kathleen S. Doback at 203.729.1200 or ksd@thfitzgerald.com

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Item 4: Advisory Business

Item 4 A. Description of advisory firm, how long in business and principal owner(s)

T.H. Fitzgerald & Co. (“THF&CO. or “the firm”) is an independently owned investment advisory firm that has been in business for over 51 years (being founded in New York, May, 1959). It is 100% owned by Thomas H. Fitzgerald, Jr.

Mr. Fitzgerald has been a Registered Investment Advisor (RIA) with the Securities and Exchange Commission since April 1, 1982*. His SEC Registration Number is: 801-12196.

*This registration does not imply a certain level of training or skill provided by the SEC or any other entity thereof.

T.H. Fitzgerald & Co. has two offices. The main office, located in Connecticut, is fully staffed. The secondary office, located in New York, is staffed on a need to basis and is primarily used for research meetings, client meetings and investment conferences.

Item 4 B. Description of the type of advisory service(s) offered

The only service offered by THF&CO is that of an institutional money-manager. Portfolios are managed for tax-exempt institutional clients. The Firm also has one high-net worth individual that it manages money for.

Item 4 C. Tailoring advisory services to the individual needs of clients

All accounts grant the advisor complete discretion in the management of their investments. No prior authorization is required in regards to the security/securities being purchased or sold for the accounts.

However, there are two accounts that do require a limit to the *percentage* of what can be held in their portfolios. One client will only allow 10% of its assets to be held in Ultra-Short ETF (Exchange Traded Funds). The other client (a mutual fund) cannot hold more than 25% of its assets can be in anyone industry.

Special reports are reviewed daily to ensure that these two restrictions are adhered to.

Item 4 D. Participation in Wrap-Fee Programs

T.H. Fitzgerald & Co. does not participate in wrap-fee programs. Therefore, Item 4 D does not apply.

Item 4 E. Management of Client Assets both Discretionary and Non-Discretionary

Generally, no limitations are imposed upon the firm relating to the securities bought or sold, their type or amount. Also, no prior authorization is required in regards to the security (ies) being purchased or sold for the account.

As of December 31, 2011 THF&CO. managed 9 discretionary clients with a total of \$104,444,668.98 in assets under management (AUM)

Item 5: Fees and Compensation

Item 5 A: Description of how THF&CO is compensated for its advisory services

The following fee schedule is how the firm is compensated for its advisory services:

FEE SCHEDULE

<u>Assets</u> <u>(Market Value)</u>	<u>Fee</u> <u>(Percent of Assets)</u>
First \$25 Million	1.00%
Next \$25 Million	0.75%
Over \$50 Million	0.50%

Therefore, if a client had assets of \$35 million, we would bill \$25 million at 1% and the remaining \$15 million at 0.75%. This fee schedule is negotiable.

The firm also has one account that allows for a performance-based fee. Please refer to **Item 6** for further disclosure of this arrangement.

Item 5 B: Describe if clients are billed or if fees are deducted from their accounts

All clients are billed quarterly and payable in advance (prorated for any portion of a quarter at the beginning or ending on the termination of an agreement). The advisor's fee is computed by applying the above rates (see Item 5A) to the value of the assets in the accounts at the end of each quarter (March 31, June 30, September 30 and December 31). Securities listed on any securities exchange shall be valued at the last quoted sale price on the principle exchange in which the security is traded on the valuation date. Securities traded in the over-the-counter market shall be valued at the closing "bid" price as the valuation of the date. Any other asset shall be valued in a manner determined in good faith by or as directed by the Advisor to reflect its fair market value.

We do not deduct any fees from the client accounts. Clients send us a check or wire us our fee upon receipt of our bill. Some clients do elect, however, to pay us from the account that we manage for them, but that is their decision, not ours.

Item 5 C: Additional fees or expenses clients may have

All clients select their own custodians (banks for example) for their accounts. Each custodian has their own set fee schedule and it is up to the custodian to discuss the fees with the client prior to us managing the account. We do not suggest custodians to clients.

Also, advisory fees owed to us do not include all the fees clients incur when securities are purchased or sold for their accounts. The following is a list of fees or expenses of what a client pays directly to third parties, whether a security is being purchased, sold or held in their accounts under our management.

Item 5 C: Additional fees or expenses clients may have continued:

Fees charged are by the broker-dealer and the custodian. We do not receive, directly or indirectly, any of these fees charged to our clients. These fees are paid to the broker, the custodian or to the mutual fund. The fees can include:

- Brokerage commissions;
- Transaction fees;
- SEC fees;
- Advisory fees and administrative fees charged by mutual funds and exchange traded funds;
- Advisory fees charged by sub-advisors (if they are used);
- Custodial fees;
- Deferred sales charges (on mutual funds or annuities);
- Odd-lot differentials;
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups/mark-downs on security transactions.

Item 5 D: Fees are paid in advance

All clients are billed quarterly and payable in advance (prorated for any portion of a quarter at the beginning or ending on the termination of an agreement).

Item 5 E: Compensation for the sale of securities or other investment products

None of the employees at T.H. Fitzgerald & Co. receive (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for client accounts or to which we provide investment advisory services to. As a result, we are a “fee only” investment advisor. We do not have any potential conflicts of interest present that relate to any additional compensation from our clients or their assets that we manage.

Item 6: Performance Based Fees and Side-by-Side Management

Performance based fees are fees based on a share of capital gains on or capital appreciation of the assets of a client. There is one client that pays a performance based, in addition to a percentage of assets fee. This performance based fee is 250% of total fund performance (net of all fees and expenses) in excess of the S&P 500 index to a maximum compensation of 1.80%

There are no conflicts-of-interest pertaining to the management of this one account since all of the institutional accounts are managed the same (*except where noted in Item 4 C*).

Item 7: Types of Clients

As of December 31, 2011 we have 9 clients at THF&CO. The following is a breakdown of our client base:

Pension Plan/Retirement Fund:	4 clients
Mutual Fund	1 client
Investment Company	2 clients
Corporations	2 clients

The minimum account size is \$10 million; however, a lesser amount has been accepted on a negotiated basis.

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

Item 8 A: Methods of Analysis and Investment Strategies

The firm's investment management style/philosophy is best characterized as equity-based in which senior corporate management or large outside investors are significant common stock owners or buyers and/or where the company itself is repurchasing its own shares on the open market. It is a management style with a 50+ year history known today as the *Informed Investor Strategy*.

This strategy involves a multi-step process. A stock qualifies for proprietary research analysis and portfolio consideration only if it meets one of the following criteria:

1. The company's Officers and Directors are buying it common stock.
2. A major outside investor has filed a 13-D. (Note: A 13-D is when a person or group acquires more than 5% of any class of company's shares.)
3. A significant percentage of the company's common stock is owned by family and/or management.
4. The company has announced its intent to repurchase a stated percentage of its outstanding common stock on the open market.

Once the stock has met one of the above criteria it is then subject to extensive research analysis with emphasis on growth, value, profitability and cash flow.

For growth the firm looks at market growth, relative price strength, growth potential, earnings momentum and earnings surprise.

For value we look at price-to-earnings analysis (also known as P/E), price-to-book ratio, price-to-cash ratio and price-to-sales ratio.

Profitability is looked at in regards to operating margins, relative margins, return-on-equity and quality of revenues.

Finally, cash flow is evaluated by cash flow growth, EBIDTA (also known as Earnings Before Interest, Depreciation Taxes, and Amortization) Margin, debt/cash flow ratio, interest capacity and economic value.

For the above listed analysis the firm uses a wide range of proprietary and internal screening data bases that in the end lets us know if a stock qualifies to be in the *Informed Investor* portfolio.

Item 8 B: Explanation of Risks Involved

All investments in securities come with a risk including a risk of loss of principal (invested amount) and any profits that have not been realized (the securities were not sold to “lock-in” a profit). Stock markets and bond markets can fluctuate substantially at any given time so performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets that we manage that may be out of our control. Therefore, we cannot guarantee any level of performance or that the accounts will not experience a loss of assets. However, with this said, T.H. Fitzgerald & Co. has developed risk-control methods that are based on stop-loss disciplines to abate a potential loss of assets/profits.

The first stop-loss guideline is our sell-stop to protect profits factoring in the last closing price vs. what the firm calls its holding high price. A holding high price is the highest price of a stock since it's been in the portfolio.

Our guidelines state that:

1/3 of the position is sold at 12% from holding high closing price.
1/3 of the position is sold at 14% from holding high closing price.
1/3 of the position is sold at 16% from holding high closing price.

What does this mean? If a stock goes down 12% from its highest price since being owned, we sell 1/3 of the shares. If it goes down another 2% (making it 14%) we sell an additional 1/3 of the original position. Finally, if it goes down another 2% (totaling 16%) we sell the remaining balance of the shares.

The second stop-loss guideline we have in place is the guideline to minimize losses. This involves our cost vs. last closing price.

Our guidelines state that:

1/3 of the position is sold at 8% from the cost price.
1/3 of the position is sold at 10% from the cost price.
1/3 of the position is sold at 12% from the cost price.

This means the cost price is the price of the stock when we purchased it for the portfolio. If the stock closes down 8% from our purchase price, the next day we would sell 1/3 of the shares. If it closes down an additional 2% (making it 10%), the next day we would sell an additional 1/3 of the original position. Finally, if the stock closes down another 2% (making it 12%) then the remaining shares are sold the next day.

With the above mentioned guidelines, the firm still reserves the right to hold onto a particular security if the security begins to show improvement/strength thereby positively impacting its price; or if the industry itself is showing positive signs of growth positively influencing the price of the stock.

Item 8 B: Explanation of Risks Involved continued:

Finally, our *Informed Investor Strategy* and the guidelines we have in place can and do involve frequent trading of securities (also known as portfolio turnover). Portfolio turnover impacts what is known as portfolio transaction costs. The costs are broker commissions and SEC fees. These costs (among others listed in *Item 5C* can impact portfolio performance.

Item 8 C: Recommending Specific Type of Securities Utilized and Risks Involved

The firm does not recommend any particular type of security or securities to clients. However, the firm does utilize broad market index exchange traded funds (ETFs). These ETFs can be ultra-long meaning they move relative to the market or ultra-short meaning they are leveraged or inversely related to the market. If the market moves up for several weeks, ultra-long ETFs may be purchased and held. If the market is down for several weeks ultra-short ETFs may be held.

An additional risk to investing in ETFs is when purchasing shares during the day may result in greater exposure to market conditions if the market moves in a direction adverse to the ETFs.

At times all or a significant portion of our portfolios' assets maybe invested in ETFs.

Item 9: Disciplinary Information

Item 9A: Disclosure of Criminal or Civil Actions

1. Neither T.H. Fitzgerald & Co. nor any of its employees were ever convicted of any felony or crime either investment or non-investment related.
2. Neither T.H. Fitzgerald & Co. nor any of its employees were ever subject to a pending criminal proceeding.
3. Neither T.H. Fitzgerald & Co. nor any of its employees were found to have been involved in a violation of an investment-related statute or regulation.
4. Neither T.H. Fitzgerald & Co. nor any of its employees was the subject of any order, judgment, or decree limiting the firm or its employees from engaging in any investment related activity.

Item 9B: Disclosure of Administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign regulatory authority involving the firm or its employees:

1. Neither T.H. Fitzgerald & Co. nor any of its employees was found to have caused the firm to lose its authorization to do business.

Item 9B: Disclosure of Administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign regulatory authority involving the firm or its employees:

2. T.H. Fitzgerald & Co. nor any of its employees was found to have been involved in a violation of an investment-related statute or regulation and was never the subject of an order by an agency or authority in items a-c below:
 - (a) denying, suspending or revoking the authorization of our firm or its employees to act in an investment-related business;
 - (b) barring or suspending our firm or its employees association with an investment-related business;
 - (c) otherwise significantly limiting our firm or its employees investment-related activities; or
 - (d) T.H. Fitzgerald & Co. was fined, back in 2002, \$5,100 for failure to file a notice of exemption with the state of Connecticut.

Item 9C: Disclosure of Administrative Proceedings involving a Self-Regulatory Organization (SRO) proceeding involving the firm or its employees:

1. Neither T.H. Fitzgerald & Co. nor any of its employees was found to have caused the firm to lose its authorization to do business; or
2. Neither T.H. Fitzgerald & Co. nor any of its employees was found was found to have been involved in any violations of the SRO's rules.

Item 10: Other Financial Industry Activities and Affiliations

Item 10A: Broker Dealer Registration

Neither T.H. Fitzgerald & Co. nor any of its employees are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

Item 10B: Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Registration

Neither T.H. Fitzgerald & Co. nor any of its employees are registered or have an application pending to register as a Futures Commission Merchant, Commodity Pool Operator or Commodity Trader.

Item 10C: Relationships or Arrangements with a Related Person Listed Below:

1. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with a broker-dealer, municipal securities dealer, or government securities dealer or broker.
2. T. H. Fitzgerald is a sub-advisor to a mutual fund (a client) called the Monteagle Informed Investors Growth Fund. The transactions of this fund (buys and sells) are identical to the transactions of all the other portfolios managed by T.H. Fitzgerald & Co.
3. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with another investment advisor or financial planner.
4. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with a futures commission merchant, commodity pool operator or commodity trading advisor.
5. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with a banking or thrift institution.
6. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with accountant or law firm.
7. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with a lawyer or a law firm.
8. T.H. Fitzgerald & Co. is an investment advisor to an insurance company (client).
9. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with a pension consultant.
10. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with a real estate broker or dealer.
11. Neither T.H. Fitzgerald & Co. nor any of its employees has a relationship or arrangement with a sponsor or syndicator of limited partnerships.

Item 10D: Recommending or Selecting Other Investment Advisors or Receive Compensation From Other Investment Advisors:

T.H. Fitzgerald & Co. is privately owned and does not, nor has it ever, recommended another investment advisor. Also, THF&CO. does not, nor do any of its employees receive compensation from other another investment advisor.

**Item 11: Code of Ethics, Participation or Interest in Client Transactions and
Personal Trading**

Item 11A: Description of Code of Ethics

T.H. Fitzgerald & Co. is an Investment Advisory firm whose business is founded on trust and client confidence. Therefore, all employees of T.H. Fitzgerald & Co. are expected to bear the responsibility of being honest both professionally and personally. Keeping this in mind, the following policies have been established:

1. It is extremely important that all employees of T.H. Fitzgerald & Co., exhibit sound judgment and integrity in the avoidance of conflicts of interest between their own personal agendas or the personal agendas of family and friends, and the best interest of T.H. Fitzgerald & Co.
2. Information of confidential nature must be safeguarded and may not be used in making investment recommendations or decisions or for personal profit or advantage.
3. All employees of T.H. Fitzgerald & Co. and their families are not allowed to solicit any personal fees, gifts, entertainment or other valuable benefits and may not accept any gifts, entertainment, or other valuable benefits intended to influence T.H. Fitzgerald & Co. business or as compensation for special services.
4. Any employee of T.H. Fitzgerald & Co. who has any knowledge of any questionable or possible illegal actions are urged to report such actions promptly to the Compliance Officer (or such person that the Compliance Officer may designate from time to time) of T.H. Fitzgerald & Co.
5. The firm has instituted a policy that prohibits employees to use social media sites such as LinkedIn, Facebook, My Space or Twitter to promote T.H. Fitzgerald & Co. or its portfolio or its investments policies or its performance.

Item 11B: Recommending Securities in which there is a Material Financial Interest.

Neither T.H. Fitzgerald & Co. nor any of its employees or related persons recommends to clients or buys or sells for client accounts securities in which either the firm, its employees or related persons has a material financial interest.

Item 11C: Investing in the Same Securities that is Recommended to a Client.

T.H. Fitzgerald, & Co. allows its employees the privilege to trade their own personal accounts. However, there are established procedures that are adhered to. These procedures are as follows:

If an employee wishes to trade 100 shares or more of any stock listed on a major exchange (NYSE, NASDAQ, AMEX), **that a client also owns**, then a Pre-Clearance Authorization form must be completed and signed by the Compliance Officer (or such person or persons that such Compliance Officer may from time to time designate to make such written authorizations) prior to placing the trade.

Any authorization granted is effective until the close of business on the third trading day. In the event that an order for a personal securities transaction is not placed within three trading days, a new pre-clearance authorization form must be completed.

Item 11C: Investing in the Same Securities that is Recommended to a Client continued:

If a personal transaction order is pending and the employee learns that T.H. Fitzgerald & Co., LLC is considering either a purchase or a sale of the same security for a client(s) account(s) such person shall cancel the personal transaction order effective immediately.

The Compliance Officer (or the designee) receives a copy of the trade confirmation for which pre-clearance was granted

Finally on a quarterly basis, as well as once a year, each employee is required to complete a Personal Securities Transactions report pursuant to rule 17j-1 which declares all securities personally held by them. This report is kept on file with the Compliance Officer of T.H. Fitzgerald & Co.

Item 11D: Recommending Securities to a Client while at the same time is Trading for a Personal account that Same Security.

Please see Item 11C above.

Item 12: Brokerage Practices

Item 12A: Description of the Factors for Selecting Broker-Dealers and Determining Commission Rate:

T.H. Fitzgerald & Co. has a policy of utilizing only a select number of qualified brokers that have proven their execution skills over time and who have also shown to be value-added in market knowledge. T.H. Fitzgerald & Co. also trades with particular brokers as directed by clients. All trades, except ETFs, are executed at .035 cents per share (brokerage commission). ETF commissions are .02 cents per share. The firm currently directs client transactions to the following brokers (in alphabetical order):

BNY Convergenx*
Interstate Group
Peridue
Seven Points Capital Management
Themis
William O'Neil
William Smith
UBS

* Indicates a client has directed us to use this particular broker.

Item 12A 1a: Research and Other Soft Dollar Benefits:

T.H. Fitzgerald & Co. does utilize "soft dollars" from four of the brokers listed above. Soft dollars are when client brokerage commissions are used for payment of research services. This is a benefit to THF&CO. because we do not have to produce or pay for the research, products or services.

Item 12A 1b: Incentive to Select or Recommend a Broker for Soft Dollar Research:

As listed in *Item 12A* T.H. Fitzgerald & Co. has a policy of utilizing only a select number of qualified brokers that have proven their execution skills over time and who have also shown to be value-added in market knowledge. A broker is never selected or recommended based on interest in receiving research but purely on the ability to provide best execution.

As commissions are generated, through the brokers listed above, they are held at the various brokerage firms. When a research service needs to be paid, we then call on one of the firms listed above and ask them to pay the invoice on our behalf.

Item 12A 1c: Higher Commission Fees to Pay for Research:

All trades, for all clients, are executed at .035 cents per share regardless of whether or not THF&CO receives a benefit of soft dollars for research purposes. Commissions on ETFs are .02 cents per share

Item 12A 1d: Soft Dollar Research Benefits All Clients:

All clients of T.H. Fitzgerald & Co. benefit from the research services listed. No client is excluded and all pay a proportionate share.

Item 12A 1e: Types of Products and Services Acquired through Soft Dollars:

T.H. Fitzgerald & Co. currently pays, through soft dollars, the following research (listed in alphabetical order): ABAR, AER, Ashdon, Brogan, Christopher Cadbury, Ford Equity, Granville Market Letter, Thompson Financial, Ticker Tape Digest, Trim Tabs and WONDA (William O'Neil Direct Access).

The research listed above allows us to analyze earnings relative to valuation analysis. For growth we look at market growth, relative price strength, growth potential, earnings momentum and earnings surprises. For value we analyze P/E analysis, price/book ratio, price/cash ratio and price/sales ratio. For profitability we review operating margins, relative margins, return on equity and quality of revenues. Finally we look at cash flow studies - cash flow growth, EBIDTA margin, debt/cash flow ratio and economic value.

All services listed above fall into the safe harbor in section 289E) of the Securities and Exchange Act of 1934. This means that all research is utilized and paid for with soft dollars to aid 100% in the investment decision making process and/or in trade execution.

Item 12A 1f: Procedures to Direct Client Transactions to a Broker the Last Fiscal Year:

As stated in *Item 12A* a broker is never selected or recommended based on interest in receiving research but purely on the ability to provide best execution. The Head Trader at THF&CO is aware of each broker's area of expertise so as to maximize the execution level of the trade. Brokers are rotated throughout the week and all accounts are executed on a percentage basis.

Item 12A 2: Brokerage for Client Referrals:

T.H. Fitzgerald & Co. does not consider, in selecting or recommending broker-dealers, whether or not it or a related person receives client referrals from such broker dealer or third party. In fact, THF&CO. does not recommend any brokers to any client or potential client.

Item 12A 2a: Incentive to Select or Recommend a Broker:

T.H. Fitzgerald & Co. does not have any incentive, in selecting or recommending broker-dealers, based on our interest in receiving client referrals. All brokers selected are done so with best execution being the number one priority.

Item 12A 2b: Client Transaction for Client Referrals the Last Fiscal Year:

T.H. Fitzgerald & Co. has not, in the last fiscal year, nor has it ever directed client transactions to a particular broker-dealer in return for client referrals.

Item 12A 3a: Directed Brokerage Recommended or Required

T.H. Fitzgerald & Co. does not, nor has it ever, recommended, requested or required a client or potential client to direct us to execute transactions through a specified broker-dealer.

Item 12A 3b: Directed Brokerage Permitted

T.H. Fitzgerald & Co., from time to time, permits clients to direct brokerage. Our policy states that if a client wishes to direct brokerage to a particular firm, we will abide by that decision; however, it is clearly stated to the client, in writing, that best execution may not always be obtained by such a directive.

Item 12 B: Aggregate the Purchase or Sale of Client Securities

T.H. Fitzgerald & Co. aggregates both the purchase and sale of client securities because trades are done on a percentage basis of assets across all client accounts. For example, if it was decided that all portfolios would hold 5% of a security, the Head Trader enters into our portfolio management program Axys 5%, he then enters the security symbol and target price; a report is generated that tells exactly how many total shares to purchase. It is this total number of shares (aggregated) that gets placed with the broker.

Once the trade is executed, the aggregated shares are broken-down into the individual client accounts. One account may have “more” shares than another account (based on the amount of assets held), but both will have 5% of that security.

Item 13: Review of Accounts

Item 13A and B: Frequency of When Client Accounts are Reviewed

Client accounts are reviewed daily to check if any of the sell disciplines have been triggered. Client accounts are reviewed weekly by Thomas H. Fitzgerald, Jr. as part of the portfolio management process. Kathleen S. Doback, Chief Compliance Officer, monitors the firm's one mutual fund daily to ensure that the compliance standards of that fund are met. She also reconciles all client accounts, against the custodial bank statements, on a monthly basis.

Item 13C: Content and Frequency of Reports Provided to Clients

All clients are given, on a quarterly basis, performance charts of their accounts. These charts mark quarter performance, year-to-date performance (when applicable) and historic performance. Clients are also given performance charts periodically upon request.

No reports accompany these charts; a cover letter stating what the charts indicate is all that is attached. From time-to-time a client will request a written, in-depth analysis of market conditions which we are more than happy to provide.

Item 14: Client Referrals and Other Compensation

Item 14A: A Non-Client Providing Economic Benefit for Investment Advice

T.H. Fitzgerald & Co. does not have a person(s), who is not a client provide economic benefits to our firm, or advice to our clients.

Item 14B: Indirect Compensation for Client Referrals

T.H. Fitzgerald & Co. does not have a person or related person either directly or indirectly compensate the firm for client referrals.

Item 15: Custody of Client Assets

T.H. Fitzgerald & Co. does not have custody of client funds or securities. Those are held at custodial banks, selected by the client. On a monthly basis, the firm receives copies of the clients' bank statements and those bank statements are then reconciled against an appraisal report generated in-house.

Item 16: Investment Discretion

All accounts grant the advisor complete discretion in the management of their investments. No prior authorization is required in regards to the security/securities being purchased or sold for the accounts. Item 2 of our Investment Advisor contract states this authority as follows:

2. DISCRETION. The Advisor is hereby granted complete discretion in the management of the investments of the Account, and is authorized without the Client's prior consultation or approval to invest and reinvest the assets in the Account, the proceeds thereof and any additions thereto, to make investment changes and to take any other lawful action with respect to the Account. In furtherance of and notwithstanding the foregoing, the Advisor shall not at any time:
 - (a) Acquire any security subject to any restriction on the sale thereof, or subject to any investment representation;
 - (b) Write, acquire or sell any call, or combination thereof, or acquire any commodity or commodity contract, or any foreign security subject to the Federal Interest Equalization Tax;
 - (c) Acquire any security on margin, or otherwise utilize borrowed funds for the acquisition of any security;
 - (d) Sell any security not owned by the Fund;
 - (e) Acquire any security if, after the completion of such acquisition, more than 10% in value of the assets of the Fund would be securities of the issuer of such security, other than the United States Government;
 - (f) Effect any transaction for the purpose of exercising control of any corporation;
 - (g) Invest in real estate; or
 - (h) Participate in any joint trading account.

The firm does have two accounts that do require a limit to the *percentage* of what can be held in their portfolios. One client will only allow 10% of its assets to be held in Ultra-Short ETF (Exchange Traded Funds). The other client (a mutual fund) cannot hold more than 25% of its assets can be in anyone industry.

Special reports are reviewed daily to ensure that these two restrictions are adhered to.

Item 17 Voting Client Securities

Please see below the Proxy Voting Policies of T.H. Fitzgerald & Co. that were adopted June 1, 2003:

Pursuant to the recent adoption by the Securities and Exchange Commission (the “Commission”) of Rule 206(4)-6 (17 CFR 275.206(4)-6) and amendments to Rule 204-2 (17 CFR 275.204-2) under the Investment Advisers Act of 1940 (the “Act”), it is a fraudulent, deceptive, or manipulative act, practice or course of business, within the meaning of Section 206(4) of the Act, for an investment adviser to exercise voting authority with respect to client securities, unless (i) the adviser has adopted and implemented written policies and procedures that are reasonably designed to ensure that the adviser votes proxies in the best interests of its clients, (ii) the adviser describes its proxy voting procedures to its clients and provides copies on request, and (iii) the adviser discloses to clients how they may obtain information on how the adviser voted their proxies.

In order to fulfill its responsibilities under the Act, T.H. Fitzgerald & Co. has adopted the following policies and procedures for proxy voting with regard to companies in investment portfolios of our clients.

KEY OBJECTIVES

The key objectives of these policies and procedures recognize that a company’s management is entrusted with the day-to-day operations and longer term strategic planning of the company, subject to the oversight of the company’s board of directors. While “ordinary business matters” are primarily the responsibility of management and should be approved solely by the corporation’s board of directors, these objectives also recognize that the company’s shareholders must have final say over how management and directors are performing, and how shareholders’ rights and ownership interests are handled, especially when matters could have substantial economic implications to the shareholders.

Therefore, we will pay particular attention to the following matters in exercising our proxy voting responsibilities as a fiduciary for our clients:

Accountability. Each company should have effective means in place to hold those entrusted with running a company’s business accountable for their actions. Management of a company should be accountable to its board of directors and the board should be accountable to shareholders.

Alignment of Management and Shareholder Interests. Each company should endeavor to align the interests of management and the board of directors with the interests of the company’s shareholders. For example, we generally believe that compensation should be designed to reward management for doing a good job of creating value for the shareholders of the company.

Transparency. Promotion of timely disclosure of important information about a company’s business operations and financial performance enables investors to evaluate the performance of a company and to make informed decisions about the purchase and sale of a company’s securities.

Item 17 Voting Client Securities continued:

DECISION METHODS

We generally believe that the individual portfolio managers that invest in and track particular companies are the most knowledgeable and best suited to make decisions with regard to proxy votes. Therefore, we rely on those individuals to make the final decisions on how to cast proxy votes.

No set of proxy voting guidelines can anticipate all situations that may arise. In special cases, we may seek insight from our managers and analysts on how a particular proxy proposal will impact the financial prospects of a company, and vote accordingly.

In some instances, a proxy vote may present a conflict between the interests of a client, on the one hand, and our interests or the interests of a person affiliated with us, on the other. In such a case, we will abstain from making a voting decision and will forward all of the necessary proxy voting materials to the client to enable the client to cast the votes.

SUMMARY OF PROXY VOTING GUIDELINES

Election of the Board of Directors

We believe that good corporate governance generally starts with a board composed primarily of independent directors, unfettered by significant ties to management, all of whose members are elected annually. In addition, key board committees should be entirely independent.

The election of a company's board of directors is one of the most fundamental rights held by shareholders. Because a classified board structure prevents shareholders from electing a full slate of directors annually, we will generally support efforts to declassify boards or other measures that permit shareholders to remove a majority of directors at any time, and will generally oppose efforts to adopt classified board structures.

Approval of Independent Auditors

We believe that the relationship between a company and its auditors should be limited primarily to the audit engagement, although it may include certain closely related activities that do not raise an appearance of impaired independence.

We will evaluate on a case-by-case basis instances in which the audit firm has a substantial non-audit relationship with a company to determine whether we believe independence has been, or could be, compromised.

Equity-based compensation plans

We believe that appropriately designed equity-based compensation plans, approved by shareholders, can be an effective way to align the interests of shareholders and the interests of directors, management, and employees by providing incentives to increase shareholder value. Conversely, we are opposed to plans that substantially dilute ownership interests in the company, provide participants with excessive awards, or have inherently objectionable structural features.

Item 17 Voting Client Securities continued:

We will generally support measures intended to increase stock ownership by executives and the use of employee stock purchase plans to increase company stock ownership by employees. These may include:

1. Requiring senior executives to hold stock in a company.
2. Requiring stock acquired through option exercise to be held for a certain period of time.
3. Using restricted stock grants instead of options.
4. Awards based on non-discretionary grants specified by the plan's terms rather than subject to management's discretion.

While we evaluate plans on a case-by-case basis, we will generally oppose plans that have the following features:

1. Annual option grants that would exceed 2% of outstanding shares.
2. Ability to issue options with an exercise price below the stock's current market price.
3. Automatic share replenishment ("evergreen") feature.
4. Authorization to permit the board of directors to materially amend a plan without shareholder approval.
5. Authorizes the re-pricing of stock options or the cancellation and exchange of options without shareholder approval.

These are guidelines, and we consider other factors, such as the nature of the industry and size of the company, when assessing a plan's impact on ownership interests.

Corporate Structure

We view the exercise of shareholders' rights, including the rights to act by written consent, to call special meetings and to remove directors, to be fundamental to good corporate governance.

Because classes of common stock with unequal voting rights limit the rights of certain shareholders, we generally believe that shareholders should have voting power equal to their equity interest in the company and should be able to approve or reject changes to a company's by-laws by a simple majority vote.

Because the requirement of a supermajority vote can limit the ability of shareholders to effect change, we will support proposals to remove super-majority (typically from 66.7% to 80%) voting requirements for certain types of proposals and oppose proposals to impose super-majority requirements.

We will generally support the ability of shareholders to cumulate their votes for the election of directors.

Item 17 Voting Client Securities continued:

Shareholder Rights Plans

While we recognize that there are arguments both in favor of and against shareholder rights plans, also known as poison pills, such measures may tend to entrench current management, which we generally consider to have a negative impact on shareholder value.

We believe the best approach is for a company to seek shareholder approval of rights plans and we generally support shareholder resolutions requesting that shareholders be given the opportunity to vote on the adoption of rights plans.

We will generally be more inclined to support a shareholder rights plan if the plan (i) has short-term “sunset” provisions, (ii) is linked to a business strategy that will likely result in greater value for shareholders, (iii) requires shareholder approval to reinstate the expired plan or adopt a new plan at the end of its term, and (iv) is subject to mandatory review by a committee of independent directors.

CLIENT INFORMATION

A copy of these Proxy Voting Policies and Procedures is available to our clients, without charge, upon request, by calling **1-800-242-3642**. We will send a copy of these Proxy Voting Policies and Procedures within three business days of receipt of a request, by first-class mail or other means designed to ensure equally prompt delivery.

In addition, we will provide each client, without charge, upon request, information regarding the proxy votes cast by us with regard to the client’s securities.

Item 18: Financial Information

T.H. Fitzgerald & Co. does not require or solicit pre-payments, in any amount, from its clients. All payments received are for services already rendered. Therefore, a balance sheet is not attached to this brochure. For a more detailed description of our compensation and fees, please refer to pages 7 and 8.