

Firm Brochure
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Slocum, Gordon & Co. LLP. If you have any questions about the contents of this brochure, please contact us at: (401) 849-4900, or by email at: cmedeiros@slocumgordon.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 Slocum, Gordon & Co. LLP is available on the SEC's website at www.adviserinfo.sec.gov

March 30, 2011

Slocum, Gordon & Co. LLP

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (401) 849-4900 or send a request by email at: cmedeiros@slocumgordon.com.

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Advisory Business

Firm Description

Slocum, Gordon & Co. LLP, was founded in 1978.

Slocum, Gordon & Co. LLP provides personalized confidential investment management and counsel to individuals, trusts and estates, charitable endowment funds, individual retirement accounts, and corporate pension funds. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

Slocum, Gordon & Co. LLP is strictly a fee-only investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder's fees are accepted.

In addition, Slocum, Gordon & Co. LLP may advise clients regarding cash flow, college planning, retirement planning, tax planning and estate planning.

Slocum, Gordon & Co. LLP does not act as a custodian of client assets. The client always maintains asset control. Slocum, Gordon & Co. LLP places trades for clients under a limited power of attorney.

Periodic reviews are also communicated to provide reminders of the specific courses of action that may need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) may be engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which planning and investment management may be beneficial to the client.

Principal Owners

Slocum, Gordon & Co. LLP is a Rhode Island Limited Liability Partnership. John J. Slocum, Jr. owns 29.16% of the Partnership. Jeffrey L. Gordon owns 29.16% of the Partnership. Barclay Douglas, Jr. owns 26.68% of the Partnership. Kenneth M.P. Lindh owns 15% of the partnership.

Types of Advisory Services

Slocum, Gordon & Co. LLP provides investment supervisory services, also known as asset management services; manages investment advisory accounts; furnishes investment advice through consultations; issues reports about market and investment conditions which clients may use to help evaluate their own portfolios.

Slocum, Gordon & Co. LLP does not issue periodic publications relating to securities on a subscription basis, nor do we prepare for distribution special reports or analyses relating to specific securities.

Slocum, Gordon & Co. LLP does not generally prepare or issue any charts, graphs, formulas, or other devices for use by clients in evaluating securities, nor do we furnish advice to clients on any matters not involving securities on other than an incidental basis. Incidental to its primary function as a money manager, Slocum, Gordon & Co. LLP offers clients certain very general guidance commonly considered financial planning.

As of March 29, 2012, Slocum, Gordon & Co. LLP manages approximately \$157,626,000 in assets for approximately 195 clients. Approximately \$157,126,000 is managed on a discretionary basis, and \$ 500,000 is managed on a non-discretionary basis.

Tailored Relationships

During an initial client meeting and updated periodically through phone conversations or meetings, the goals of each client are established and assessed. Due to the personal nature of our relationships with our clients some objectives and goals may only be discussed with the client and not documented. The cornerstone of the Firm's investment philosophy and goal and objective of all our client accounts is a commitment to protect and enhance our clients' capital over time in a conservative and prudent manner. The goals and objectives for each client may be documented. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

Types of Agreements

The following agreements define the typical client relationships.

Advisory Service Agreement

Most clients choose to have Slocum, Gordon & Co. LLP manage their assets in order to obtain ongoing in-depth advice and life planning. Many aspects of the client's financial affairs are reviewed, including those of their children. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The annual Advisory Service Agreement fee is based on a percentage of the investable assets according to the following schedule payable monthly in arrears:

1.50% ON THE FIRST \$1,000,000 MARKET VALUE

1.00% PER ANNUM ON NEXT \$4,000,000 MARKET VALUE

.50% PER ANNUM ON BALANCE OF MARKET VALUE

The minimum annual fee is \$1500 and is *negotiable*. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Although the Advisory Service Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the month completed. The portfolio value at the completion of the prior full billing month is used as the basis for the fee computation, adjusted for the number of days during the billing month prior to termination.

Tax preparation work may be performed as an integral part of the Advisory Service Agreement.

Trustee Services:

A Client of Slocum, Gordon & Co. LLP may engage a partner of the firm to act as trustee. The trustee fees charged are those that apply to our standard investment management fee schedule. We reserve the right to charge additional fees for services that may be required by the terms of the trust that extend beyond our engagement as portfolio manager. Additional fees may be charged for ancillary services beyond the scope of our advisory services.

Tax Preparation Agreement

Tax preparation may be performed or prepared by a subcontractor separately from our normal *Advisory Service*. There may be a fee for this service.

Asset Management

Assets are invested primarily in stocks and bonds and may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades. Slocum, Gordon & Co. LLP does not receive any compensation, in any form, from brokerage companies.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, U. S. Government and Agency securities, options contracts, futures contracts, and interests in publically traded limited partnership shares.

Assets may be invested in no-load or low-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds.

Initial public offerings (IPOs) are not available through Slocum, Gordon & Co. LLP.

Termination of Agreement

A Client may terminate any agreement with Slocum, Gordon & Co. LLP at any time by notifying Slocum, Gordon & Co. LLP in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination.

Slocum, Gordon & Co. LLP may also terminate any of these aforementioned agreements at any time by notifying the client in writing.

Fees and Compensation

Description

Slocum, Gordon & Co. LLP bases its fees on a percentage of assets under management, hourly charges, fixed fees (not including subscription fees), commissions, Fees are *negotiable*.

Fee Billing

Investment management fees are billed monthly, in *arrears*, meaning that we invoice you *after* the one-month billing period has *ended*. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Other Fees

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Slocum, Gordon & Co. LLP, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.)

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to Slocum, Gordon & Co. LLP.

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

Past Due Accounts and Termination of Agreement

Slocum, Gordon & Co. LLP reserves the right to stop work on any account that is more than 30 days overdue. In addition, Slocum, Gordon & Co. LLP reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Slocum, Gordon & Co. LLP's judgment, to providing proper financial advice.

Performance-Based Fees

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

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

Types of Clients

Description

Slocum, Gordon & Co. LLP generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

Slocum, Gordon & Co. LLP recommends a minimum account size of \$100,000 of assets under management, which equates to an annual fee of \$1500.

When an account falls below \$100,000 in value, the minimum monthly fee of \$125 is charged.

Slocum, Gordon & Co. LLP has the discretion to waive our suggested account minimum. Accounts of less than \$100,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$100,000 within a reasonable time. Other exceptions will apply to employees of Slocum, Gordon & Co. LLP and their relatives, or relatives of existing clients.

Clients receiving ongoing asset management services will be assessed a \$1500 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

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

Other sources of information that Slocum, Gordon & Co. LLP may use include Morningstar Principia mutual fund information, Morningstar Principia stock information, Advisor Intelligence, and the World Wide Web.

Investment Strategies

Investment decisions are made in part by an investment policy committee composed of some of our Partners. The management of each account is based on its own unique set of investment guidelines and objectives. Fundamental decisions are made about the working list of securities followed by the Firm, and then each account is reviewed for the purchase or sale of those securities on an individual basis. The mix of common and preferred stocks, convertible bonds, cash equivalents, government, corporate or agency bonds or (if applicable) tax-exempt bonds is tailored to reflect our assessment of the capital markets as well as each client's specific portfolio objectives.

Our investment process utilizes a number of methods for security selection including: fundamental analysis of macro economic and company-specific data, use of computer data bases for security screening, attendance at industry and company analyst conferences, as well as a variety of other published research reports.

The primary investment strategy used by our Firm is a commitment to protect and enhance our clients' capital over time in a conservative and prudent manner. Our objective is to achieve these results without taking excessive risk.

This policy revolves around our ability to act as asset managers in the broadest sense of actively managing funds in varying degrees of stocks, bonds or money market instruments in order to achieve the optimum return at any given point in the economic cycle. Dramatic changes in the investment business in recent years have caused better money managers to focus continually on asset allocation (the ratio of equities, cash, fixed income) as well as specific security selection. In fact, recent analytical studies indicate that asset allocation has become as important as selectivity in achieving superior investment results. We constantly review the asset allocation of our clients' accounts and make periodic shifts to reflect changing opportunity and risk in the various markets.

Other strategies may include long-term purchases, short-term purchases, trading, margin transactions, and covered option writing.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

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

Disciplinary Information

Legal and Disciplinary

On August 20, 2002 the U.S. Securities and Exchange Commission filed a civil action against Slocum, Gordon & Co. LLP, John J. Slocum, Jr. Principal, and Jeffrey L. Gordon Principal, in the United States District Court for the district of Rhode Island, Providence, RI, civil action no. 02-3671. The civil action contained allegations that the registrant improperly mixed its own assets with client assets and improperly allocated trades between its own account and client accounts. The complaint further alleged that Messrs. Slocum and Gordon, the principals of the firm, were responsible for the aforementioned improper activities.

A final judgment for this case was issued by senior U.S. District Judge Ronald R. Lagueux on September 28, 2004.

The last two paragraphs of his decision are as follows: "In light of the evidence presented, the court imposes a civil penalty of \$1,000 against SG&C for each respective violation. Although one course of conduct resulted in defendants' violation of both section 206(4) and rule 206(4)-2(a)(2), this writer considers each provision violated, and imposes separate civil penalties. Thus, in light of the three independent violations by SG&C, the court imposes a \$3,000 civil penalty on the firm for its infractions. Because defendants' violations were not willful, and as no actual loss to clients resulted, the court finds that this nominal penalty is appropriate.

Conclusion

For the aforementioned reasons, the court's decision is essentially for the defendants and only in minor part for plaintiff. As to counts 1, 2, 5, 6, 7 and 8, the court finds that plaintiff has failed to establish the securities violations alleged by a preponderance of the evidence, and thus rules in favor of defendants on each of these counts. Therefore, judgment shall enter for defendants on those counts. The court also finds that plaintiff failed to establish the first portion of its claim in count 3, a violation of section 206(1) of the advisers' act, as this claim requires scienter so judgment shall enter for SG&C on that claim. As to the remainder 98 of count 3 and count 4, the court finds that plaintiff has met its burden of proof, and finds for the commission as described herein. In light of these rulings, the court imposes a civil penalty, pursuant to 15 U.S.C.. 80b-9(e), against defendant SG&C in the total amount of \$3,000. Therefore, judgment shall enter for plaintiff against defendant Slocum, Gordon & Company in the total amount of \$3,000 on the proven claims in counts 3 and 4. The clerks shall enter judgment as indicated forthwith. It is so ordered."

A \$3000 fine was paid to the U.S. Securities and Exchange commission on November 29, 2004. For a full copy of Judge Ronald R. Lagueux's decision please call Slocum, Gordon & Co. LLP's office at 401-849-4900, email a request to cmedeiros@slocumgordon.com , or visit: http://www.rid.uscourts.gov/menu/judges/opinions/lagueux/09282004_102cv0367l_securities_and_exchange_commission_v_slocum_gordon_and_company_p.pdf

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

The employees of Slocum, Gordon & Co. LLP have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

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

Personal Trading

The Chief Compliance Officer of Slocum, Gordon & Co. LLP is Kenneth M.P. Lindh. He reviews all employee trades each quarter, and requires a copy of an execution report or similar report of each trade within one week of the trade. His trades are reviewed by Barclay Douglas, or another Partner. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of

the firm receive preferential treatment. Since most employee trades are small mutual fund trades, exchange-traded fund trades or relatively small positions in individual securities or bonds, it is unlikely that the trades affect the securities markets significantly.

Brokerage Practices

Selecting Brokerage Firms

Slocum, Gordon & Co. LLP does not have any affiliation with product sales firms. Slocum, Gordon & Co. LLP primarily uses Fidelity Institutional Brokerage Group as its custodian for client assets. The firm has chosen this custodian on the basis of its reasonable, straightforward commission structure, integrity, and financial stability. Slocum, Gordon & Co. LLP benefits from certain services and information provided to the firm by Fidelity, but we do not have discretion as to the commissions our clients pay. As a function of Slocum, Gordon & Co. LLP choosing Fidelity Institutional Brokerage Group as the custodian for its private clients assets, the firm enjoys access to certain research reports to which we might not otherwise have access. The availability of these reports is in no way a function of the number or type of trades the firm executes on behalf of its clients. The Firm receives no cash benefits or equipment from Fidelity Institutional Brokerage Group. Occasionally Slocum, Gordon & CO. LLP will use another custodian because of restrictions or the special needs of a client.

Best Execution

It is the Firm's intent wherever possible to obtain significant discounts in commissions on trades we direct through various brokerage firms which Slocum, Gordon & Co. LLP in its sole and absolute discretion shall select. It is our policy to seek the lowest possible transaction charge from our brokers without sacrificing any degree of quality in the execution of the trade. Slocum, Gordon & Co. LLP reviews the execution of trades at each custodian each quarter. The review is documented in the Slocum, Gordon & Co. LLP *Compliance Manual*. Trading fees charged by the custodians are also reviewed on a quarterly basis. Slocum, Gordon & Co. LLP does not receive any portion of the trading fees.

Soft Dollars

Slocum, Gordon & Co. LLP does not have a soft dollar arrangement with any entity and does not receive any soft dollar credit.

Order Aggregation

Slocum, Gordon & Co. LLP uses "Block Trades" or order aggregation on a regular basis. The Firm feels that often the use of "bunching" securities together to buy or sell is advantageous to the client by increasing the number of shares available to the particular exchange. A copy of our "aggregation policy" may be found in Slocum, Gordon & Co. LLP Compliance Manual.

Review of Accounts

Periodic Reviews

Account reviews are performed on a weekly basis jointly by advisors John J. Slocum, Jr., Partner and Jeffrey L. Gordon Partner. Account reviews are also performed more frequently when market conditions dictate.

Review Triggers

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

Regular Reports

Account reviewers are members of the firm's Investment Committee. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Clients receive periodic communications on at least an annual basis. *All* clients receive written quarterly updates from Slocum, Gordon & Co. LLP. The written updates may include, portfolio statements and a summary of the Firms current views on the economy and investment climate.

Client Referrals and Other Compensation

Incoming Referrals

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

Referrals Out

Slocum, Gordon & Co. LLP does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

Reports

Clients are urged to compare the account statements received directly from their custodians to the account statements provided by Slocum, Gordon & Co. LLP.

Investment Discretion

Discretionary Authority for Trading

Slocum, Gordon & Co. LLP generally accepts discretionary authority to manage securities accounts on behalf of clients. Slocum, Gordon & Co. LLP has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, Slocum, Gordon & Co. LLP consults with the client prior to each trade to obtain concurrence if a blanket discretionary trading authorization has not been given.

The client approves the custodian to be used and the commission rates paid to the custodian. Slocum, Gordon & Co. LLP does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades that you have approved.

Voting Client Securities

Proxy Votes

Unless the client designates otherwise, Slocum, Gordon & Co. LLP votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. A copy of Slocum, Gordon & Co. LLP's proxy voting policy is available upon request.

Financial Information

Financial Condition

Slocum, Gordon & Co. LLP does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

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

Business Continuity Plan

General

Slocum, Gordon & Co. LLP has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up weekly and archived offsite.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

Information Security Program

Information Security

Slocum, Gordon & Co. LLP maintains an information security program to reduce the risk that your personal and confidential information may be breached.

Privacy Notice

Slocum, Gordon & Co., LLP greatly appreciate the trust that our clients place in us and recognize the importance of protecting the confidentiality of non-public personal information that we collect. Through our relationship with our clients we collect non-public private information through the following sources:

- 1) Information we receive directly from you.
- 2) Information regarding the services we provide or have previously provided to you.
- 3) Information that we receive from third parties in connection with the provision of services to you. This non-public personal information is collected through a number of means, including but not limited to information we receive directly from you.

This private non-public information can be received in any matter, including in-person discussions, telephone conversations, and electronic or other written communications. The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

Keeping client information secure is a top priority for all of us at Slocum, Gordon & Co., LLP. As part of servicing or maintaining your account and for other legally permitted or required purposes, Slocum, Gordon & Co., LLP may, if appropriate, disclose your non-public personal and financial information. This may include providing such information to service providers working with Slocum, Gordon & Co., LLP to complete a transaction or maintain your account. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Please be assured that Slocum, Gordon & Co., LLP does not disclose any of your non-public information except as necessary to administer your account. We will not sell or release any of your information for marketing or any other non-management related activities.

Our personnel are provided access to your non-public personal information only if they need to know the information in connection with a legitimate business purpose, such as the provision of service to you. Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will continue to adhere to the policies and practices described in this privacy notice with respect to information that we have acquired about you and will notify you in advance if our policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

Brochure Supplement (Part 2B of Form ADV)

Education and Business Standards

Slocum, Gordon & Co. LLP clients' portfolios are managed solely by principals of the Firm. The Firm further requires that all advisors have a bachelor's degree and additional educational and professional experience to be involved in the management of our clients funds.

John J. Slocum, Jr. Educational and Professional Background

John J. Slocum, Jr. , Partner

Born: 1941

Education: Groton School, 1960
Harvard College, BA 1964
Harvard Business School, MBA 1969

Experience:

Mr. Slocum began his professional experience in the corporate finance division of S.G. Warburg & Co. in New York. With a subsequent position at Brown Brothers Harriman & Co. in the New York corporate banking group, he specialized in lending, credit analysis, and investment banking with multinational corporate clients. After moving to Rhode Island, Mr. Slocum joined the investment firm of Miller & George where he managed individual clients' portfolios. Together with Jeffrey Gordon, he formed Slocum, Gordon & Co. LLP in 1978. Mr. Slocum currently sits on the board of The Redwood Library and Athenaeum. He recently served a ten year term as president of the Preservation Society of Newport County, and is a past president of the Harvard Business School Association of Southeastern New England.

Disciplinary Information:

On August 20, 2002 the U.S. Securities and Exchange Commission filed a civil action against Slocum, Gordon & Co. LLP, John J. Slocum, Jr. Principal, and Jeffrey L. Gordon Principal, in the United States District Court for the district of Rhode Island, Providence, RI, civil action no. 02-3671. The civil action contained allegations that the registrant improperly mixed its own assets with client assets and improperly allocated trades between its own account and client accounts. The complaint further alleged that Messrs. Slocum and Gordon, the principals of the firm, were responsible for the aforementioned improper activities. A final judgment for this case was issued by senior U.S. District Judge Ronald R. Lagueux on September 28, 2004.

The last two paragraphs of his decision are as follows: "In light of the evidence presented, the court imposes a civil penalty of \$1,000 against SG&C for each respective violation. Although one course of conduct resulted in defendants' violation of both section 206(4) and rule 206(4)-2(a)(2), this writer considers each provision violated, and imposes separate civil penalties. Thus, in light of the three independent violations by SG&C, the court imposes a \$3,000 civil penalty on the firm for its infractions. Because defendants' violations were not willful, and as no actual loss to clients resulted, the court finds that this nominal penalty is appropriate.

Conclusion

For the aforementioned reasons, the court's decision is essentially for the defendants and only in minor part for plaintiff. As to counts 1, 2, 5, 6, 7 and 8, the court finds that plaintiff has failed to establish the securities violations alleged by a preponderance of the evidence, and thus rules in favor of defendants on each of these counts. Therefore, judgment shall enter for defendants on those counts. The court also finds that plaintiff failed to establish the first portion of its claim in count 3, a violation of section 206(1) of the advisers' act, as this claim requires scienter so judgment shall enter for SG&C on that claim. As to the remainder 98 of count 3 and count 4, the court finds that plaintiff has met its burden of proof, and finds for the commission as described herein. In light of these rulings, the court imposes a civil penalty, pursuant to 15 U.S.C. 80b-9(e), against defendant SG&C in the total amount of \$3,000. Therefore, judgment shall enter for plaintiff against defendant Slocum, Gordon & Company in the total amount of \$3,000 on the proven claims in counts 3 and 4. The clerks shall enter judgment as indicated forthwith. It is so ordered."

A \$3000 fine was paid to the U.S. Securities and Exchange commission on November 29, 2004. For a full copy of Judge Ronald R. Lagueux's decision please call Slocum, Gordon & Co. LLP's office at 401-849-4900, email a request to cmedeiros@slocumgordon.com , or visit: http://www.rid.uscourts.gov/menu/judges/opinions/lagueux/09282004_102cv0367l_securities_and_exchange_commission_v_slocum_gordon_and_company_p.pdf

Other Business Activities: None

Additional Compensation: None

Jeffrey L. Gordon Educational and Professional Background

Jeffrey L. Gordon, Partner

Born: 1951

Education: Governor Dummer Academy, 1969

The Johns Hopkins University, BA 1973

Experience:

Mr. Gordon's career began at the Old Colony Trust Division of the First National Bank of Boston. He later joined White, Weld & Co. where he managed individual and endowment portfolios. He and his partner, John J. Slocum, Jr., formed Slocum, Gordon & Co. LLP in 1978. Mr. Gordon now serves as portfolio manager and managing partner. He has been the Treasurer and is currently the President of the Board of Trustees of Governor Dummer Academy (now known as The Governor's Academy). He is the President of the Board of Directors of the Trinity Landmark Preservation Fund and has been a past Treasurer of Trinity Church in Newport. As a former trustee of St. Michael's Country Day School, he also served a ten year term as President of its Board of Trustees.

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Other Business Activities: None

Additional Compensation: None