

Baldwin Brothers Inc.

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www.baldwinbrothersinc.com

March 18, 2011

Form ADV, Part 2; our “Disclosure Brochure” or “Brochure” as required by the Investment Advisers Act of 1940 is a very important document between clients (also referred to as “you” or “your”) and Baldwin Brothers Inc. (also referred to as “Baldwin Brothers”, “us”, “we” or “our”). This Brochure provides information about our qualifications and business practices.

This Brochure provides information about the qualifications and business practices of Baldwin Brothers. If you have any questions about the contents of this Brochure, please contact us at 508-748-0800 and / or tbaldwin@baldwinbrothersinc.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Baldwin Brothers also is available at the SEC’s website www.adviserinfo.sec.gov (click on the link, select “investment adviser firm” and type in “Baldwin Brothers”). Results will provide you both Part 1 and 2 of our Form ADV.

We are a registered investment adviser with the SEC. Our registration as an Investment Adviser 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 advisers) which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

Item 2 – Material Changes

1. Baldwin Brothers has changed it's primary relationship from Fidelity Investments to Pershing Advisor Solutions. We will be recommending Pershing to all new clients for custodial services.
2. If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, [David A. Barrett](#), at 508-748-0800 or dbarrett@baldwinbrothersinc.com.

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Item 4 – Advisory Business

Baldwin Brothers was founded in 1974. Our office is located at 204 Spring Street, Marion, Massachusetts 02738, and our telephone number is (508) 748-0800. For 37 years we've been redefining the client experience through highly personalized attention, by crafting portfolios and strategies that reflect the individual point of reference of the people we work with. The results are investments that have true and meaningful impacts on our clients' financial futures, the next generation, and the world around us.

As of December 31, 2010, Baldwin Brothers' assets under management were \$775,075,723, all of which are discretionary.

The principal owners of Baldwin Brothers are Michael Baldwin, David A. Barrett and Ellen O. Stone. They own Baldwin Brothers through their ownership of Lulworth, Ltd., the sole shareholder of Baldwin Brothers.

Baldwin Brothers requires that its investment advisers have at least a Bachelor of Arts degree or its equivalent. In some instances, substantial business experience in the securities field may be substituted for a formal academic degree.

Description of Advisory Services:

Our client base consists of individuals, trusts, estates, charitable corporations, pension and profit-sharing plans, and a variety of business entities, including business corporations and partnerships. The majority of our business (approximately 85%) involves providing investment supervisory services for our clients. In addition, we provide investment advice to clients through consultations and provide custodial services for accounts supervised elsewhere. Approximately ten percent of the services we provide to our clients involve advice unrelated to securities.

Baldwin Brothers provides investment advisory service to clients on both a discretionary as well as a non-discretionary basis. The non-discretionary accounts are primarily trusts managed by other institutions for which Baldwin Brothers provides advice with respect to investment selection and strategy. For these accounts, Baldwin Brothers has been hired at the request of one or more of the beneficiaries of such trusts. Our advice may or may not be accepted by the

institutional trustee. In many cases, the beneficiaries of such trusts are also discretionary investment advisory clients of Baldwin Brothers.

Baldwin Brothers has discretionary authority over the accounts of our investment advisory clients. In some cases, Baldwin Brothers meets informally with the client from time to time to discuss specific investment goals and strategies. While these discussions do not result in formal restrictions on our discretionary authority, they provide guidance for our investment decision-making processes.

Baldwin Brothers also offers advice on equity securities, including exchange-listed securities, securities traded over the counter, and securities of foreign issuers. We provide advice on warrants, corporate debt securities, commercial paper, municipal securities, mutual fund shares, United States government securities, option contracts on securities, and futures contracts on intangibles. Advice is also provided on interests in partnerships that invest in real estate, oil and gas, and venture capital and leveraged buyout funds. Baldwin Brothers neither provides nor refers to any of its services as financial planning or similar services.

In addition, Baldwin Brothers occasionally creates pooled investment vehicles to invest third-party (including clients') funds or to invest in other investment funds, or directly in early and expansion stage private companies as well as funds that employ a specific investment strategy or invests in issuers which meet certain criteria. Baldwin Brothers also serves as investment advisor to these privately offered pooled investment vehicles. These pooled investment vehicles are available only to persons who are "accredited investors" under the Securities Act of 1933, or, in the case of some of the funds, "qualified purchasers" under the Investment Company Act of 1940, as amended. These pooled investment vehicles are not made available to the general public and are not registered investment companies. These pooled investment vehicles are described in more detail in Item 10 below.

Item 5 – Fees and Compensation

Baldwin Brothers generally requires a minimum dollar value of assets under management of \$1,000,000 for starting or maintaining an account. Under special circumstances, Baldwin Brothers accepts portfolios with a dollar value of assets of less than \$1,000,000.

Baldwin Brothers generally charges fees based on a percentage of the client assets under management. Fees range from a minimum of 0.35% to a maximum of 1.5%. A majority of Baldwin Brothers' clients are covered by the following fee schedule:

1.50%% per year for the first \$500,000;

1.25% per year for the second \$500,000;

1.00% per year for the next \$4,000,000;

0.80% per year for amounts over \$5,000,000; and

0.60% per year for amounts over \$10,000,000.

Securities that are not publicly traded are valued at cost unless otherwise agreed with the client. In some special circumstances, Baldwin Brothers will negotiate the fees to be charged for account management and advisory services.

In addition to the fees described above, Baldwin Brothers provides account monitoring services, without any advisory or management services, for a flat fee of 0.40%. A reduced fee is made available for charities and certain accounts for which only minimal services are rendered.

Smaller accounts, such as Individual Retirement Accounts ("IRAs") and children's trusts, are generally placed in brokerage accounts with Pershing Advisor Solutions LLC (Pershing) and invested in a variety of Pershing and other individual mutual funds, as appropriate. Baldwin Brothers charges a fee of one percent (1%) annually for selecting and monitoring these investments, which fee is paid in addition to any fee that may be imposed by the individual or Pershing mutual fund into which a client's funds may be invested. This fee is payable annually in arrears or at such time the client terminates its advisory agreement with Baldwin Brothers with respect to the account, prorated based on the number of months which Baldwin Brothers maintained the account.

At the request of fewer than fifteen of its clients, we provide bookkeeping services and shares check signing privileges with these clients on their individual bank accounts so that we may pay certain expenses of these clients. These services are provided for a fixed monthly fee negotiated with the client.

Finally, Baldwin Brothers occasionally provides consulting services for a fixed fee. These fees are negotiated on a case-by-case basis.

Fee Payment Options

As indicated in our advisory agreement with you, there are two options you may select to pay for our services:

- *Direct debiting:* At the inception of the relationship and each quarter thereafter, we will notify your custodian of the amount of the fee due and payable to us through our fee schedule and contract. The custodian does not validate or check our fee, its calculation on the assets on which the fee is based. They will “deduct” the fee from your account(s) or, if, you have more than one account with us, from the account you have designated to pay our advisory fees.
 - Each month, you will receive a statement directly from your custodian showing all transactions, positions and credits / debits into or from your account; the statements after the quarter end will reflect these transactions, including the advisory fee paid by you to us.
 - Baldwin Brothers distributes quarterly reports to clients for each account under management. This report includes a description of assets held, on both a market value and cost basis, by category. The report also includes calculations of the total portfolio value and yield.
- *Pay-by-check:* At the inception of your account and each month thereafter, we will issue you an invoice for our services, and you will pay us by check or wire transfer within 30 days of the date of invoice.

Additional Fees and Expenses:

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your account(s). The following list of fees or expenses are what you pay directly to third parties, whether a security is being purchased,

sold or held in your account(s) under our management. Fees charged are by the broker dealer / custodian.

We do not receive, directly or indirectly any of these fees charged to you. They are paid to your broker, custodian or the mutual fund or other investment you hold. The fees include:

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (“MF”) and Exchange Traded Funds (“ETFs”);
- Advisory fees charged by sub-advisers (if any are used for your account);
- Custodial fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;
- Deferred sales charges (charged by MFs);
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions; and
- Other fees that may be incurred.

In addition, we do not have or employ any employee at all that receives (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for your account or to which we provide consulting expertise / services. As a result, we are a “fee only” investment adviser. We do not have any potential conflicts of interest present that relate to any additional (and undisclosed) compensation from you or your assets that we manage.

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

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance based fees). Our advisory fee compensation is charged only as disclosed above (Item 5).

Item 7 – Types of Clients

We provide our services to a number of types of clients:

- Individuals, including high net worth individuals
- Trusts, estates and charitable organizations
- Private equity (Consulting only)
- Corporations or other business entities
- Not for profit entities
- Among others.

Baldwin Brothers generally requires a minimum dollar value of assets under management of \$1,000,000 for starting or maintaining an account. Under special circumstances, Baldwin Brothers accepts portfolios with a dollar value of assets of less than \$1,000,000.

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

Analysis:

Baldwin Brothers (BBI) has been providing investment supervisory services for families and private foundations since the 1970s. This includes customized investment policy development, asset allocation, investment strategy implementation and ongoing review, all guided by the long term investment goals. We aim to help clients simplify their investment strategies in an increasingly complex world and provide advice on a range of investment possibilities, including external managers and investments in private companies and real estate. We seek to provide you with access to the best risk/reward and best fit investment products and strategies that the marketplace has to offer. We offer unique investment products which can address macro themes, concerns for the environment, sustainable business practices and global social inequities. Our high touch relationship with our clients allows for a unique and personalized investment program to meet the challenges of a constantly changing and dynamic investing world.

We attempt to build and preserve wealth by crafting visionary and personalized portfolios diversified across asset classes while controlling risk, fees and transaction costs. Our investment process combines both a top down thematic approach and fundamental bottom up due diligence. Our top down macro perspective is formed through a rigorous and continual screening of global market, industry, sector and societal trends by a team of highly experienced investment professionals. In forming these macro perspectives we use a wide variety of resources including research from leading economists, financial newspapers and magazines, annual reports and prospectuses, and feedback from leading investment managers with whom we partner. The analysis of these trends and themes are used to identify investments with the highest risk/reward and fit with other investments in each portfolio's asset allocation.

Examples of investment strategies, asset classes and investment goals are listed below.

Investment Goal	Asset Class	Example
Liquidity		
	Cash	Money Market
	Cash	CDs
Income & Preservation		
	Fixed Income	US Treasuries
	Fixed Income	Community Investment

		Notes
	Fixed Income	Municipal Bonds
	Fixed Income	Corporate Bonds
	Fixed Income	International Sovereign
	Public Equity	Preferred Stock
		Master Limited
	Public Equity	Partnerships
	Public Equity	REITs
	Hedge Funds	Diversified
Capital Appreciation & Growth		
	Public Equity	US
	Public Equity	Global
	Public Equity	Emerging Markets
	Hedge Funds	Equity Long/Short
	Private	
	Equity	Secondary Private Equity
	Venture	
	Capital	VC Funds & Direct
Macro Events & Inflation Protection		
	Real Estate	REIT
	Commodities	Gold, Silver, Timber
	Public Equity	Commodities
	Currency	Currencies
	Agriculture	Land, Food

The allocation strategy for each client is derived from ongoing discussions with the client to determine the client's overall goals, objectives and risk profile, as defined in the investment policy statement . Using these investment goals, we then input our relative target weightings amongst the asset classes and ultimately the investment strategies within the asset classes. This asset allocation is dynamic and developed according to a process that continually assesses asset class projected returns based on current market inputs and future trends, both on the macro and micro level.

We continually update our view of the world and markets. The investment holdings generally reflect and express our sense of the longer term implications of those views. We do not engage in market timing, but we make adjustments based upon valuation changes that exceed mid- term targets and changes in micro based fundamentals that affect, negatively or positively, our outlook for individual holdings, sectors, strategies and/or asset classes.

An exhaustive analysis of issuers is performed to determine approved investments looking at the investment strategy, historical performance as well as the management team and organization as a whole. Generally speaking, we place heavy emphasis on bottom up stock selection when filling out our equity allocations. For those clients interested in alternative investments, the hedge fund, private equity, venture capital and other unique investment strategies we work with other managers and funds which we have researched extensively and continually monitor their performance.

Risk of Loss:

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to “lock in” the profit). As you know, stock markets, bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We will do our very best in the management of your assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets.

Item 9 – Disciplinary Information

We do not have any legal, financial or other “disciplinary” item to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client /Adviser relationship with us.

This statement applies to our firm, and every employee.

Item 10 – Other Financial Industry Activities and Affiliations

The accounting firm of Behan, Ling & Ruta of New York City shares mutual clients with us and works closely with some of our clients in the management of these clients' financial affairs. Behan, Ling & Ruta also serves as our accountant and also provides personal tax advice to Baldwin Brothers' principals. Behan, Ling & Ruta often recommends prospective clients to Baldwin Brothers.

Baldwin Brothers occasionally creates pooled investment vehicles to invest third-party (including clients') funds in other investment funds or to invest directly in early and expansion stage private companies. Baldwin Brothers also serves as investment advisor to these privately offered pooled investment vehicles. For those pooled investment vehicles formed as limited liability partnerships, Baldwin Brothers acts as management agent, and for those pooled investment vehicles formed as limited liability companies, Baldwin Brothers acts as manager.

The pooled investment vehicles are available only to persons who are "accredited investors" under the Securities Act of 1933, or, in the case of some of the funds, "qualified purchasers" under the Investment Company Act of 1940, as amended. These pooled investment vehicles are not made available to the general public and are not registered investment companies.

Baldwin Brothers' pooled investment vehicles include: (a) those formed to meet a high minimum investment requirement for a third party venture capital or other investment fund ("Single Investment Funds") and (b) those formed to engage in a particular investment strategy holding securities from a variety of issuers ("Strategic Funds"). These types of pooled investment vehicles are described below.

Single Investment Funds. Our Single Investment Funds pool certain clients' investments to meet a minimum investment requirement in a single fund. Withdrawals from the Single Investment Funds are subject to the redemption and withdrawal restrictions in the underlying fund. Single Investment Funds are typically organized as limited liability partnerships with Baldwin Brothers serving as the Management Agent. For its services as Management Agent, Baldwin Brothers receives fees equal to 1% to 1.5% of the fund's capital commitments. Also, each client who invests in a Single Investment Fund is required to pay a one-time administrative fee of \$500 upon entry.

Strategic Funds. Strategic Funds engage in a number of different alternative investment strategies with different themes. In certain of the Strategic Funds, Baldwin Brothers uses subadvisors. The Strategic Funds are organized as limited

liability companies with Baldwin Brothers serving as Manager. For its services as Manager, Baldwin Brothers is paid a management fee equal to 1.5% of the Fund's assets, calculated and paid quarterly in advance. New investments in the Strategic Funds may be made quarterly or semi-annually, depending on the Fund, and investors may be redeemed quarterly provided they give proper advance notice with Baldwin Brothers. Baldwin Brothers has the right to delay a redemption if it would be detrimental to the Fund.

Chris de Roetth, an employee of Baldwin Brothers, is also employed by and is an owner of Account Management, an SEC registered investment advisory firm located at 17 Arlington Street Boston, MA 02116. Account Management serves as a sub-advisor for our What If and What If II Funds. Chris's primary responsibilities at Baldwin Brothers are as lead manager for the Highwater Global Fund and as a member of our research committee. As an employee of both Account Management and Baldwin Brothers, Chris must comply with the compliance policies of both firms, including the code of ethics policies and privacy policies. We have adopted procedures to ensure that Chris adheres to both sets of policies and to appropriately handle any potential conflicts of interest.

Item 11 – Code of Ethics

As required by regulation (and because it's good business), we have adopted a Code of Ethics that governs a number of potential conflicts of interest we have when providing our advisory services to you. This Code of Ethics is designed to ensure we meet our fiduciary obligation to you, our client (or prospective client) and to drive home a culture of compliance within our firm.

An additional benefit of our Code is to detect and prevent violations of securities laws, including our obligations we owe to you.

Our Code is comprehensive, is distributed to each employee at the time of hire, and annually thereafter (if there are changes). We also supplement the Code with annual training and on-going monitoring of employee activity.

Our Code includes the following:

- Requirements related to the confidentiality of your information and investments;
- Prohibitions on:
 - Insider trading (if we are in possession of material, non-public information);
 - Rumor mongering; and
 - The acceptance of gifts and entertainment that exceed our policy standards;
- Reporting of gifts and business entertainment;
- Pre-clearance of employee and securities transactions;
- Reporting (on an on-going and quarterly basis) all personal securities transactions (what we call “reportable securities” as mandated by regulation); and,
- On an annual basis, we require all employees to re-certify to our Code, identify members of their household and any account to which they have a beneficial ownership (they “own” the account or have “authority” over the account), and all securities they own at that time.

Our Code does not prohibit personal trading by employees (or our firm). As you may imagine, as a professional investment adviser, we follow our own advice. As a result, we may purchase or sell the same or similar securities (or securities that are suitable for an employee or related account but not suitable for any client, including you) at the same time that we place transactions for your account and the accounts of our other clients.

You may request a complete copy of our Code by contacting our Chief Compliance Officer at the address, telephone or email on the cover page of this Part 2.

From time to time, Baldwin Brothers may recommend that certain clients participate in a partnership or partnerships for which Baldwin Brothers or one of its principals acts as general partner or management agent or in which any of the foregoing has an interest. These partnerships are formed to aggregate client contributions and thereby meet high minimum investment requirements for third-party investment funds, to invest in early or development stage issuers, or to take advantage of a particular investment strategy. Baldwin Brothers, one of its principals or a wholly owned subsidiary of Baldwin Brothers, serves as the management agent of such partnerships and receives a management fee for its services. Baldwin Brothers recommends participation in these partnerships only after a thorough review of a client's complete financial condition. The offering memoranda for each partnership fully discloses Baldwin Brothers' financial interest in the partnership, as well as any interest of Baldwin Brothers' principals in the partnership.

Item 12 – Brokerage Practices

Securities transactions for accounts managed by Baldwin Brothers are executed by brokers whom we consider to be well established and financially sound. Baldwin Brothers maintains ongoing brokerage business relationships with Pershing as well as other national and regional brokerage firms. Baldwin Brothers will generally recommend that clients use Pershing and its affiliates for brokerage services, although we also permit clients to direct us to use brokers other than Pershing. When you direct us to use a certain broker, we can't ensure that you will receive best execution of the trades for which we send to the broker you choose. In addition, as described in Item 15 in more detail, we also recommend Pershing as the qualified custodian for our clients' assets.

Except as described above with respect to our relationship with Pershing, the criteria utilized in our selection of brokers are as follows:

- commissions charged for effecting securities transactions
- the experience and skill of the firm's securities traders
- the financial responsibility, administrative efficiency and breadth of services rendered
- the value, in our opinion, of research services and products provided with respect to the transaction to be executed and with respect to our overall perspective on the securities markets

Our primary objective is to receive the best realized net price for any transaction, taking into consideration the commission charged and the broker's execution capability. However, within that framework, we wish to compensate brokers for research services and products they provide that enable us to provide additional benefits to our clients and to better discharge our overall investment management responsibilities.

The research products and services provided by brokers include computer software that monitors and analyzes securities and prices, and computerized and hard-copy news and analysis services. To the extent that any of these products or services serve functions that are not related to the making of investment decisions (*e.g.*, portfolio software used for administrative purposes), we make a good faith effort to allocate the cost of the product or services according to its use and pay for non-research functions with our own funds. As a result, from time to time, clients may pay commissions higher than those obtainable from other brokers in return for

research services and products and the custodial services described below. Baldwin Brothers finds it difficult to allocate research fairly to specific accounts, and therefore the benefits received by each client on each account may not be commensurate with the broker commissions generated by the account.

Baldwin Brothers does not currently receive client referrals from any brokers and therefore does not factor that in when recommending or selecting brokers for clients.

As noted above, Baldwin Brothers permits clients to direct brokerage. However, if a client directs Baldwin Brothers to use a specific broker, they are reminded that Baldwin Brothers will most likely not have the authority or ability to negotiate commission rates and therefore the client may pay higher commission fees.

Baldwin Brothers may aggregate multiple clients' purchase or sale orders for the same security in order to execute transactions in the most efficient manner. Purchases by Baldwin Brothers employees may also be aggregated with clients' purchase orders for the same security. In these cases, Baldwin Brothers will attempt to allocate securities among its clients in a fair and unbiased manner. Baldwin Brothers will first make such allocations of the securities to its clients and in a manner that will not favor performance accounts over asset-based fee accounts or favor one class of clients over another. Baldwin Brothers will look at the investment goals and requirements of its clients involved in making such allocations.

Item 13 – Review of Accounts

Baldwin Brothers has no set schedule for account reviews. In general, however, accounts are reviewed on a weekly basis and are again reviewed in the event of capital additions or withdrawals, changes in market outlook or investment strategy, or the sale or purchase of a security.

Account reviews at Baldwin Brothers are handled by Michael Baldwin, David Barrett, Ellen Stone, John Mannix and Chris de Roeth. Reviewers discuss with clients their asset allocation, portfolio strategy, individual security selection as well as unique investment vehicles.

Baldwin Brothers distributes quarterly reports, with an appropriate cover letter, to clients for each account it manages. These reports include a description of assets held, on both a market value and cost basis, by category. These reports also include calculations of the total portfolio value and yield.

Clients who employ Pershing as a qualified custodian receive transaction tickets directly from Pershing at a frequency determined by the client. In addition, all clients receive quarterly account statements from their qualified custodian.

Baldwin Brothers regularly provides clients with tax information at the end of each year and as otherwise requested by clients.

Item 14 – Client Referrals and Other Compensation

Baldwin Brothers does not have any arrangements with third parties where we receive any economic benefit from providing investment advice or advisory services. Baldwin Brothers does not pay compensation to any third party for client referrals.

Item 15 – Custody

Baldwin Brothers is deemed to have custody over certain of its client accounts because one or more of our “related persons” either serve as a trustee for the account or have power of attorney over the funds in the account. A qualified custodian holds the funds for these clients, and they are subject to a surprise examination by an independent accountant in accordance with the custody rules under the Investment Advisors Act.

All of our clients receive account statements from a qualified custodian at least on a quarterly basis.

Baldwin Brothers urges all clients to compare the accountant statement you receive from your qualified custodian and the statements provided by us.

Clients may notice occasional differences between the two statements, due to the fact that Baldwin Brothers reports all transaction based on trade date, whereas certain custodians report transactions based on settlement date. There are a few days between when a trade is placed (trade date) and when the trade settles (settlement date). Custodians may not list a transaction on a statement until settlement. Baldwin Brothers lists all transactions on trade date. Therefore, there may be month-end transactions listed on the Baldwin Brothers statement that are not reflected on the brokerage statement.

For tax and other purposes, the custodial statement is the official records of your account(s) and assets.

Item 16 – Investment Discretion

Baldwin Brothers has discretionary authority to manage the accounts on behalf of some, but not all, of its clients.

For those discretionary accounts, Baldwin Brothers receives discretionary authority from the client, through the investment advisory agreement, at the outset of an advisory relationship. With respect to these discretionary accounts, we retain full authority to determine securities to be bought or sold, the amount of securities to be bought and sold, the broker or dealer to be used, and the commission rates paid to such broker or dealer. While clients do not specify limits on this authority, we endeavor to maintain a balanced portfolio in each account and to follow an investment strategy for each account which has been discussed with and approved by the client.

Item 17 – Voting Client Securities (i.e., Proxy Voting)

Unless otherwise directed by a client, Baldwin Brothers, Inc. will assume responsibility for voting the proxies we receive from companies in which our clients have invested. Because a client's interests in regard to a particular proxy may differ from those of Baldwin Brothers or the individual investment adviser responsible for voting that proxy, we have adopted a Proxy Voting Policy to ensure that the interests of our clients are always put first.

Baldwin Brothers will vote proxies in accordance with the recommendations of management of the issuing company soliciting the proxy unless the investment adviser for a client's account determines that it is not in the best interest of the client to do so. In those cases, the investment adviser will vote the proxy in the manner he or she determines is in the best interest of the client taking into account the client's financial goals, the status and history of the underlying investment, and the conditions of the market in which the issuing company operates.

A client may request a copy of our complete Proxy Voting Policy by contacting our office using the information listed on page one of this form as well as our Proxy Voting record.

When Conflicts Occur. Conflicts can arise in a number of situations. Any of the following entities and individuals can be involved in a relationship that causes a conflict for an investment adviser:

- Baldwin Brothers;
- the investment adviser;
- any close family member of the investment adviser;
- any trust for the benefit of any of the above; or
- any entity controlled (either directly or through any number of intermediaries) by any of the above.

If an investment adviser has the authority to vote a particular proxy on behalf of a client, and any of the above entities and individuals has a known and material personal or business relationship with the company issuing that proxy or any of that company's officers, directors, employees, or holders of a substantial amount of its stock, a conflict may exist.

Each of the following is an example of a potential conflict:

- Baldwin Brothers provides services to the company issuing the proxy or one of its executive officers;

- an investment adviser owns a substantial equity interest in the issuing company;
- an investment adviser's son is married to a director of the issuing company;
- a trust for the benefit of an investment adviser's grandchildren owns a substantial amount of stock in the issuing company; and
- a limited liability company run by an investment adviser's spouse does a significant amount of business with the issuing company.

Although we have always voted, and will continue to vote, proxies in the best interests of our clients and without regard to what might or might not be beneficial for any other party, and in many instances no conflict will actually exist, it is important that there be no question of conflict. Therefore, all potential conflicts must be brought to the attention of someone other than the involved investment adviser and the matter resolved in accordance with our policy.

The two primary methods of resolution are as follows:

1. Internal Resolution. If the individual responsible for voting a particular proxy has a potential conflict, that adviser must determine if any of our other advisers could vote the proxy without any chance of conflict. If so, the adviser responsible for voting should inform the non-conflicted adviser of the relevant circumstances under which the proxy is to be voted (including, but not limited to, the client's financial goals, the status and history of the underlying investment, and the conditions of the market in which the issuing company operates), make a full disclosure of the responsible adviser's possible conflict, and have the non-conflicted adviser make the decision as to how to vote the proxy.
2. External Resolution. If either Baldwin Brothers or all of our investment advisers have a potential conflict of interest in regard to voting a particular proxy, there are three ways the proxy may be voted. The first, and most desirable, is to obtain instructions on how to vote the proxy from the client on whose behalf the proxy is to be voted (or that client's legal representative). The second is to obtain consent from the client (or the legal representative) to vote the proxy after making a full disclosure of the adviser's possible conflict. If neither the client nor any of the client's legal representatives is available, however, the third approach is to obtain guidance from any reputable proxy research and voting service (e.g., Institutional Shareholder Services) as to how to vote the proxy for the general benefit of the issuing company's shareholders.

Item 18 – Financial Information

Baldwin Brothers has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of any claim, bankruptcy or other financially related proceeding.