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This brochure provides information about the qualifications and business practices of DeWitt Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at: 203.254.0559. 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.

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Advisory Business

Firm Description

DeWitt Capital Management, LLC (DCM) was founded in 1989.

DCM provides personalized confidential financial planning and investment management to individuals, trusts and estates. 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.

DCM 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.

Investment advice is provided, with DCM making the final decision on investment selection. DCM does not act as a custodian of client assets. The client always maintains asset control. DCM places trades for clients under a limited power of attorney.

A written evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement. Periodic reviews are also communicated to provide reminders of the specific courses of action that 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.) are 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 financial planning and investment management may be beneficial to the client.

Principal Owners

Richard D. Nichols is a 98% stockholder with family owners representing 2%.

As of January 1, 2011, DCM manages approximately \$30,000,000 in assets for approximately 37 clients. One hundred percent is managed on a discretionary basis.

Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created

that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

Advisory Service Agreement

Most clients choose to have DCM manage their assets in order to obtain ongoing in-depth advice. All aspects of the client's financial affairs are reviewed, often 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 scope of work and fee for an Advisory Service Agreement is provided to the client in writing prior to the start of the relationship. An Advisory Service Agreement includes: cash flow management; investment management (including performance reporting); as well as the implementation of recommendations within each area.

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

1.00% on the first \$3,000,000;
0.50% on the assets above \$3,000,000.

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 quarter completed. The portfolio value at the completion of the prior full billing quarter is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

Advisory Management

Assets are occasionally 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.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond

trades. DCM does not receive any compensation, in any form, from fund companies.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (mutual funds shares), U. S. government securities, options contracts(when directed by the client).

Initial public offerings (IPOs) are not available through DCM.

Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying DCM in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination.

DCM may terminate any of the aforementioned agreements at any time by notifying the client in writing.

Fees and Compensation

Description

DCM bases its fees on a percentage of assets under management.

Fees are *NOT NEGOTIABLE*.

Fee Billing

Investment management fees are billed quarterly, in *ARREARS*, meaning that we invoice you *AFTER* the three-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.

DCM, in its sole discretion, may 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 DCM.

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

Past Due Accounts and Termination of Agreement

DCM reserves the right to stop work on any account that is more than 90 days overdue.

Performance-Based Fees

Sharing of Capital Gains

DCM 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

DCM provides investment advice only to individuals

Client relationships vary in scope and length of service.

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, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases, and the World Wide Web.

Investment Strategies

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these

objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

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

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

DCM is registered solely as an Investment Advisor and not as a securities broker-dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor.

Affiliations

DCM has no affiliations

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

Code of Ethics

The employees of DCM 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

DCM 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 DCM's *Compliance Manual*.

Personal Trading

The Chief Compliance Officer of DCM is Richard D. Nichols. He reviews all employee trades each quarter. 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.

Brokerage Practices

Selecting Brokerage Firms

DCM does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. DCM recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

DCM recommends discount brokerage firms and trust companies (qualified custodians), such as: Bank of New York, US Trust/Bank of America, TD Ameritrade

DCM *DOES NOT* receive fees or commissions from any of these arrangements.

Best Execution

DCM reviews the execution of trades at each custodian each quarter. Trading fees charged by the custodians is also reviewed on a quarterly basis. DCM does not receive any portion of the trading fees.

Soft Dollars

DCM receives no soft dollars from any source.

Review of Accounts

Periodic Reviews

Account reviews are performed weekly by its advisors. Account reviews are 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. 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. , *Investment Management* clients receive written quarterly updates. The written updates include a portfolio statement

Client Referrals and Other Compensation

Incoming Referrals

DCM 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

DCM 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.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by DCM.

Discretionary Authority for Trading

DCM accepts discretionary authority to manage securities accounts on behalf of clients. DCM 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, DCM consults with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

The client approves the custodian to be used and the commission rates paid to the custodian. DCM 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, DCM votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. A copy of DCM's *Proxy Voting Policy* is available upon request.

Financial Information

Financial Condition

DCM does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

The Connecticut Uniform Securities Act does not require a balance sheet to be provided because DCM does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$500 per client, and six months or more in advance.

Information Security Program

Information Security

DCM maintains an information security program to reduce the risk that your personal and confidential information may be breached.

Privacy Notice

DCM is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

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.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

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 notify you in advance if our privacy 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

DCM requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: MBA, CFP®, CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

RICHARD D. NICHOLS, CERTIFICATIONS

Educational Background:

- 05/28/1941:
- Transylvania University 1964, BA
- Washington & Lee School of Law, JD, 1967

Business Experience:

- Morgan Guaranty Trust Company, 1967-1970
- Hartford National Bank and Trust Company 1970-1983
- American Business Foundation For Cancer Research, 1983-1988
- DeWitt Capital Management, LLC, 1989-
- Series 65

Disciplinary Information: (none)

Other Business Activities: None

Additional Compensation: None

Supervision:

Richard D. Nichols is the sole supervisor. He reviews all employees' work through frequent office interactions as well as remote interactions.

C. Llewelyn Davis, CERTIFICATIONS

Educational Background:

- 03/06/1943
- Columbia University 1966
- Series 65

Business Experience:

- Dillon Read & Co. 1966-1987
- Eiger International 1995-1997
- DeWitt Capital Management, LLC 1997-

Disciplinary Information: none

Additional Compensation: None

Supervision:

A. Mr. Davis is supervised by Richard D. Nichols, SUPERVISOR. He reviews Mr. Davis' work through frequent office interactions as well as remote interactions. He also reviews Mr. Davis' activities through our client relationship management system.

SUPERVISOR'S contact information:
203.254.0559; rdn@dewittcapital.com

A. Peter Foote, CERTIFICATIONS

Educational Background:

- 06/19/1941
- Yale University 1963
- George Washington University JD 1966
- Series 65

Business Experience:

- Morgan Stanley 1966-1985
- UBS Warbug 1986-2002
- DeWitt Capital Management, LLC 2003-

Disciplinary Information: none

Additional Compensation: None

Supervision:

B. Mr. Foote is supervised by Richard D. Nichols, SUPERVISOR. He reviews Mr. Foote's work through frequent office interactions as well as remote interactions. He also reviews Mr. Foote's activities through our client relationship management system.

SUPERVISOR'S contact information:
203.254.0559; rdn@dewittcapital.com