

Cambridge Trustee Advisors
31 Washington Street
Wellesley, MA 02481-1912
(781) 235-3999
nvstar@verizon.net

FIRM BROCHURE

This Brochure provides information about the qualifications and business practices of Cambridge Trustee Advisors. If you have any questions about the contents of this brochure, please contact us at 781-235-3999 or by email at nvstar@verizon.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Cambridge Trustee Advisors is also available on the SEC's Website @www.adviserinfo.sec.gov.

History of Cambridge Trustee Advisors

Cambridge Trustee Advisors (hereinafter "CTA") is a Registered Investment Advisory firm, registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940. CTA began business in 1991 in Cambridge, Massachusetts, and now has a principal place of business at 31 Washington Street, Wellesley, Massachusetts. 02481-1912.

Date of Brochure: Updated March 7, 2012

TABLE OF CONTENTS

1. Advisory Services and Fees	Page-3
2. Types of Clients	Page-4
3. Types of Investments	Page-4
4. Methods of Analysis, Sources of Information and Investment Strategies	Page-5
5. Disciplinary Information	Page-6
6. Education and Business Standards	Page-6
7. Education and Business Background	Page-7
8. Other Business Activities	Page-7
9. Other Financial Industry Activities or Affiliations	Page-7
10. Participation or Interest in Client Transactions	Page-8
11. Conditions for Managing Accounts	Page-8
12. Review of Accounts	Page-8
13. Investment or Brokerage Discretion	Page-9
14. Additional Compensation	Page-10
15. Balance Sheet	Page-10
16. Fee Schedule	Page-11

ADVISORY SERVICES AND FEES

CTA is a Registered Investment Advisory firm registered with the SEC. We have been in business since 1991. Formerly, we were located at 43 Thorndike Street, Cambridge, Massachusetts. Since February 1, 2000, we have maintained our principal place of business at 31 Washington Street, Wellesley, Massachusetts 02481. We have a satellite office at 141 Kendall Hill Road, Sterling, Massachusetts 01564.

The principal owners of CTA are Daniel Kraft, David L. Taylor, Patrick J. Daly, and John A. Taylor. 100% of the business conducted by CTA is designed to provide investment supervisory services to our clients. We do not engage in a financial planning or other similar activity. The investment advice given to our clients is focused primarily on common stocks and bonds. We tailor our advisory services to the individual needs of our clients. All investment decisions are based upon the specific individual needs of our clients and are based on our clients' investment objectives. These objectives are consistently reviewed and updated to insure that all investments are consistent with the particular requirements of each client. We exercise discretion over each of our clients' accounts. Occasionally, clients impose restrictions on investing in certain securities or types of securities, and we always abide by those client instructions. We make investments for every client only after studying each security to determine if the investment meets the need of that particular client.

We do not participate in wrap fee programs. All purchases and sales made on behalf of our clients are done in accordance with our code of ethics which is reviewed on an annual basis by the Board of Directors. Client information is confidential and shared with no one without permission. The privacy policy of CTA is reviewed and reaffirmed on an annual basis by the Board of Directors and is sent to every client.

As of December 31, 2011, the market value of client assets under management total was \$62,371,351.

FEES AND COMPENSATION

Our fees for each client are based upon a percentage of the assets under management. We do not charge hourly fees nor fixed fees. We do not charge commissions. A copy of the Fee Schedule is attached. Clients are billed on a quarterly basis, payable in arrears. Our clients may terminate their investment advisory contract with CTA with a ten day written notice. A prorated fee will be assessed in the event of termination of an account. Fees may be negotiable.

Our fees are deducted from the clients' assets under management. Each client is billed on a quarterly basis and in certain accounts monthly.

In addition to the fees set forth in the fee schedule, clients may incur certain brokerage and transaction expenses. The custodian of CTA's clients' assets presently charges a commission of \$20.00 per ticket or \$.03 per share, whichever is more. CTA does not transact or accept any referral fees or other "soft dollar" considerations in return for selection any particular broker. CTA

CTA does not charge performance-based fees.

TYPES OF CLIENTS

CTA provides investment advice to individuals as well as to trusts, estates, and charitable organizations.

Occasionally, CTA provides investment advice to pension and profit sharing plans as well as to corporations and other business entities.

CTA does not provide investment advice to banks, thrift institutions, or investment companies.

TYPES OF INVESTMENTS

CTA offers advice on the following types of investments:

A. Equity Securities

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers

B. Warrants

C. Corporate Debt Securities

D. Commercial Paper

E. Certificates of Deposits

F. Municipal Securities

G. Investment Company Securities:

- Mutual fund shares

H. United States Government Securities

I. Option Contracts on:

- Securities

All investments are based on each client's specific investment objectives. Clients are encouraged to contact us regarding any questions involving any forms of investment made on their behalf.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, SOURCES OF INFORMATION, AND RISK OF LOSS

All CTA clients are made aware that investing in securities involves risk of loss that each client should be prepared to bare.

CTA employs the following methods of analysis in deciding on which securities to purchase:

- Charting
- Fundamental
- Technical
- Cyclical

Risk of loss is inherent in any type of security investments. The analysis that we use helps us to minimize the risk of loss while attempting to maximize the investment return.

CTA uses the following sources of information in formulating all investment decisions:

- Financial newspapers and magazines
- Inspection of corporate activities
- Research materials prepared by others
- Corporate rating services
- Timing services
- Annual reports, prospectuses, and filings with the SEC
- Company press releases

We use different investment strategies to implement the advice given to each of our clients. These strategies include:

- Long-term purchases...i.e.: securities held for at least one year
- Short term purchases...i.e.: securities sold within one year
- Short term trading...i.e.: securities sold within 30 days
- Short sales
- Margin transactions
- Covered options

In general, the majority of CTA investments are either long term purchases or short term purchases. It is not the primary strategy of CTA to engage in frequent trading of securities. We find that our clients' needs are better met through a long term investment strategy as opposed to short term trading which inherently involves increased brokerage costs.

DICIPLINARY INFORMATION

It is the policy of CTA to disclose to all clients any disciplinary information relating to any of its owners or employees. Specifically, the information that we would disclose would relate to any criminal or civil action in any domestic, foreign, or military court or any administrative proceeding before the SEC or any other federal regulatory agency or state regulatory agency.

No CTA owner or employee has been involved in any disciplinary matter which would require such disclosure.

EDUCATION AND BUSINESS STANDARDS

All employees hired by CTA meet the highest standards of education, experience, and integrity. Daniel Kraft, the President of CTA, is responsible for the day-to-day decision making regarding the purchases and sales of securities for clients' portfolios. The Investment Committee oversees this process on an ongoing basis. Currently, CTA employs staff, who work with Mr. Kraft. CTA adheres to the highest ethical standards which are set forth in the Policy Statement of the company dated April 17, 2008. Client portfolios are reviewed on a regular ongoing basis. The Investment Committee is comprised of Daniel Kraft, David L. Taylor, and Patrick J. Daly. The Committee meets formally at least every quarter to review economic conditions in general and specifically CTA's accounts. Committee members also discuss these matters informally at least on a monthly basis. If the investment objectives or the financial situation of any client materially changes, it shall be the responsibility of the client to advise CTA of those changes. CTA encourages client contact by phone or in person, and each client meets with Mr. Kraft and/or Mr. Taylor frequently as needed, and at least once a year.

EDUCATION AND BUSINESS BACKGROUND

- Daniel P. Kraft is a graduate of Harvard College and attended Harvard Business School. He has been President of Cambridge Trustee Advisors since 1992.
- David L. Taylor is a graduate of Brown University with a degree in economics and is also a graduate of Boston University School of Law. He has been affiliated with Adams & Blinn, Counsellors at Law since 1970 and with Cambridge Trustee Advisors since 1992.
- Patrick J. Daly is a graduate of Boston College and Boston College Law School and has been affiliated with Adams & Blinn since 1977 and with Cambridge Trustee Advisors since 1992.

OTHER BUSINESS ACTIVITIES

The President of CTA, Daniel P. Kraft, devotes more than 99% of his working hours to its clients and investment activities. Mr. Kraft is also a registered representative of the Brokerage Firm of Winslow, Evans & Crocker, Inc., 175 Federal Street, Boston, Massachusetts, 02110. He acts as an independent contractor and transacts no CTA business through that brokerage firm as a broker. This is in full compliance with CTA company policy. Mr. Kraft's activities with Winslow, Evans & Crocker consume less than 1% of his time in any given year.

The principal business of Mr. Taylor and Mr. Daly is to provide legal services as Attorneys for Adams & Blinn. Mr. Daly also acts as Chief Compliance Officer for CTA. Mr. Taylor, in his capacity as Trustee of a number of trusts that are clients of CTA, regularly engages Mr. Kraft in discussions involving both market and investment strategy.

OTHER FINANCIAL INDUSTRY ACTIVITIES OR AFFILIATIONS

A number of legal clients of the Law Firm of Adams & Blinn utilize the investment advisory services of CTA. Generally, those clients are Trusts or Estates. CTA assists in the management of some or all of the asset portfolios of these clients on an ongoing basis. This activity is conducted in conformance with the American Law Institute's Restatement of Trusts Prudent Investment Rule.

Neither CTA nor any owner is a partner in a partnership in which CTA clients are solicited to invest.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

The owners of CTA sometime purchase and sell securities for their own personal portfolios. Sometimes, those securities are the same as those recommended by CTA to CTA clients. It is the policy of CTA that those transactions conducted by the owners of CTA are never done on more favorable terms than the terms that apply to CTA clients on any given day.

All such purchases and sales are undertaken in accordance with a code of ethics reviewed on an annual basis by the Board of Directors of CTA. The code of ethics focuses upon:

- The confidentiality of company records and information
- The avoidance of any improper use of inside information
- The requirement that all employees and directors file quarterly reporting forms detailing all personal security transactions reporting all of their personal security transactions for the previous quarter

Within the first ten days of each quarter, every employee and director is required to file a Security Transaction Reporting Form itemizing all personal transactions in their personal accounts. In addition, if any employee or director advises or controls the investment decisions of an immediate family member, those security transactions are also required to be reported. All quarterly Security Transaction Forms are reviewed by the Board of Directors on a regular basis at every quarterly Board of Directors meeting.

All CTA clients are provided with a copy of the company code of ethics on an annual basis, which is available to current and prospective clients upon request.

CONDITIONS FOR MANAGING ACCOUNTS

As a general rule, CTA does not seek out new accounts valued at less than \$1,000,000.00. Where special circumstances are involved, exceptions to this general rule can be made. For example, exceptions are frequently made for charitable trusts or other similar clients.

REVIEW OF ACCOUNTS

All client accounts are reviewed on a regular ongoing basis by Daniel Kraft. David L. Taylor acts as a secondary reviewer. In addition, CTA has an investment committee consisting of Daniel Kraft, David L. Taylor, and Patrick J. Daly. The committee meets formally at least four times a year to review economic conditions generally and to review CTA accounts specifically. In addition, various members of the committee informally discuss clients' accounts at least monthly.

CTA encourages frequent communication between and among the company and the company's clients. CTA meets with or speaks with all clients either in person or by telephone at least once a year, and more frequently as applicable. It is important that CTA be aware of any changes in the clients' financial situation or investment objectives, and clients are told that it is their primary responsibility to advise CTA of any such changes.

Every client receives a quarterly account statement from CTA and a monthly account statement from the custodian. Clients receive an overview of market conditions on a quarterly basis along with a statement of their accounts demonstrating transactions that have occurred during that time period. CTA encourages communication and questions from all clients at any time with regard to any investment decisions that are made on their behalf.

INVESTMENT OR BROKERAGE DISCRETION

CTA has discretionary authority to act on behalf of all of its clients. This means that without obtaining specific client consent, CTA has the authority to determine:

- The securities to be bought or sold
- The amount of the securities to be bought or sold
- The broker or dealer to be used
- The commission rate to be paid

CTA chooses the broker to conduct all transactions. The primary consideration used by CTA in making this decision is to provide the highest quality of portfolio management and to provide the best execution on behalf of all clients. Some of the criteria that CTA chooses to insure that its clients receive the best execution are as follows:

- The ability and willingness of the broker/dealer to facilitate the portfolio transaction promptly and at reasonable expense
- The importance to the account of speed, efficiency, and confidentiality
- The broker/dealer familiarity with sources from whom or to whom particular securities might be purchased or sold.
- Any other matters that CTA thinks are relevant in making sure that the client is best served.

In an effort to pass along the best price and service to our clients, CTA has negotiated with the custodian that commissions shall be charged at a rate of \$20.00 per ticket or \$.03 per share, whichever is greater. On a regular basis, we compare the competitive landscape to insure that our clients continue to receive the most advantageous price for all services rendered. In addition, CTA does not transact or accept any referral fees or other "soft dollar" considerations in return for selecting any particular broker.

ADDITIONAL COMPENSATION

CTA is not paid in cash nor does it receive any economic benefit (including commissions, equipment or non-research services) from any non-client in connection with giving advice to clients.

CTA does not directly or indirectly compensate any person for client referrals.

BALANCE SHEET

CTA does not retain custody of clients' funds and securities. Since that is the case, it is not required to provide a balance sheet for its most recent fiscal year on an annual basis.

FEE SCHEDULE

CTA will furnish Investment Advisory Services on the basis on individual client needs. Fees are based upon a percentage of assets under management. The basic fee shall not exceed 2% for equity or blended accounts nor 1% for exclusively fixed-income accounts. All fees are subject to negotiation on an individual basis. The factors that may be considered are:

- the types of services provided
- the amount of money under management
- and other relevant factors of particular note

An explanation of the fee schedule is set forth in the Advisory Agreement, which either party can terminate with ten days written notice. The minimum annual fee is \$5,000.00 which may be waived in appropriate circumstances. Fees are collected monthly or quarterly in arrears. A pro-rated fee will be assessed in the event of termination of an account.

Reapproved by the Board of Directors

Effective: March 7, 2012