

Item 1 – Cover Page

Hudson Valley Investment Advisors, Inc.

117 Grand Street, Suite 201

P.O. Box 268

Goshen, NY 10924

845-294-6127

www.hviaonline.com

November 30, 2012

Form ADV, Part 2; our “Disclosure Brochure” or “Brochure” must be delivered to you as required by the Investment Advisors Act of 1940 (the “Act”) and is a very important document describing the relationship between Clients (hereafter, “you,” “your”) and Hudson Valley Investment Advisors, Inc. (hereafter, “us”, “we”, “our”). This Brochure provides information about our qualifications and business practices.

This brochure provides information about the qualifications and business practices of Hudson Valley Investment Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at (800) 925-4572. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.

Additional information about Hudson Valley Investment Advisors, Inc. also is available at the SEC’s website www.advisorinfo.sec.gov (click on the link, select “investment advisor firm” and type in our firm name). Results will provide you both Part 1 and 2 of our Form ADV.

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

Item 2 – Material Changes

1. Initial Filing on 11/30/12:
 - a. This is our “initial” filing of what we regard as “The New Part 2” of our Form ADV. As a result, this Document, dated 11/30/12 is brand new. This document was developed in /response to new requirements adopted and imposed by the Securities and Exchange Commission under the Investment Advisors Act of 1940. As a result, this Disclosure Brochure” is substantially different from previous versions and includes disclosures not specifically included in the Old Part II.
 - b. As a result, this “Brochure” should be considered “materially new” although you will recognize most of the disclosures as similar or identical to what you have read in the past. New disclosures in this document include those items previously not required, including:
 - i. Assets under management
 - ii. Description of analysis methods
 - iii. Annual summary of material changes, and
 - iv. The elimination of Part II, Pages 1-6 (or the old check the box pages).
2. In future filings, this section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) www.advisorinfo.sec.gov.
3. We may, at any time, update this Brochure and either send you a copy or offer to send you a copy.

You may obtain a full copy of our ADV Part 2 by:

1. Contacting our Chief Compliance Officer, Mark Lazarczyk at 800-925-4572.
2. Sending a written request to:

Hudson Valley Investment Advisors, Inc.
Attn: Chief Compliance Officer
PO Box 268
Goshen, NY 10924

3. Downloading it by visiting the SEC’s public disclosure website (IAPD) www.advisorinfo.sec.gov.

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Item 4 – Advisory Business

Description of Advisory Services:

Hudson Valley Investment Advisors, Inc. (and its predecessor, Hudson Valley Investment Advisors, LLC) is a United States Securities and Exchange Commission Registered Investment Advisor, which has been serving clients with the same consistent investment strategy and discipline since 1995. In 2012, our firm went through a change involving the sale of the principle assets of Hudson Valley Investment Advisors, LLC (“HVIA,LLC”), a subsidiary of Provident New York Bancorp, to Orange County Bancorp, Inc., (“OCBI” or “Holding Company”). HV Capital Management, the management company for HVIA,LLC and an investment advisor owned by Thomas Guarino was similarly purchased by OCBI. OCBI has kept HV Capital Management, Inc’s SEC registration, has transferred the assets of HVIA,LLC into HV Capital Management, Inc and has changed the name back to Hudson Valley Investment Advisors, Inc. The firm will continue to provide the same proven investment strategy and discipline that has been utilized since 1995.

We provide investment services to a diverse client list. In every case, we give continuous advice to you based on your stated needs. Among the clients served by us are individuals, trusts, estates, corporations, pension and profit sharing plans, and charitable institutions. Your account can be managed on both a discretionary and nondiscretionary basis. Where we have discretion, we have discretionary authority regarding the securities to be bought and sold and the timing of transactions. Discretion may extend to the selection of broker-dealers to execute trades for your account. Account supervision is guided by your stated objectives. Assets may be allocated solely to equity and fixed income securities with recommendations, selections, and asset allocations tailored to your overall investment objectives.

Investment advisory services provided to accounts are based on your needs and objectives. These may be established at an initial meeting with us, or through written investment objectives submitted by the Client. At any time, you may impose restrictions on investing in certain securities or types of securities. The relevant facts relating to management of the account are examined and appropriate investment strategies are developed to obtain your desired goals. We will provide, at least annually, a performance analysis of each account. We will meet with you periodically and encourage regular telephone contact and in-person meetings to review objectives and investment strategies.

401K Consulting Services

We provide several advisory services separately or in combination. 401K Consulting Services is comprised of four distinct services. Clients may choose to use any or all of these services.

a) Investment Policy Statement Preparation (Hereinafter Referred To As "IPS")

We will meet with the client (in person or over the telephone) to determine the client's investment needs and goals. We will then prepare a written IPS stating those needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.

b) Selection of Investment Vehicles

We will review various investments, consisting exclusively of mutual funds (both index and managed) to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the Investment Policy Statement.

c) Monitoring of Investment Performance

Client investments will be monitored continuously based on the procedures and timing intervals delineated in the Investment Policy Statement. Although, for most of our plans, we will not be involved in any way in the purchase or sale of these investments, we will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

d) Employee Communications

Since our clients will have individual accounts with participants exercising control over assets in their own account ("self-directed plans"), we also provide quarterly educational support designed for the Plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support will NOT provide Plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

Miscellaneous Terms

Prior to engaging us to provide any services, you will generally be required to enter into an advisory agreement that sets forth the terms and conditions of our relationship,

describes the scope of the services to be provided, and additional details with respect to the compensation arrangement.

In performing our services, we shall not be required to verify any information received from the client or from the client's other professionals. We are authorized to rely on the information that is given to us. It is your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives for the purpose of reviewing, evaluating and/or revising our previous recommendations and/or services.

No one may assign the Advisory Agreement without the prior consent of the other party. Transactions that do not result in or involve a change of actual control or management are not considered an assignment.

A copy of our written disclosure statement, Part II of Form ADV (or an equivalent brochure), will be provided to you prior to or at the time of signing our Advisory Agreement. If you have not received a copy of our written disclosure statement at least forty-eight (48) hours before signing the Advisory Agreement, you will have five (5) business days after signing the agreement to end your relationship with us without penalty.

Wrap Fee Programs

We may participate in a "wrap fee" program. In a wrap fee program, you would enter into an agreement with a registered broker-dealer (referred to as "wrap fee sponsor") that may also be registered as an investment advisor under the Investment Advisors Act of 1940 or affiliated with a registered investment advisor. The wrap fee sponsor would charge you a combined fee (referred to as a "wrap fee") based upon a percentage of the market value of the account, which generally covers services for:

1. Selection of one or more investment advisors from a group of investment advisors participating in the program.
2. Each investment advisor's fee to manage the client's portfolio on a discretionary basis.
3. In some cases, brokerage commissions and/or dealer mark-ups or mark-downs for the execution of trades by the designated broker.
4. Acting as custodian for the assets in the client's portfolio, which also includes providing the client with trade confirmations and monthly statements.
5. Periodic evaluation and comparison of account performance.
6. Continuing consultation on investment objective.

When we manage a wrap fee account, we make investment decisions without your consultation regarding which securities are bought and sold for the account, and the total amount of securities bought and sold. However, our discretionary authority is limited by conditions imposed by you and your stated investment guidelines or objectives, or in

instructions (such as designating broker-dealers) otherwise provided to us. Generally, trades are executed with the broker-dealer with which you have entered into the wrap-fee arrangement.

Assets Under Management as of 11/30/12

	U.S. Dollar Amount	Total Number of Accounts
Discretionary:	\$423,631,002.00	1208
Non-Discretionary:	\$25,146,217.00	65
Total:	\$448,777,219.00	1273

Item 5 – Fees and Compensation

Portfolios with asset allocations including equities, fixed income, and cash equivalents

<u>Rate</u>	<u>Assets</u>
1.20%	on the first \$1,000,000
1.00%	on the second \$1,000,000
0.80%	on the third \$1,000,000
0.60%	on the fourth & fifth \$1,000,000
0.50%	on balance greater than \$5,000,000

Minimum Fee: \$3,000

Portfolios with only fixed income and cash equivalents

<u>Rate</u>	<u>Assets</u>
0.60%	on the first \$1,000,000
0.40%	on assets over \$1,000,000

Minimum Fee: \$1,200

Portfolios with only mutual funds

<u>Rate</u>	<u>Assets</u>
1.00%	on total assets

Minimum Fee: \$500

Portfolios within 401K Plans

<u>Rate</u>	<u>Assets</u>
.75%	on First \$500,000
.50%	on next \$2,500,000
.25%	on balance greater than \$3,000,000

Minimum Fee: \$2,000

While it is our general policy to charge fees to you in accordance with the fee schedules above, such fees may be negotiated in light of special circumstances. We may, at our sole discretion, charge a lesser management fee based on special circumstances.

Either party may terminate the advisory relationship at any time by giving the other party thirty days written notice of termination. Fees will be prorated to the date of termination.

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 (preferred): at the end of each calendar quarter, we will send you an invoice showing the fees accrued for that quarter. You will have three (3) days to review the invoice before we 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 or 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 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.
- Pay-by-check: Each quarter, we issue you an invoice for our services and you pay us by check or wire transfer.

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), Exchange Traded Funds (ETFs)
- Deferred sales charges (on MF or annuities);
- Wire transfer and electronic fund processing fees;
- Among others 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 advisor. We do not have any potential conflicts of interest present that relate to any additional (and un-disclosed) 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 Clients:

- Pension Funds & Profit Sharing Plans
- Foundations & Endowments
- Corporations or other business entities
- Individual Retirement Accounts (IRAs)
- Individuals, including high net worth individuals
- Trusts, estates and charitable organizations
- 401(k) Plans

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

Analysis:

Our equity analysis begins with a top down process that begins with the identification of key economic indicators such as GDP growth, corporate earnings, inflation rate, and interest rate forecast. Once we have a strong comfort with the direction and magnitude of these economic indicators, we set target sector weights among 8 economic sectors, to overweight or underweight each sector to best take advantage of our economic forecast. Then our bottom-up process will allow us to analyze securities and perform valuation analysis that will identify what companies to buy and at what price. We look to identify market leaders with strong growth characteristics, but we are very disciplined to buy these companies only when we feel their valuation to be reasonable based upon their industry and the quality of its earning. We therefore are primarily large capitalization stock oriented. We will also determine small capitalization and international stock allocation and fill this allocation by the purchase of no-load mutual funds.

From our top down analysis, we set our fixed income analysis in terms of the maturity, duration and quality of the bonds we purchase. We are high-quality individual bond buyers in our fixed income portion of each portfolio. We will lengthen and shorten duration of our bonds based upon our inflation and interest rate forecast. The quality of the bonds we purchase are determined by where we are in the economic cycle. We are very sensitive to rate spread whenever we take incremental risk in our fixed income vehicles.

Investment Strategies:

Our equity management style is one of high quality large capitalization growth stocks bought at reasonable prices (G.A.R.P.), when compared to its sector, and its ability to grow earnings. This produces a well diversified, high quality portfolio that is sector weighted based upon economic projections.

Our bond management consists of high quality government/government agency and high grade corporate bonds strategically laddered based upon interest rate forecasts and call features. We are more comfortable with interest rate risk as opposed to credit risk in our bond portfolios. Our bond portfolios tend to have strong cash flows given the tendency toward higher coupon bonds, which give us greater flexibility in managing and adjusting the asset allocation of the overall portfolio.

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 / Advisor relationship, or to continue a Client /Advisor relationship with us.

Item 10 – Other Financial Industry Activities and Affiliations

We are a wholly owned subsidiary of Orange County Bancorp, Inc. OCBI also wholly owns Orange County Trust Company (the “Bank”). Although not material to our servicing of you, certain of our clients may also be Bank clients.

To avoid any potential conflicts of interest, we cannot advise or make any recommendations in regards to Orange County Bancorp, Inc or its stock (OCBI). Purchases or sales of the stock can only be executed with written instructions from our clients. We have also added OCBI stock to our Restricted list. This means no employee of Hudson Valley Investment Advisors, Inc. may purchase or sell Orange County Bancorp, Inc without written approval from the President or Chief Compliance Officer.

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 our client information;
- Prohibitions on:
 - Insider trading (if we are in possession of material, non-public information);
 - The acceptance of gifts and entertainment that exceed our policy standards;
- Reporting of gifts and business entertainment;
- Pre-clearance of employee and firm 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), securities held in certificate form 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 advisor, 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.

To avoid conflicts of, we will the following rules for personal securities transactions:

Client account trades will get priority handling, and personal transactions will only be allowed after client trades are executed. The only exceptions to this will be mutual fund

trades that receive a "close of business" price, that would not be affected by the inclusion of personal transactions, and bond trades whereby the addition of personal securities transactions could give the block trade sufficient size to result in a better price from the bond dealer, benefiting all participants in the transaction.

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

Item 12 – Brokerage Practices

General Considerations – selecting / recommending brokers for Client transactions and commission charges:

We have investment or brokerage discretion, or both, for the majority of our clients. Limitations on the degree of such authority vary and are determined by you. Broker/Dealers for your accounts are selected within the guidelines of the Best Execution policy, which includes factors such as execution capabilities and/or the quality of a firm's research. The research sought is in-depth fundamental corporate research to assist in analysis. This includes information in the form of written and oral reports, reports accessed by computers or terminals, statistical collations, appraisals, and analysis relating to markets, companies, industries, business and economic factors, market trends, portfolio strategy, and trading insight and intelligence. Materials of a general nature which deal with technical factors, the business cycle, and the economy are also regarded as of value. Research services are provided by broker/dealers on an ongoing basis and are generally used to benefit all of our client accounts, though not all such services may be used by us in connection with the account which paid commissions to the broker/dealer providing such services.

We may recommend that you establish brokerage accounts with Pershing Advisor Solutions LLC a BNY Mellon Company. (Pershing), a registered broker-dealer, Member SIPC/NYSE, to maintain custody of clients' assets and to effect trades for their accounts. Pershing Advisor Solutions LLC provides us with access to its institutional trading and operations services, which are typically not available to retail investors.

Research and Other Soft Dollar Benefits:

It is our policy to avoid soft dollar agreements. However, we do receive services from Pershing Advisor Solutions LLC. Those services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Pershing Advisor Solutions LLC also makes available to us other products and services that benefit us but may not benefit our client's accounts. Some of these other products and services assist us in managing and administering your account. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from our clients' accounts, and assist with back-office support, recordkeeping and client reporting. Many of

these services generally may be used to service all or a substantial number of our accounts, including accounts not maintained as Pershing Advisor Solutions LLC. Pershing Advisors Solutions LLC may also provide us with other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Pershing Advisor Solutions, LLC may make available, arrange and/or pay for these types of services to us by independent third-parties. Pershing Advisor Solutions LLC may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. The availability of the products and services is not contingent upon our firm committing to Pershing Advisor Solutions LLC any specific amount of business (assets in custody or trading).

Brokerage For Client Referrals – Not applicable

Directed Brokerage:

Client Directed Brokerage - For those HVIA advisory clients who direct brokerage transactions or who designate a specific broker/dealer as a custodian is it known that such direction may hinder HVIA's ability to negotiate commissions with said directed broker/dealer or to obtain best price or execution concerning securities transactions through said broker/dealer. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Block Trading Procedures:

We will aggregate client securities transactions for execution when in our judgment, such block trades either enhance or have no adverse consequence on the execution price or the commission costs. Trades are allocated in line with our trade aggregation policy.

When transactions are aggregated, the actual prices applicable to the aggregated transaction will be averaged, and each client account participating in the aggregate transaction will be deemed to have purchased or sold its share of the security at the average price. The cost incurred by each client is determined by the amount of their allocation. In the event of a partial execution of the aggregate order, we will implement a pro rata allocation system to allocate the executed shares to clients.

Principal Trading - Not applicable**Cross Transactions:**

At certain times, when we feel it is in the best interests of our clients, we will recommend a cross transaction of a security between two or more of its advisory clients. Given that in these circumstances a conflict of interest could exist because we advises both the buyer and seller in connection with said transaction, we will pursue a cross transaction only when in our judgment both the interest of the buyer and seller are enhanced.

Item 13 – Review of Accounts

Client Account Review:

Investment policy and strategy are determined by the Senior Portfolio Manager. This process is ongoing and continuous. Accounts undergo continual review to ensure portfolio securities meet your investment policy and objectives. A formal portfolio review of each account is conducted at least once a year to confirm that performance, diversification and risk levels are appropriate. The Senior Portfolio Manager will oversee the review process.

Client Reporting:

Statements are generated monthly or quarterly, according to your needs by the custodian (Bank, Trust Company, or Broker/Dealer). Statements will contain information pertaining to account activity (buys, sells, interest and dividends, etc.), security positions and valuations. We will provide annually, and more often if required, performance analysis on each account. We meet with you periodically and encourages regular telephone contact and in person meetings to review objectives and investment strategies. Good practice is for you to always compare the statements sent by us to the statement you receive directly from your custodian.

Item 14 – Client Referrals and Other Compensation

Our advisory services are marketed on a direct basis by the firm and through client referrals. Referrals may also be made by other professionals including brokers, broker/dealers, and other investment advisors who may be compensated therefore. Client fees are identical regardless of the source of introduction. All solicitations or referrals for which compensation is paid are made in strict compliance with the disclosure and referral rules of the Investment Advisors Act of 1940 and the state registration requirements for investment advisor representatives.

Item 15 – Custody

We do not have full custody of your funds or securities. Our custody is limited to the direct debiting of fees from your account to cover our quarterly fee. At the time, you enter into an agreement with us, you can choose to have your fee debited from your account (the preferred method), or you can choose to pay by check. Our fees are billed in arrears at the end of each calendar quarter. At the end of every quarter, you will receive an invoice for the past quarter's fees. You have three (3) days to review the invoice before any fees are withdrawn from your account.

Item 16 – Investment Discretion

We have investment or brokerage discretion, or both, for the majority of our clients. Limitations on the degree of such authority vary and are determined by you. These may be established at an initial meeting with us, or through written investment objectives submitted by you. At any time, you may impose restrictions on investing in certain securities or types of securities. The relevant facts relating to management of the account are examined and appropriate investment strategies are developed to obtain your desired goals.

Investment discretion is granted to us when you sign our Investment Management Agreement. The authority given includes the ability to:

1. Direct the voting of proxies.
2. Direct custodian to retain income derived from Client's securities, charge any income or principal Account or otherwise retain cash or deal in securities and other property subject to your Agreement to cover overdrafts arising in the course of transactions on your behalf, to pay your fees and disbursements, and to cover all applicable expenses, taxes, and other charges and liabilities, in each case to the extent not paid by you when due.
3. Refer orders for purchases and sales of securities or other property to brokers of your choice, including brokers which are affiliated with you.
4. Purchase and sell securities or other property from and to persons of your choice, including persons affiliated with you.

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

Our Proxy voting policies and procedures are required by SEC Rule 206(4)-6 of the Investment Advisors Act of 1940.

Glossary of Terms

A Conflict of Interest is when your best interest and those of our firm or its employees may not be the same.

Non-Routine Proxy Proposals shall mean proxy proposals that the Proxy Manager will forward to the Proxy Committee to be considered on a case-by-case basis. It will be left to the sole judgment of the Proxy Manager to decide what is and what is not a Non Routine Proxy Proposal.

Routine Proxy Proposals shall mean proxy proposals that the Proxy Manager shall cast either yes or no votes without referring it to the Proxy Committee.

The Senior Portfolio Manager shall be the Proxy Manager.

The Proxy Committee shall be comprised of all portfolio managers and others designated by the committee. A quorum of the Proxy Committee shall be comprised of at least one member.

Principles and Guidelines

Our primary purpose and fiduciary responsibility is to maximize shareholder value, which is defined as share price and dividend appreciation. The Proxy Manager will vote proxies in the best interests of our clients and will generally vote for the recommendations of the Board of Directors and against their recommendations only when we feel it is not in the best interest of our clients with regard to routine proxy proposals. When a non-routine proxy proposal is to be voted on it will be referred to the Proxy Committee for discussion and they will determine by vote how we will vote the proxy.

Conflicts of Interest

From time to time, a conflict of interest may exist between us and our clients regarding the outcome of certain proxy votes. It will be our policy to disclose the conflict of interest to the client and inform the client that they will need to vote the proxy themselves if they disagree with our announced vote.

Record Keeping

A copy of our Proxy Voting Policy and Voting Procedures will be kept in the compliance Manual.

We will keep a Proxy Voting Log of all votes cast by the firm. The log will include the company name, the cusip number, the control number and how the vote was cast for each issue on the proxy. The voting log and the record half of the proxy vote will be kept for an indefinite period of time.

The Compliance Officer will keep a record of all requests for the Proxy Voting and Procedures Policy and how we voted on specific proxies, along with a copy of the response for each request. These records will be kept for an indefinite period of time.

Obtaining More Information

You may obtain a copy of our Proxy Voting Policy and Procedures and a record of our proxy votes free of charge by writing:

Hudson Valley Investment Advisors, Inc
PO Box 268
Goshen, N.Y. 10924

Item 18 – Financial Information

Our fees are billed in arrears at the end of each calendar quarter. We do not charge or solicit pre-payment of any fees in advance. Either our firm or you may terminate your agreement at any time and for any reason upon giving the other party thirty days written notice. In case of any termination, we will only charge fees that are prorated to the date the termination becomes effective.

Item 19 – Requirements for State-Registered Advisors

We are a United States Securities and Exchange Commission Registered Investment advisor.

Part 2B of Form ADV:

Brochure Supplement

Item 1 Cover Page

This brochure supplement is provided on our President & Sr. Portfolio Manager, Thomas V. Guarino

Mr. Guarino's contact information is:

Thomas V. Guarino, President & Senior Portfolio Manger
Hudson Valley Investment Advisors, Inc.
117 Grand Street, Suite 201
PO Box 268
Goshen, NY 10924
www.hviaonline.com
Tel: 845-294-6127
Fax: 845-294-1438

November 16, 2012

This brochure supplement provides information about , Thomas V. Guarino that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure as we include this supplement with all copies. Please contact Thomas V. Guarino if you did not receive OUR BROCHURE or if you have any questions related to the brochure or this supplement.

Item 2 Educational Background and Business Experience

Thomas V. Guarino

Born: 7/14/53

Educational Background:

State University of New York - College at Cortland

Bachelor of Arts (BA) in Economics - 1975

Pace University Graduate School of Business

Masters of Business Administration (MBA) in Finance – 1977

Business Experience:

Hudson Valley Investment Advisors, Inc., 11/12 – Present, President and Senior Portfolio Manager

Hudson Valley Investment Advisors, L.L.C., 6/06 – Present, President and Senior Portfolio Manager

HV Capital Management, Inc. (f/k/a Hudson Valley Investment Advisors, Inc..) 5/95 – Present

President

Fleet Investment Advisors, Inc. 2/88 - 4/95, Vice President and Senior Area Investment Officer

Fleet Bank 9/81 - 2/88, Vice President and Investment Officer

Thomas V. Guarino currently serves on the following boards and in the following capacities:

Goshen Rotary Scholarship Foundation-Vice President & Director

The Thomas V. Guarino Family Foundation - President & Director

Meadow Wood Property Owners Association, Inc. – President & Director

Longboat Key Towers Association, Inc. - Director

Item 3 Disciplinary Information

None.

Item 4 Other Business Activities

Thomas V. Guarino is not involved in other business activities.

Item 5 Additional Compensation

Mr. Thomas V. Guarino does not receive any additional compensation.

Item 6 Supervision

Our Investment Policy Committee meets to determine the securities to be purchased and the asset allocation to be used in making investment decisions.

All of Thomas V. Guarino's accounts are reviewed, quarterly, by another Portfolio Manager to ensure they are compliant with the stated objectives of his clients in their Investment Policy Statement. Any exceptions are brought to the designated approver for those accounts. The designated approver for Thomas V. Guarino's accounts is:

Michael Rundle

Vice President and Portfolio Manager

Tel: 845-294-6127

Item 7 Requirements for State-Registered Advisors

We are a United States Securities and Exchange Commission Registered Investment advisor.

Part 2B of Form ADV:

Brochure Supplement

Item 1 Cover Page

This brochure supplement is provided on our Vice President & Portfolio Manager, Michael Rundle

Mr. Rundle's contact information is:

Michael Rundle, Vice President & Portfolio Manger

Hudson Valley Investment Advisors, Inc.

117 Grand Street, Suite 201

PO Box 268

Goshen, NY 10924

www.hviaonline.com

Tel: 845-294-6127

Fax: 845-294-1438

November 16, 2012

This brochure supplement provides information about our employee, Michael Rundle that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure as we include this supplement with all copies. Please contact Michael Rundle if you did not receive OUR BROCHURE or if you have any questions related to the brochure or this supplement.

Item 2 Educational Background and Business Experience

Michael M. Rundle, CFP®

Born: 09/30/64

Educational Background:

State University of New York - College at Cortland

Bachelor of Science (BS) in Management Science and Economics – 1986

Certified Financial Planner™ - 2005

The Certified Financial Planner™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years,

including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

New York State Life Licensed Broker # LB-879850, Expires 09/30/2014.

Business Experience:

Hudson Valley Investment Advisors, Inc., 11/12 – Present, Vice President & Portfolio Manager

Hudson Valley Investment Advisors, L.L.C 7/06 – 11/12, Vice President & Portfolio Manager

Smith Barney – 2000 – 6/06, Second Vice President – Wealth Management

Merrill Lynch – 1997 – 2000, Financial Consultant

Michael M. Rundle, CFP® currently serves on the following boards and in the following capacities:

Goshen Chamber of Commerce-Board Member

Rockland Community Foundation-Board of Directors

Item 3 Disciplinary Information

None.

Item 4 Other Business Activities

Michael Rundle is not involved in other business activities.

Item 5 Additional Compensation

Michael Rundle does not receive any additional compensation.

Item 6 Supervision

Our Investment Policy Committee meets to determine the securities to be purchased and the asset allocation to be used in making investment decisions.

All of Michael Rundle's accounts are reviewed, quarterly, by another Portfolio Manager to ensure they are compliant with the stated objectives of his clients in their Investment Policy Statement. Any exceptions are brought to the designated approver for those accounts. The designated approver for Michael Rundle's accounts is:

Thomas V. Guarino

President and Senior Portfolio Manager

Tel: 845-294-6127

Item 7 Requirements for State-Registered Advisors

We are a United States Securities and Exchange Commission Registered Investment advisor.

Part 2B of Form ADV: *Brochure Supplement*

Item 1 Cover Page

This brochure supplement is provided on our Portfolio Manager, Stuart Arthur

Mr. Arthur's contact information is:

Stuart Arthur, Portfolio Manger
Hudson Valley Investment Advisors, Inc.
117 Grand Street, Suite 201
PO Box 268
Goshen, NY 10924
www.hviaonline.com
Tel: 845-294-6127
Fax: 845-294-1438

November 16, 2012

This brochure supplement provides information about our employee, Stuart Arthur that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure as we include this supplement with all copies. Please contact Stuart Arthur if you did not receive OUR BROCHURE or if you have any questions related to the brochure or this supplement.

Item 2 Educational Background and Business Experience

Stuart Arthur

Born 6/20/49

Educational Background:

Columbia University

Bachelor of Arts (BA) – 1977

Business Background:

Stuart Arthur has work in the Financial Services Industry dating back to September 1977, most recently Arthur has worked at the following:

Hudson Valley Investment Advisors, Inc., 11/12 – Present, Portfolio Manger

Hudson Valley Investment Advisors, L.L.C 4/08 – 11/12, Portfolio Manager

Wachovia Securities Financial Network 01/01-02/08, Investment Broker

J.W. Genesis 09/99-01/01, Investment Broker

Tucker Anthony 06/98-09/99, Investment Broker

Stuart Arthur currently serves on the following boards and in the following capacities:

Warwick Rotary Club - Treasurer

Item 3 Disciplinary Information

None.

Item 4 Other Business Activities

Stuart Arthur is not involved in other business activities.

Item 5 Additional Compensation

Stuart Arthur does not receive any additional compensation.

Item 6 Supervision

Our Investment Policy Committee meets to determine the securities to be purchased and the asset allocation to be used in making investment decisions.

All of Stuart Arthur's accounts are reviewed, quarterly, by another Portfolio Manager to ensure they are compliant with the stated objectives of his clients in their Investment Policy Statement. Any exceptions are brought to the designated approver for those accounts. The designated approver for Stuart Arthur's accounts is:

Thomas V. Guarino

President and Senior Portfolio Manager

Tel: 845-294-6127

Item 7 Requirements for State-Registered Advisors

We are a United States Securities and Exchange Commission Registered Investment advisor.

Part 2B of Form ADV:

Brochure Supplement

Item 1 Cover Page

This brochure supplement is provided on our Portfolio Manager, Kenneth E. Flood

Mr. Flood's contact information is:

Kenneth E. Flood, Vice President, Portfolio Manger

Hudson Valley Investment Advisors, Inc.

117 Grand Street, Suite 201

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Goshen, NY 10924

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Fax: 845-294-1438

November 16, 2012

This brochure supplement provides information about our employee, Kenneth Flood that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure as we include this supplement with all copies. Please contact Kenneth Flood if you did not receive OUR BROCHURE or if you have any questions related to the brochure or this supplement.

Item 2 Educational Background and Business Experience

Kenneth E. Flood

Born 11/01/58

Educational Background:

State University of New York - College at Oneonta

Bachelor of Arts (BA) in Business/Communications - 1980

St. John's University Graduate School

Masters in Education – 1985

Marist College

CFP Certification Program – 2001

NYS Bankers Trust Investment School

Graduate - 1995

Business Background:

Hudson Valley Investment Advisors, Inc., 11/12 – Present, Vice President, Portfolio Manger

Orange County Trust Company 09/88 – 11/12, Vice President, Investment Officer

Kenneth Flood currently serves on the following boards and in the following capacities:

Middletown YMCA

- Finance Committee Member
- Executive Committee Member
- Board Member

Item 3 Disciplinary Information

None.

Item 4 Other Business Activities

Kenneth Flood is not involved in other business activities.

Item 5 Additional Compensation

Kenneth Flood does not receive any additional compensation.

Item 6 Supervision

Our Investment Policy Committee meets to determine the securities to be purchased and the asset allocation to be used in making investment decisions.

All of Kenneth Flood's accounts are reviewed, quarterly, by another Portfolio Manager to ensure they are compliant with the stated objectives of his clients in their Investment Policy Statement. Any exceptions are brought to the designated approver for those accounts. The designated approver for Kenneth Flood's accounts is:

Michael Rundle

Vice President, Portfolio Manager

Tel: 845-294-6127

Item 7 Requirements for State-Registered Advisors

We are a United States Securities and Exchange Commission Registered Investment advisor.