

MICHAEL RUSSO, LTD.
doing business as
CHICAGO INVESTMENT ADVISORY GROUP

FORM ADV – PART 2A INFORMATION
January 1, 2012

Chicago Investment Advisory Group
9200 W. 191st Street, Suite 3
Mokena, IL 60448

Phone (708) 478-7190 Fax (708) 478-7191
www.ciag.us

This Brochure provides information about the qualifications and business practices of Chicago Investment Advisory Group (“CIAG”). If you have any questions about the contents of this Brochure, please contact us at (708) 478-7190. 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 CIAG (CRD No. 142810), including a copy of its Form ADV Part 1, is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes To This Brochure Since Its Last Annual Update

Future material updates to this document will be noted in this section and provided to clients promptly.

Item 3

Table of Contents

<u>Item</u>		<u>Page</u>
1	Cover Page	1
2	Material Changes Since Last Annual Update	2
3	Table of Contents	3
4	Advisory Business	4
5	Fees and Compensation	5
6	Performance Based Fees and Side-by-Side Management	7
7	Types of Clients	7
8	Methods of Analysis, Investment Strategies and Risk of Loss.....	7
9	Disciplinary Information.....	9
10	Other Financial Industry Activities and Affiliations	9
11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	9
12	Brokerage Practices	10
13	Review of Accounts	11
14	Client Referrals and Other Compensation	11
15	Custody	11
16	Investment Discretion	11
17	Voting Client Securities	12
18	Financial Information.....	12
19	Requirements for State-Registered Advisers	12
Schedule 2B	Brochure Supplement	
	Michael A. Russo.....	13
	Steven M. Jacobson	16
	Joseph R. Dawczak	18

Item 4 - Advisory Business

Michael Russo, Ltd. doing business as Chicago Investment Advisory Group (“CIAG”) is an investment adviser registered with various state jurisdictions. CIAG has been providing investment advisory services since June 2006. CIAG provides investment supervisory services on a discretionary and non-discretionary basis to a wide variety of clients. CIAG is wholly-owned by Michael A. Russo. CIAG does not control any other firm. The advisory services of CIAG are described in detail below.

Investment Supervisory Services

CIAG Investment Supervisory Services may include but are not limited to advising clients on matters not involving securities and recommendations regarding various insurance products and referrals to various services. Investment Supervisory Services can include all of the following or some of the following services, as chosen by the client:

Initial Consultations include, but are not limited to; spending approximately 15 to 120 minutes with a CIAG Representative to discuss in detail where a clients assets are currently, including but not limited to, checking, savings, IRA, 401(k), home value and mortgage, liabilities, current life insurance values and benefits, current income and the clients goals and objectives. Go over asset identification, review types of assets and risks associated with each type. Review current investments and positions; discuss wills and trusts. Provide basic information regarding mutual fund concepts, stocks, bonds, CDs and answer questions. After the initial consultation a follow-up meeting is scheduled to present recommendations and an action plan for client assets. Available to all clients.

Portfolio Review includes, but is not limited, asset allocation (discuss where investments are allocated, i.e. cash, bonds, US stocks, foreign stocks and the relative risks involved). CIAG will produce a Morningstar report of assets held with CIAG and outside CIAG for analysis of allocation. CIAG will update the net worth statement with current figures and produce a hard copy for client's records. The review session will be approximately 15 to 60 minutes and is available to all clients, upon request.

Investment Advice includes, but is not limited to, general research to provide answers to questions related to specific securities and non-security investment vehicles. CIAG can use Morningstar reports, Tradecenter, Investors Business Daily and VectorVest software for fundamental and technical analysis. CIAG can orchestrate outside services for clients benefit in relation to business attorney, estate planning attorney, mortgage specialist and CPAs and accountants. This investment advice service will not pertain to charges to any form of representative solicitation nor does it include any direct orders by clients to buy or sell any particular investment product. Available to all clients, upon request.

All Investment Supervisory Services advice is based on information provided by the client. It is the client's responsibility to be certain that CIAG has current and accurate information.

Managed Account Program (“MAP”)

CIAG offers MAP, a program in which the client's account may be constructed utilizing a diversified portfolio of securities consisting of money markets, CD's, mutual funds, exchange traded funds (ETFs), including leveraged and inverse exchange-traded funds, closed-end funds, individual bonds, stocks and other listed securities. These may provide exposure to dividend paying companies, growth companies, international companies, US treasuries, investment grade corporate bonds, high yield bonds, preferred securities, gold, natural resources, currencies and other investments deemed appropriate. Pursuant to an account agreement and trade authorization, the client designates the CIAG Representative to determine client suitability for the program, to select an asset allocation approach, and to invest and reinvest client assets in accordance with client investment objective(s). The client authorizes the opening of an account with TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC, for program participation. The client authorizes the CIAG Representative on the TD Ameritrade account to be their agent and attorney-in-fact, and in that capacity to give instructions to the clearing firm (Ameritrade Clearing, a Division of TD Ameritrade, Inc.) for transactions in the account and to take all other actions necessary or incidental to the execution of such instructions. Client authorizes the clearing firm to follow the CIAG Representatives oral, written, or electronically transmitted instructions without obtaining client's approval, counter-signature. CIAG's authority includes authority to give instructions for purchase, sales and the authority to transfer, convert, endorse, sell, assign, set over, and deliver any assets held in the account and to make, execute and deliver any and all written instruments of assignment and transfer.

All MAP Services advice is based on information provided by the client. It is the client's responsibility to be certain that CIAG has current and accurate information.

CIAG does not assure or guarantee the results of its MAP Services; thus, losses can occur from following CIAG's advice pertaining to any investment or investment approach, including using conservative investment strategies.

As of December 31, 2011, CIAG had assets of \$41,599,995 under discretionary management and none under non-discretionary management.

Item 5 - Fees and Compensation

Fees paid to CIAG are for CIAG advisory services only. The fees do not include, for example, the fees charged by third parties such as third-party managers, or accountants and attorneys assisting with providing the client with accounting and legal advice. Commissions on transactions and other account fees will also be charged by brokerage firms in accordance with the account's brokerage firm's normal commission schedule and are revenue to the brokerage firm, not CIAG. See Item 12, Brokerage Practices.

Prospective clients should be aware that in addition to CIAG's advisory fees, each mutual fund in which a client's assets are invested also pays its own advisory fees and other internal expenses which already have been deducted from the fund's reported performance and are built into the NAV. Depending on the fund, a client may be able to invest directly in the shares issued by the fund with or without incurring any sales or third-party management fees.

In addition, there are tax effects pertaining to fund share redemptions, and other sales, made by CIAG on behalf of clients. Redemptions and sales are taxable events which may accelerate the recognition of capital gains, and losses, and frequent redemptions and sales may result in short-term, rather than long-term, capital gains and losses.

Investment Supervisory and MAP Services Fees

All advisory fees are calculated as a percentage of the total value of investments under CIAG's supervision and management at the rates set forth below. In addition to the advisory fee, there may, depending upon the type of security, be transactional and commissions charged by TD Ameritrade, which does not provide revenue to CIAG.

<u>Account Value</u>	<u>Annual Fee</u>
\$0 - \$250,000	1.00%
\$250,001 - \$500,000	1.00%
\$500,001 - \$1,000,000	1.00%
Over \$1,000,000	1.00%

Advisory fees are payable quarterly in arrears and are calculated on the basis of the market value of the investment in the account, including any balances held in money market funds. The fee for the initial quarter is pro-rated for the period that services are provided. Subsequent fees are based upon the market value of the account as of the last business day of the quarter. Also, the account balances of related accounts may, at CIAG's discretion, be combined for fee calculation purposes. The services agreement may be terminated by thirty (30) days advance written notice from either party to the other.

CIAG may amend its fee schedule upon thirty (30) days advance written notice to the client.

The fees paid to CIAG are for CIAG's advisory services only.

Fees payable to CIAG are, with the client's prior permission, automatically deducted from the client's account when due. The client will receive a statement from CIAG, as well as reports from the account's custodian, showing the fee calculation and fee amounts debited. CIAG will liquidate money market shares to pay the fee and, if money market shares or cash value are not available, other investments will be liquidated. Authorization for the deduction of fees from the managed account is contained in the services agreement.

Other Compensation

CIAG Representatives are also licensed to offer securities, annuities and insurance products. CIAG Representatives will receive customary commissions for the sale of such products should a client decide to make purchases through them. Clients are free to purchase such products other than through CIAG Representatives. This compensation creates a conflict of interest. All prospective and existing clients are hereby advised that this conflict exists. A CIAG Representative may recommend either no-load or load mutual funds for a client's account. In all cases, the investments must be suitable. Advisory fees are not reduced by the amount of sales compensation a Representative receives. All products are explained in detail and the decision to

purchase is up to the client. CIAG and its Representatives do not act with any discretion over client assets in relation to the sale of such products in these instances.

Item 6 - Performance Based Fees and Side-by-Side Management

CIAG does not charge any performance-based fees. All fees are disclosed above.

Item 7 - Types of Clients/Minimum Account Size

CIAG makes its advisory services available to a wide variety of clients including, but not limited to, individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

CIAG does not require a minimum account size for all advisory services.

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

CIAG's security analysis methods include, but are not limited to, charting (using charts to track individual security or market movements over time); fundamental analysis (evaluating securities based upon its historical and projected financial performance); technical analysis (examining technical moves in the price of an issue based upon peer securities or comparisons to an investment sector or index); and cyclical analysis (determining the desirability of an issue based upon the status of an issue within the price cycle the security or similar securities have followed historically). The use of fundamental and technical analysis in an effort to utilize market timing can lead to a large volume of short-term trades, particularly in volatile markets. Options trading may also lead to extraordinary losses caused by market moves in the underlying security or index.

As indicated in Item 4 above, CIAG may purchase and sell in client accounts leveraged or inverse exchange-traded funds ("ETF"). ETF's are typically registered unit investment trusts (UITs) or open-end investment companies whose shares represent an interest in a portfolio of securities that track an underlying benchmark or index. However, some ETFs that invest in commodities, currencies, or commodity- or currency-based instruments are not registered as investment companies. Unlike traditional UITs or mutual funds, shares of ETFs typically trade throughout the day on an exchange at prices established by the market, thus vary throughout the trading day.

Leveraged ETFs seek to deliver multiples of the performance of the index or benchmark they track. Inverse ETFs are "short" funds, meaning that they seek to deliver the opposite of the performance of the index or benchmark they track. Like traditional ETFs, some inverse ETFs track broad indices, some are sector-specific, and still others are linked to commodities or currencies. Inverse ETFs are often marketed as a way for investors to profit from, or at least hedge their exposure to, downward moving markets. Some funds are both short and leveraged, meaning that they seek to achieve a return that is a multiple of the inverse performance of the underlying index. An inverse ETF that tracks the S&P 500, for example, seeks to deliver the inverse of the performance of the S&P500, while a 2x leveraged inverse S&P 500 ETF seeks to deliver twice the opposite of that index's performance. To accomplish their objectives,

Leveraged or Inverse ETFs pursue a range of investment strategies through the use of swaps, futures contracts and other derivative instruments.

Most leveraged or inverse ETFs “reset” daily and are designed to achieve their stated objectives on a daily basis. **Due to the effect of compounding, their performance over longer periods of time can differ significantly from the performance (or inverse of the performance) of their underlying index or benchmark during the same period of time.** Examples follow:

- The Dow Jones U.S. Oil & Gas Index gained 2 percent, while an ETF seeking to deliver twice the index’s daily return fell 6 percent and the related ETF seeking to deliver twice the inverse of the index’s daily return fell 26 percent. These results compound to an even greater degree the longer the ETF’s are held.
- An ETF seeking to deliver three times the daily return of the Russell 1000 Financial Services Index **fell 53 percent** while the index **actually gained around 8 percent**.
- **The related ETF seeking to deliver three times the inverse of the index’s daily return declined by 90 percent over the same period.**

This effect can be magnified in volatile markets. Using a two-day example, if the index goes from 100 to close at 101 on the first day and back down to close at 100 on the next day, the two-day return of the inverse ETF will be different than if the index had moved up to a close at 110 the first day but then back down to close at 100 on the next day. In the first case with low volatility, the inverse ETF loses 0.02 percent; but in the more volatile scenario the inverse ETF loses 1.82 percent. The effects of mathematical compounding can grow significantly over time, leading to scenarios such as those noted above.

Additionally, sophisticated day traders attempt to time the market and buy in front of the inverse and leveraged ETF companies thus requiring the ETF companies to have to settle for a lower price than they would have otherwise received further compounding the time loss that is common on these types of products.

Some ETF’s also do not invest directly in the underlying investment. For example some oil and gas ETF’s invest in futures in place of the physical assets therefore there is additional expense to the ETF’s involved in buying new futures contracts every month.

Because some ETF’s invest in a variety of investment instruments that are subject to different tax treatments ETF’s can create unique tax consequences therefore it is important that investors work with their tax professionals. **Also, some leveraged ETF’s have substantial capital gains distributions at the end of the year.**

Leveraged and Inverse ETF’s **are not designed** to be held for long periods of time therefore require considerable monitoring by CIAG.

A trading program rather than an investment program may not be suitable for all clients. "Trading" refers to purchasing and selling securities on a short-term basis with the intention of achieving quick profits. Trading is, by definition, a form of speculating as distinguished from investing. For these reasons, CIAG will use inverse and leveraged ETF trading strategies only in

client accounts which CIAG believes will benefit from the strategy and which can assume the risks.

CIAG's main sources of information include, but are not limited to, financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, public filings and company press releases.

CIAG does not guarantee the results of the advice given. Thus, significant losses can occur by investing in any security, or by following any strategy, including those recommended or applied by CIAG.

Item 9 - Disciplinary Information

CIAG does not have any disciplinary information to report regarding itself.

The State of Illinois alleged that in 2004, Mr. Russo had made unsuitable recommendations and excessive trades in a clients account. Without admitting or denying the allegations of 2004, during 2009, Mr. Russo settled the action, he was fined and agreed to pay restitution to the client.

Item 10 - Other Financial Industry Activities and Affiliations

CIAG Representatives are also licensed to offer securities, annuities and insurance products. CIAG Representatives will receive customary commissions for the sale of such products should a client decide to make purchases through them. Clients are free to purchase such products other than through CIAG Representatives. This compensation creates a conflict of interest. All prospective and existing clients are hereby advised that this conflict exists. A CIAG Representative may recommend either no-load or load mutual funds for a client's account. In all cases, the investments must be suitable. Advisory fees are not reduced by the amount of sales compensation a Representative receives. All products are explained in detail and the decision to purchase is up to the client. CIAG and its Representatives do not act with any discretion over client assets in relation to the sale of such products in these instances.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

When CIAG Representatives make recommendations for the purchase of insurance, annuities or securities they also receive customary commissions as insurance salespersons or securities registered representatives. The receipt of commissions in return for insurance, annuities or securities product purchases creates a conflict of interest for Representatives when they recommend the purchase of such products to clients. All products are explained in detail and the decision to purchase is up to the client. CIAG and its Representatives do not act with any discretion over client assets in relation to the sale of such products in these instances. The client is free to purchase such products through other financial industry professionals other than through CIAG Representatives.

Representatives of CIAG may buy or sell securities for themselves that they also recommend to clients. Where a transaction for a Representative, or an account related to a Representative, is contemplated, a client's transaction is given priority. CIAG has developed a Code of Ethics applicable to all persons who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm's staff, the Code requires, among other procedures, such "access persons to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for clients' accounts. The Code also established certain bookkeeping requirements relating to federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.

Item 12 - Brokerage Practices

Although they generally do not exercise discretion to select brokerage firms, CIAG Representatives typically require, for managed account services, the custodial and transaction services of TD Ameritrade, Inc. a broker-dealer, member FINRA/SIPC ("TD Ameritrade"). CIAG has chosen TD Ameritrade based on its overall level of services and support provided to clients as well as the programs it has available. CIAG will not regularly evaluate the commissions and services of other broker-dealers.

Clients should be aware that there is no direct link between TD Ameritrade and CIAG in connection with the advice CIAG gives to clients. CIAG receives economic benefits through the custody and operating relationships it has with TD Ameritrade that are not typically available to retail investors. These benefits include the following products and services, provided to TD Ameritrade without cost or at a discount: duplicate client statements and confirmations, research related products and tools, consulting services, access to a trading desk serving Representatives, access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares directly to or from client accounts), the ability to have advisory fees deducted directly from client accounts, access to an electronic communications network for client order entry and account information, access to mutual funds with no transaction fees, and discounts or no fees on compliance, marketing, research, technology, and practice management products and services provided by third-party vendors. TD Ameritrade may also pay for business consulting, professional services, and research received by CIAG affiliated persons and may also pay or reimburse expenses (travel, lodging, meals, and entertainment expenses) for CIAG personnel to attend conferences or meetings relating to their service platforms or to their advisor custody and brokerage services generally. Some of these products and services made available by TD Ameritrade, may benefit CIAG, but may not benefit its clients. Such other services made available by TD Ameritrade are intended to help CIAG manage and further develop its business enterprise, and such services may or may not depend on the amount of brokerage transactions directed to them.

Clients should be aware that the receipt of economic benefits by CIAG described above, in and of itself, creates a potential conflict of interest and may directly or indirectly influence CIAG's recommendation of TD Ameritrade for custody and brokerage service.

Other than the services described above, CIAG and its Representatives do not direct transactions and the commissions they generate (soft dollars) to brokerage firms or other parties to receive research or other benefits.

Clients should be aware of the fact that not all advisers require clients to use a particular brokerage firm. Because clients having accounts managed by CIAG are typically required to open accounts with, and use the transaction services of, TD Ameritrade, CIAG may not be able to achieve the most favorable execution of client transactions. Thus, use of only TD Ameritrade may cost clients more money.

CIAG does not process transactions through TD Ameritrade in return for TD Ameritrade referring new clients to CIAG.

CIAG may combine similar client orders into one aggregate order for the purpose of obtaining an average price for all customers participating in the order.

Item 13 - Review of Accounts and Reports

CIAG will offer reviews of the managed accounts on at least an annual basis and will periodically adjust and rebalance the account in accordance with selected investment strategies. Clients will receive a quarterly portfolio performance evaluation from CIAG. The client will also receive a confirmation of each securities transaction effected in the account and will receive account statements for each month in which activity occurs from the account custodian. Clients are encouraged to compare the information on any account statement received from CIAG to that shown on custodial statements.

Item 14 - Client Referrals and Other Compensation

CIAG does not currently have any client referral relationships. Thus, it does not pay any fee to a third party for making client referrals to it. Also, as indicated above, the firm does not direct brokerage transactions to any third party in return for client referrals.

Item 15 - Custody

CIAG does not take custody of client funds or securities. These safekeeping services are typically provided to managed accounts only by the brokerage firm processing the securities transactions ordered by CIAG.

To the extent a client receives any account or other investment ownership statement from CIAG, CIAG recommends the client carefully compare the information in the report to that in the custodian's statements.

Item 16 - Investment Discretion

When providing management services, CIAG Representatives may exercise discretion when granted authority by clients and most clients grant discretionary authority to CIAG. When doing so, it allows CIAG to select the securities to buy and sell, the amount to buy and sell, and when to buy and sell, without obtaining specific consent from the client for each trade. Clients should

be aware that Representatives may make different recommendations and effect different trades with respect to the same securities and insurance to different advisory clients. Commissions and execution of securities transactions implemented through the custodian/broker dealer recommended by CIAG may not be better than the commissions or execution available if the client used another brokerage firm. However, CIAG believes that the overall level of services and support provided to the client by custodians and broker-dealers whom CIAG recommends outweighs the potentially lower costs that may be available from other brokerage service providers.

When exercising discretion, CIAG may combine orders for more than one client's account to form a "block" order for the purpose of seeking a better price and or execution. When a block order is executed, TD Ameritrade typically allocates an average execution price to all shares in the block order, which CIAG then allocates to each customer's account position on a pro rata basis. Should a block order only be partially filled, available shares are distributed in a manner fair to all accounts.

In those instances where an order error occurs by CIAG, it is CIAG's policy to reverse the order to make the client's account whole.

Item 17 - Voting Client Securities

CIAG and its Representatives do not vote proxies on behalf of clients who will receive such notices from their account's custodian.

CIAG also does not take any action on legal notices it or a client may receive from issuers of securities held in a client's managed account. However, it is available to answer questions regarding such notices.

Item 18 - Financial Information

CIAG does not require or solicit fees of more than \$500 six months or more in advance, thus no financial statement for CIAG is attached. CIAG does not have any financial condition that is reasonably likely to impair its ability to meet its contracted commitment to any client.

Item 19 - Requirements for State-Registered Advisers

Background Information. See the attached Schedule(s) 2B for background information about management personnel and those giving advice on behalf of CIAG.

Other Business. CIAG and its supervised persons are not engaged in any other business activities.

Legal Events. Neither CIAG nor any of its management persons has been involved with (1) any arbitration claim of any kind; (2) any self regulatory organization or administrative proceeding other than as described in Item 9.

Relationships. Neither CIAG nor any of its management persons have a relationship with an issuer of securities.

Item 1 - Cover Page

SCHEDULE 2B - BROCHURE SUPPLEMENT

Michael A. Russo

January 1, 2012

CHICAGO INVESTMENT ADVISORY GROUP

9200 W. 191st Street, Suite 3

Mokena, IL 60448

Phone (708) 478-7190 Fax (708) 478-7191

www.ciag.us

This Brochure Supplement provides information about Michael A. Russo that supplements the Chicago Investment Advisory Group (“CIAG”) brochure. You should have received a copy of that brochure. Please contact Steve Jacobson if you did not receive CIAG's brochure or if you have any questions about the contents of this supplement.

Additional information about Michael A. Russo (CRD No. 2353710) is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

Mr. Russo was born in 1969. He attended Northern Illinois University in DeKalb, Illinois, for just over four years, acquiring a B.S. degree in Finance. He has been affiliated with the Agency Building Group of AIG American General as a Field Agent since 1991. In August, 2007, he affiliated himself with J.W. Cole Financial, Inc. for broker-dealer activities. Mr. Russo was co-founder and co-President of Chicago Investment Advisory Council, Inc. from August 1997 through March 2006. In March 2006 he founded Michael Russo LTD, d.b.a. Chicago Investment Advisory Group.

He has successfully passed the FINRA Series 6 Investment Company Products/Variable Contracts Limited Representative exam, Series 7 General Securities Representative exam, Series 24 General Securities Principal exam, Series 63 Uniform Securities Agent State Law exam and the Series 65 Uniform Investment Adviser Law exam. He is also licensed to sell life, health and accident insurance.

Item 3 - Disciplinary Information

Mr. Russo does not have any disciplinary information to disclose. He has not: (a) been party to a criminal or civil action in a domestic, foreign or military court, or (b) been party to a self-regulatory proceeding.

The State of Illinois alleged that in 2004, Mr. Russo had made unsuitable recommendations and excessive trades in a clients account. Without admitting or denying the allegations of 2004, during 2009, Mr. Russo settled the action, he was fined and agreed to pay restitution to the client.

Item 4 - Other Business Activities

Mr. Russo is also licensed to sell insurance and annuity products through various insurance companies and securities through J.W. Cole. He spends approximately 30% of his time on these activities.

Item 5 - Additional Compensation

Mr. Russo may receive commissions for the sale of insurance, annuities and securities products. He does not receive any additional economic benefit from third parties for providing advisory services other than as noted above.

Item 6 - Supervision

Mr. Russo is supervised by Steve Jacobson, CIAG's Chief Compliance Officer. His contact information can be found on the cover page of this Schedule 2B supplemental brochure.

Mr. Jacobson and other individuals as he may designate, regularly review the accounts receiving investment advisory services to monitor for suitability of recommendations and compliance with regulatory and internal procedures.

Item 7 - Requirements for State-Registered Advisers

Mr. Russo has not been involved in: (a) any arbitration claim alleging damages in excess of \$2,500; (b) any civil, self-regulatory organization, or administrative proceeding; or (c) a bankruptcy petition, other than as disclosed in Item 3 above.

Item 1 - Cover Page

SCHEDULE 2B - BROCHURE SUPPLEMENT

Steven M. Jacobson

January 1, 2012

CHICAGO INVESTMENT ADVISORY GROUP

9200 W. 191st Street, Suite 3

Mokena, IL 60448

Phone (708) 478-7190 Fax (708) 478-7191

www.ciag.us

This Brochure Supplement provides information about Steven M. Jacobson that supplements the Chicago Investment Advisory Group (“CIAG”) brochure. You should have received a copy of that brochure. Please contact Steve Jacobson if you did not receive CIAG's brochure or if you have any questions about the contents of this supplement.

Additional information about Steven M. Jacobson (CRD No. 2685123) is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

Mr. Jacobson was born in 1973. He attended Moraine Valley Community College in Palos Hills, Illinois for two years, acquiring an A.S. degree. He also attended Northern Illinois University in DeKalb, Illinois, for just over two years, acquiring a B.S. degree in Finance. He has been affiliated with the Agency Building Group of AIG American General as a Field Agent since 1994. In August, 2007, he affiliated himself with J.W. Cole Financial, Inc. for broker-dealer activities. Mr. Jacobson was with Chicago Investment Advisory Council, Inc. from January 1998 through June 2006. In June 2006 he joined Michael Russo LTD, d.b.a. Chicago Investment Advisory Group.

He has successfully passed the FINRA Series 6 Investment Company Products/Variable Contracts Limited Representative exam, Series 7 General Securities Representative exam, Series 63 Uniform Securities Agent State Law exam and the Series 66 Uniform Combined State Law exam. He is also licensed to sell life, health and accident insurance.

Item 3 - Disciplinary Information

Mr. Jacobson does not have any disciplinary information to disclose. He has not: (a) been party to a criminal or civil action in a domestic, foreign or military court, (b) been party to an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority; or (c) been party to a self-regulatory proceeding.

Item 4 - Other Business Activities

Mr. Jacobson is also licensed to sell insurance and annuity products through various insurance companies and securities through J.W. Cole. He spends approximately 5-10% of his time on these activities.

Item 5 - Additional Compensation

Mr. Jacobson may receive commissions for the sale of insurance, annuities and securities products. He does not receive any additional economic benefit from third parties for providing advisory services other than as noted above.

Item 6 - Supervision

Mr. Jacobson is the Chief Compliance Officer for CIAG and is responsible for the supervision of all investment adviser representatives of the firm. His contact information can be found on the cover page of this Schedule 2B supplemental brochure.

Item 7 - Requirements for State-Registered Advisers

Mr. Jacobson has not been involved in: (a) any arbitration claim alleging damages in excess of \$2,500; (b) any civil, self-regulatory organization, or administrative proceeding; or (c) a bankruptcy petition.

Item 1 - Cover Page

SCHEDULE 2B - BROCHURE SUPPLEMENT

Joseph R. Dawczak

January 1, 2012

CHICAGO INVESTMENT ADVISORY GROUP

9200 W. 191st Street, Suite 3

Mokena, IL 60448

Phone (708) 478-7190 Fax (708) 478-7191

www.ciag.us

This Brochure Supplement provides information about Joseph R. Dawczak that supplements the Chicago Investment Advisory Group (“CIAG”) brochure. You should have received a copy of that brochure. Please contact Steve Jacobson if you did not receive CIAG's brochure or if you have any questions about the contents of this supplement.

Additional information about Joseph R. Dawczak (CRD No. 5724513) is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

Mr. Dawczak was born in 1965. He attended Northern Illinois University in DeKalb, Illinois, graduating in 1987 with a B.S. degree in Accounting. He successfully passed the Certified Public Accounting (CPA) exam in 1987. Upon graduation he joined KPMG Peat Marwick, a large public accounting firm, where he worked in the Personal Financial Planning Practice until 1994. After leaving public accounting, he traded stock options as a Market Maker on the floor of the Chicago Board Options Exchange until June 2009. He also traded stocks as a member of Bright Trading LLC from December 2009 until December 2010. Mr. Dawczak joined Michael Russo LTD, d.b.a. Chicago Investment Advisory Group in April 2011.

He has successfully passed the FINRA Series 7 General Securities Representative exam and Series 66 Uniform Combined State Law Examination. He is also licensed to sell life, health and accident insurance.

Item 3 - Disciplinary Information

Mr. Dawczak does not have any disciplinary information to disclose. He has not: (a) been party to a criminal or civil action in a domestic, foreign or military court, or (b) been party to a self-regulatory proceeding.

Item 4 - Other Business Activities

Mr. Dawczak is also licensed to sell insurance and annuity products through various insurance companies and securities through J.W. Cole. He spends approximately 30% of his time on these activities.

Item 5 - Additional Compensation

Mr. Dawczak may receive commissions for the sale of insurance, annuities and securities products. He does not receive any additional economic benefit from third parties for providing advisory services other than as noted above.

Item 6 - Supervision

Mr. Dawczak is supervised by Steve Jacobson, CIAG's Chief Compliance Officer. His contact information can be found on the cover page of this Schedule 2B supplemental brochure.

Mr. Jacobson and other individuals as he may designate, regularly review the accounts receiving investment advisory services to monitor for suitability of recommendations and compliance with regulatory and internal procedures.

Item 7 - Requirements for State-Registered Advisers

Mr. Dawczak has not been involved in: (a) any arbitration claim alleging damages in excess of \$2,500; (b) any civil, self-regulatory organization, or administrative proceeding; or (c) a bankruptcy petition.