

Dahab Associates, Inc.

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This Brochure provides information about the qualifications and business practices of Dahab Associates, Inc. “DAI”. If you have any questions about the contents of this Brochure, please contact us at (631) 665-6181 and/or luci@dahab.com. 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.

Dahab Associates, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Dahab Associates, Inc. also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated **03/15/2011** is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures **within 120 days of the close of our business’ fiscal year**. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Luci Ryan, Chief Compliance Officer at (631) 665-6181 or luci@dahab.com. Our Brochure is also available on our web site <http://www.dahab.com>, also free of charge.

Additional information about Dahab Associates, Inc. is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with DAI who are registered, or are required to be registered, as investment adviser representatives of DAI.

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Item 4 – Advisory Business

- A. Dahab Associates was founded in January 1986 by Richard E. Dahab to provide investment consulting services to public pension plans, jointly Trusteed and private corporation pension plans, endowment, foundation, not-for-profit, 457 and 401(k) plans. Dahab Associates has been providing investment consulting services on an ongoing basis to all retainer clients for the last 25 years.

We are an independent investment consulting firm categorized as a private corporation under the laws of New York State. In September 2005, Mr. Dahab established an equity ownership program offering in aggregate a maximum of 30% of the firm's total equity. Key professionals were invited to participate in the program. Currently, Richard Dahab, CFA, President owns more than 95% of the firm with key employees owning the remaining equity.

The firm is not an affiliate of, nor a subsidiary of another company. Dahab Associates is completely independent and is not affiliated with any investment advisor or broker dealer.

- B. Dahab Associates provides a full complement of investment consulting services on an ongoing basis and special research or projects on an as-needed basis. The firm's services include but are not limited to those listed below.

Investment policy & guideline statement development & review: We will review the existing investment guidelines and suggest possible changes and or enhancements within the first six weeks. On a continuous basis, we will reevaluate the assumptions and conditions and will propose written alternatives to the formal plan including our rationale for such recommendations.

Generally, with new client relationships, Dahab Associates needs to familiarize ourselves with existing policies and procedures. This requires a review of the Fund's Investment Policies and Procedures and, if necessary, making reasoned recommendations for amendments. Depending on the Fund's level of complexity, this task generally takes two weeks to complete.

Quarterly or monthly performance reviews: Dahab Associates customarily attends four (4) meetings per year to summarize individual money managers' performance and compare it to Board expectations. We will attend all meetings requested by the client assuming a reasonable amount of advance notice is given, allowing time to arrange or rearrange schedules and secure travel arrangements.

Performance evaluation and reporting: On a quarterly basis, Dahab Associates will provide the Board with an executive summary and comprehensive investment performance reports. Both the summary and comprehensive report will contain performance analysis and total rates of return (after fees) for the Fund and each

manager by asset class, management style within asset class, and individually managed portfolio. The Board will be provided quarterly with an ongoing ten-year, five-year, and three-year history of investment performance numbers by individual advisor and for the total Fund.

Client reports are generated on a quarterly basis. Dahab Associates receives the universe data with which to compare investment performance approximately three weeks after each calendar quarter. The monthly custodian statements usually arrive within four weeks after each month end. It will take approximately six weeks after the end of each calendar quarter to prepare and deliver the performance evaluation report.

Asset allocation studies and analysis: The purpose of an asset allocation study is to develop an understanding of the interaction between risk and return. We will identify possible pitfalls and limitations to different allocation policies. The trade-offs between different risk/return levels is then a subjective decision within the context of the governing legislation, funding options, and the burden of varying contribution rates sustainable by the Fund.

Upon receiving the most recent actuarial report, an asset allocation study usually requires about six weeks to complete.

Investment manager search assignments and evaluation: Dahab Associates will conduct unlimited manager searches as directed by the Fund. We will make recommendations, direct manager interviews and presentations, and work closely with staff.

Most manager search assignments are completed in a period of six to eight weeks.

Board education: Dahab Associates provides a variety of educational opportunities for clients. Each year we survey our clients to determine whether there is a reasonable amount of interest and availability in order to host a successful full day Investment Seminar.

We call upon various experts from the investment community to present their ideas on timely investment topics. Clients as well as consultants are provided the opportunity to ask questions of investment managers in a stimulating and enjoyable exchange.

We also provide on-site training and educational programs for clients. We conduct our own research, put together programs, and prepare attendee materials. Examples of the types of programs we have done include the following: Fundamentals of Investing, Structuring an Array of Defined Contribution Investment Options, The Impact of Proposed Changes on the MSCI EAFE Indices.

In general, Dahab Associates conducts and/or participates in at least ten educational workshops each year. We have also held short educational sessions as part of a regular Board meeting for others. Typically, these sessions have been to provide broad fundamentals of investing to new Trustees. We are currently working with a client to have a three half-day program for Trustees on a variety of topics including asset allocation and alternative investments.

In addition, Dahab Associates offers four education modules encompassing twelve topics that provide comprehensive Board education on the following topics: fiduciary responsibility, asset allocation, manager selection, and aspects of each of the major asset classes. We also will provide, upon request, education on any topic the Board requests, as many of the presentations we now have are responses to client requests.

- C. Dahab Associates tailors our advisory services to the individual needs of our clients in every service that we provide. Some of the most basic factors that we consider when customizing are services from client to client are the client's funding status, investment needs, sophistication, liabilities and current structure. We use these variables to edit or create the investment policy and guidelines, to perform asset allocation studies, to conduct manager searches and all of our reports are customized to address the clients' needs and requests. We are very flexible when it comes to the ability to customize our reports because the analysis and preparation for all the services that we provide is performed in-house, allowing us to customize reports upon request at no additional fee. Changes can be requested at any time; however, we require a reasonable amount of time to implement the changes prior to generating the report.
- D. Dahab Associates does not participate in wrap fee programs.
- E. Dahab Associates does not manage client assets.

Item 5 – Fees and Compensation

- A. Dahab Associates works on a full service retainer basis for the majority of its client relationships. The all-inclusive full service retainer fee includes, but is not limited to the following services:

- Investment policy and guideline statement formulation and review
- Asset allocation study
- All manager search assignments
- Quarterly performance measurement and analysis
- Quarterly Trustee meetings
- Educational seminars
- All consulting time and support time
- Travel and expenses

Dahab Associates' fee schedule for defined benefit funds is based on the aggregate market value of assets under advisement and includes a minimum annual fee of \$25,000 (although some exceptions may be granted).

Dahab Associates utilizes the following standard fee schedule for defined benefit funds:

First \$50 million	at	7 basis points (0.07%)
Next \$50 million	at	5 basis points (0.05%)
Next \$200 million	at	2 basis points (0.02%)
Next \$200 million	at	1.5 basis points (0.015%)
Balance	at	1 basis point (0.01%)

For participant-directed plans, we charge \$1,800 per option offered to participants with a minimum annual fee of \$18,000. For individuals, our minimum annual fee is \$35,000. Dahab Associates is paid in hard dollars only.

For clients outside the US, our fee schedule is as follows:

First \$100 million	at	10 basis points (0.10%)
Next \$200 million	at	2 basis points (0.02%)
Next \$200 million	at	1.5 basis points (0.015%)
Balance	at	1 basis point (0.01%)

Travel and related expenses will be billed separately.

All fees are subject to negotiation and fixed fees may be employed where required by law.

Those clients for who we have served as their investment consultant for a period of five years or more, may be subject to previous fee schedules.

As of April 1, 2009, some of Grant Kalson's clients will be grandfathered in on their pre-existing fee schedule.

On occasion Dahab Associates offers services on a per-project or per-assignment basis. The fees for these services are as follows (although some exceptions may be granted):

Investment policy & guideline formulation & review	\$7,500 per assignment
Asset allocation studies	\$20,000 - \$30,000 per study
Manager search assignments	\$15,000 - \$25,000 per search
Performance measurement & analysis	1 st Portfolio: \$7,000 per year
	2 nd Portfolio: \$5,500 per year
	Thereafter: \$5,000 per year
Special projects	Negotiated at time of request

- B. Dahab Associates does not have discretion or custody of client assets. DAI bills clients for fees incurred if such an arrangement has been made.
- C. Dahab Associates' clients do not pay any other types of fees or expenses in connection with our advisory services.
- D. The specific manner in which fees are charged by DAI is established in a client's written agreement with DAI. DAI will generally bill its fees on a quarterly basis. Dahab Associates will be compensated either through direct cash payment from the clients or by payment from a registered broker/dealer based on a fully disclosed, written arrangement among the client and the broker/dealer. Compensation is payable in advance or in arrears subject to negotiation. If payment is made in advance, the client may terminate the agreement with Dahab Associates by written notice and receive a pro rata refund based on work in progress and/or work completed. Any unpaid fees will be due and payable.
- E. Dahab Associates does not sell securities or other investment products.

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

DAI does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

DAI provides investment consulting services to high net worth individuals, pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, corporations and other U.S. and international institutions.

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

Investing in securities involves risk of loss that clients should be prepared to bear. Dahab Associates offers advice regarding types of investment strategies and the investment managers that use them to implement an investment program. Dahab Associates does not manage any money but recommends investment managers to manage client portfolios.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of DAI or the integrity of DAI's management. DAI has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Dahab Associates does not participate in any other financial industry activities nor do we have any affiliations.

Item 11 – Code of Ethics

Clients and prospective clients can obtain a copy of Dahab Associates, Inc.'s (DAI's) Code of Ethics by following the link below or calling (631) 665-6181 to request a copy. To view a copy online, please follow this link: <http://www.dahab.com/codeofethics.pdf>

Protecting the Confidentiality of Client Information

In the course of investment advisory activities of DAI, the firm may gain access to non-public information about its clients. Such information may include a person's status as a client, personal financial and account information, the allocation of assets in a client portfolio, the composition of investments in any client portfolio, information relating to services performed for or transactions entered into on behalf of clients, advice provided by DAI to clients, and data or analyses derived from such non-public personal information (collectively referred to as "Confidential Client Information"). All Confidential Client Information, whether relating to DAI's current or former clients, is subject to the Code's policies and procedures. Any doubts about the confidentiality of information must be resolved in favor of confidentiality.

All access persons are prohibited, either during or after the termination of their employment with DAI, from disclosing Confidential Client Information to any person or entity outside the firm, including family members, except under the circumstances

described above. An access person is permitted to disclose Confidential Client Information only to such other access persons who need to have access to such information to deliver the DAI's services to the client.

Access persons are also prohibited from making unauthorized copies of any documents or files containing Confidential Client Information and, upon termination of their employment with DAI, must return all such documents to DAI.

Any supervised person who violates the non-disclosure policy described above will be subject to disciplinary action, including possible termination, whether or not he or she benefited from the disclosed information.

Prohibition against Insider Trading

No supervised person may trade, either personally or on behalf of others (such as investment funds and private accounts managed by DAI), while in the possession of material, nonpublic information, nor may any personnel of DAI communicate material, nonpublic information to others in violation of the law.

Personal Securities Transactions/Compliance Procedures

DAI has adopted the following principles governing personal investment activities by DAI's supervised persons:

- The interests of client accounts will at all times be placed first;
- All personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and
- Access persons must not take inappropriate advantage of their positions.

Reporting Requirements

Every access person shall provide initial and annual holdings reports and quarterly transaction reports to the Chief Compliance Officer.

Every access person shall file an initial holdings report no later than ten (10) days after the person becomes an access person and shall file an annual holdings report no later than January 30th of each year. The information submitted must be current as of a date no more than forty-five (45) days before the annual report is submitted.

Every access person must file a quarterly transaction report no later than ten (10) days after the end of each calendar quarter.

Item 12 – Brokerage Practices

Dahab Associates is not a broker dealer.

Item 13 – Review of Accounts

Dahab Associates reviews client accounts on a regular, quarterly, semi-annual, or annual basis as established in advance with the client. Dahab Associates employs thirteen professionals, six of which perform reviews of our clients' portfolios. Their names, titles/functions, & number of accounts assigned are as follows:

Tom Donegan, Chief Operating Officer, Performance Reporting, oversees all accounts, 2
Laura Metzinger, Director of HR & Sr. Analyst, Performance Reporting, 2
Henry Du, Analyst, Performance Reporting, 12
Kylie Jastemski, Analyst, Performance Reporting, 11
Will Wilson, Analyst, Performance Reporting, 12
Dale Classen, Analyst, Performance Reporting, 13
Joe Fazio, Analyst, Performance Reporting, 14
Jared Kane, Analyst, Performance Reporting, 6

Reviews may include calculations of rates of return, comparisons, and analyses utilizing both fundamental and modern portfolio theory of the individual and aggregate securities on a regular, quarterly, semi-annual, or annual basis as established in advance with the client.

Item 14 – Client Referrals and Other Compensation

DAI does not have any arrangements where someone who is not a client provides an economic benefit to the firm for providing investment advice to our clients. DAI does not directly or indirectly compensate anyone for client referrals.

Item 15 – Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. DAI urges you to carefully review such statements and compare such official custodial records to the account reports that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Dahab Associates does not have discretionary authority over any client accounts.

Item 17 – Voting *Client* Securities

As a matter of firm policy and practice, DAI does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. DAI may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about DAI's financial condition. DAI has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.