

CHEVY CHASE ASSET MANAGEMENT, LLC.

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August 22, 2012

This Brochure provides information about the qualifications and business practices of Chevy Chase Asset Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (301) 461-8385 and or jrvale@ccassetmgt.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.

Chevy Chase Asset Management, LLC 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 Chevy Chase Asset Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

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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 August 22, 2012 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 John R. Ratnavale, CFA at (301) 461-8385 or jrvale@ccassetmgt.com. Our Brochure is also available on our web site www.ccassetmgt.com, also free of charge.

Additional information about Chevy Chase Asset Management, LLC 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 Chevy Chase Asset Management, LLC who are registered, or are required to be registered, as investment adviser representatives of Chevy Chase Asset Management, LLC.

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Item 4 – Advisory Business

Chevy Chase Asset Management, LLC is a fee-only portfolio manager. The firm was established in April 1999 by its three partners, John R. Ratnavale, CFA, Lori A. Rutledge, Esq. and Raymond G. Mancini, Jr., Esq. Our portfolio management services are tailored to the clients' stated needs and objectives. This means we manage a client's portfolio according to the asset allocation they have chosen. Asset allocation is used by our firm to mean the percentage of the portfolio invested in different classes of assets such as cash, stocks and bonds. In addition, the client can limit the industries, companies or debt issuers we invest in for their accounts. As of 8/22/2012 all of our accounts are discretionary which means we have been given the authority by each client to purchase and sell securities in their accounts per the asset allocation chosen for the account. The value of our accounts as of 8/22/2012 was \$33,287,172 in 162 accounts.

Item 5 – Fees and Compensation

The standard fee schedule is as follows:

1.25% on the first \$ 500,000

1.00% on the next \$ 500,000

.75% on the next \$1,000,000

.50% over \$2,000,000

Fees are computed and deducted either monthly or quarterly. The fees on market value are computed at one-twelfth or one-quarter of the annual rate based upon the last monthly business day valuation. There are no minimum annual fees. Fees may be negotiated depending on the complexity and level of service required. A maximum fee of 1.50% may be charged for accounts that require management outside the firm's normal strategic asset allocations.

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Accounts are not charged any fees before services are provided. The firm must receive client approval prior to debiting accounts. The specific manner in which fees are charged is established in a client's written agreement and will generally be billed on a monthly basis. Clients may also elect to be billed directly for fees or to authorize Chevy Chase Asset Management to directly debit fees from client accounts. Management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar month. Accounts initiated or terminated during a calendar month will be charged a prorated fee. Upon termination of any account, earned fees will be payable.

Chevy Chase Asset Management fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Chevy Chase Asset Management's fee, and Chevy Chase Asset Management shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that Chevy Chase Asset Management considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

Chevy Chase Asset Management 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).

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Item 7 – Types of Clients

Chevy Chase Asset Management may provide portfolio management services to individuals, high net worth individuals, charitable institutions, foundations, endowments and trust programs.

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

Portfolios are reviewed daily by the partners for balances, positions and transactions. Overall, re-allocation of asset classes in client portfolios (stocks, bonds and cash) are reviewed at least quarterly or after significant market changes. Portfolio management is based on fundamental and technical criteria. The calendar is the triggering factor. Accounts at other managers or custodians are reviewed when the company receives their reports or statements. We conduct research using fundamental analysis of income statements, balance sheets and annual/semi-annual and quarterly corporate reports. The fundamental analysis we use consists of reviewing commonly used measures like “price to earnings” (P/E) and capitalization and liquidity measures of companies in comparison to its industry’s competitors. The analysis is focused on the relative performance compared to competitors of a company and how profitable it is, how much risk the company has undertaken in its business operations (debts incurred, for example). We also use technical analysis to conduct research and analyze the price movement and possible direction of security price movements for companies’ stock prices. Investing in securities involves risk of loss that clients should be prepared to bear. The material risks involved in investing mean that a client’s securities can lose or fluctuate in value.

Item 9 – Disciplinary Information

CHEVY CHASE ASSET MANAGEMENT, LLC.

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Chevy Chase Asset Management or the integrity of Chevy Chase Asset Management. Chevy Chase Asset Management has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Chevy Chase Asset Management has no other financial industry activities or affiliations.

Item 11 – Code of Ethics

Chevy Chase Asset Management has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Chevy Chase Asset Management must acknowledge the terms of the Code of Ethics annually, or as amended.

Chevy Chase Asset Management anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Chevy Chase Asset Management has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Chevy Chase Asset Management, its affiliates and/or clients, directly or indirectly, have a position of interest. Chevy Chase Asset Management employees and persons associated with Chevy Chase Asset Management are required to

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follow Chevy Chase Asset Management's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Chevy Chase Asset Management and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Chevy Chase Asset Management's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Chevy Chase Asset Management will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Chevy Chase Asset Management's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Chevy Chase Asset Management and its clients.

Chevy Chase Asset Management's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting John R. Ratnavale, CFA. It is Chevy Chase Asset Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Chevy Chase Asset Management will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the

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investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

Chevy Chase Asset Management strives to use the most efficient broker dealers to execute trades. This is based on transaction cost and speed of execution. Chevy Chase Asset Management does not derive any soft dollar benefits. Chevy Chase Asset Management derives no financial benefit from the custodians, brokerage firms, mutual funds, ETF's or any third party in which the firm suggests. There are no other related parties that Chevy Chase Asset Management has an agreement.

Chevy Chase Asset Management strives to use aggregate trading when appropriate. Aggregate trading means processing trades (purchases or sale of a stock or bond) for many accounts as one trade, thereby being equitable in what prices our clients receive on the sale or purchase. We trade in the "aggregate" when possible, because we manage our portfolios using pre-set asset allocations. For example, if our analysis prompts us to reduce the asset allocation of an industry such as energy and we hold the stock of Exxon Corp, we will do the reducing sales of Exxon in all client accounts in aggregate. The only reason a client account would be excluded from an aggregate trade is for tax reasons—capital gains on the stock in a taxable (non-retirement account) may make it undesirable to effect the sale.

Item 13 – Review of Accounts

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Portfolios are reviewed daily by the partners for balances, positions and transactions. Overall, re-allocation of asset classes are reviewed at least quarterly or after significant market changes. The calendar is the triggering factor. Accounts at other managers or custodians are reviewed when the company receives their reports or statements. Clients receive statements from their broker/dealer, bank/trust company, mutual fund company, or insurance company as applicable.

Item 14 – Client Referrals and Other Compensation

Chevy Chase Asset Management does not participate in any referral compensation programs.

Item 15 – Custody

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

Item 16 – Investment Discretion

Chevy Chase Asset Management usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner

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consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, Chevy Chase Asset Management observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Chevy Chase Asset Management in writing.

Item 17 – Voting Client Securities

Clients may obtain a copy of Chevy Chase Asset Management's complete proxy voting policies and procedures upon request. Clients may also obtain information from Chevy Chase Asset Management about how Chevy Chase Asset Management voted any proxies on behalf of their account(s). As a matter of firm policy and practice, Chevy Chase Asset Management normally accepts authority to and does vote proxies on behalf of advisory clients. Clients may elect to retain the responsibility for receiving and voting proxies for any and all securities maintained in their client portfolios. Chevy Chase Asset Management may provide advice to clients regarding the clients' voting of proxies. In the event a conflict of interest develops between the client's best interest in regard to how a company's proxy is voted and the vote mandated by the criteria used to decide how to vote a proxy under Chevy Chase Asset Management's policy, the client's best interest prevails in how the proxy is voted.

Item 18 – Financial Information

Chevy Chase Asset Management 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.

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Item 19 – Requirements for State-Registered Advisers

This Brochure Supplementary information below provides information about the principal owners and partners of Chevy Chase Asset Management consisting of John R. Ratnavale, Lori A. Rutledge and Raymond G. Mancini, Jr. Additional information about the partners is available on the SEC's website at www.adviserinfo.sec.gov.

Principals are required to have completed undergraduate and graduate curriculums concentrated law, tax or finance. Portfolio managers must obtain the designation of Chartered Financial Analyst from the CFA Institute, formerly the Association for Investment Management and Research (AIMR). Principals must also have at least ten (10) years of experience in the financial services industry.

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Supplementary Information as of 8/22/2012

Ratnavale, John R.: Date of Birth-1965; BA Economics and Finance, MA International Finance, Chartered Financial Analyst (CFA). Has served as a portfolio manager for Chevy Chase Asset Management since inception in 1999. Prior six years spent managing client portfolios as an investment/trust officer for bank trust departments and as Chief Investment Officer for a national bank. Prior five (5) years spent as a registered representative for a brokerage firm.

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There are no civil, criminal, disciplinary, regulatory, bankruptcy, arbitration, administrative proceedings brought against Mr. Ratnavale to report. There are no other business activities or additional compensation for advisory services provided by outside sources.

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All members of Chevy Chase Asset Management LLC are supervised persons. Supervision of advice given to clients is provided by a compliance policy and manual that every member must use and is bound by. The firm's compliance policy manual details the parameters and limits of the type of advice that can be given and the records which must be kept of work done for clients. Each member's work is supervised by the second member of the team who works for the client; all clients are served by two-member teams. The compliance officer for Chevy Chase Asset Management LLC is John R. Ratnavale, CEO, Managing Member and Chief Investment Officer, 301 461 8385.

Mancini, Jr, Raymond G.: Date of Birth-1954; BA History and Sociology, BS Accounting, Masters of Taxation, Juris Doctorate. Has served as a principal since inception in 1999. Prior ten (10) years spent administrating portfolios/trusts as a trust officer for bank trust departments.

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There are no civil, criminal, disciplinary, regulatory, bankruptcy, arbitration, administrative proceedings brought against Mr. Mancini to report. There are no other business activities or additional compensation for advisory services provided by outside sources.

All members of Chevy Chase Asset Management LLC are supervised persons. Supervision of advice given to clients is provided by a compliance policy and manual that every member must use and is bound by. The firm's compliance policy manual details the parameters and limits of the type of advice that can be given and the records which must be kept of work done for clients. Each member's work is supervised by the second member of the team who works for the client; all clients are served by two-member teams. The compliance officer for Chevy Chase Asset Management LLC is John R. Ratnavale, CEO, Managing Member and Chief Investment Officer, 301 461 8385.

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Rutledge, Lori A.: Date of Birth-1961; BA Business Administration, Juris Doctorate. Has served as a principal since inception in 1999. Prior eight (8) years spent administrating portfolios/trusts as a trust officer for bank and private trust departments.

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There are no civil, criminal, disciplinary, regulatory, bankruptcy, arbitration, administrative proceedings brought against Ms. Rutledge to report. There are no other business activities or additional compensation for advisory services provided by outside sources.

All members of Chevy Chase Asset Management LLC are supervised persons. Supervision of advice given to clients is provided by a compliance policy and manual that every member must use and is bound by. The firm's compliance policy manual details the parameters and limits of the type of advice that can be given and the records which must be kept of work done for clients. Each member's work is supervised by the second member of the team who works for the client; all clients are served by two-member teams. The compliance officer for Chevy Chase Asset Management LLC is John R. Ratnavale, CEO, Managing Member and Chief Investment Officer, 301 461 8385.