

Brochure Supplement

JULY 2, 2012

JAMES NICHOLS

175 Exchange Street
Bangor, ME 04401

(207) 942-8737

This Brochure Supplement provides information about James Nichols that supplements the Disclosure Brochure of Nichols Investment Management (hereinafter "NIM"), a copy of which you should have received. Please contact NIM's Chief Compliance Officer if you did not receive the Disclosure Brochure or if you have any questions about the contents of this Brochure Supplement. Additional information about James Nichols is available on the SEC's website at www.adviserinfo.sec.gov.

Nichols Investment Management, a Licensed Investment Adviser

175 Exchange Street, Bangor, ME 04401 | (207) 942-8737

Item 2. Educational Background and Business Experience

Born 1952

Post-Secondary Education

University of Maine | MBA, Business | 1976

Franklin and Marshall College | BA, Economics | 1974

Recent Business Background

Nichols Investment Management | Owner | October 1989 - Present

Item 3. Disciplinary Information

NIM is required to disclose the pertinent facts regarding any legal or disciplinary events material to a client's evaluation of James Nichols. NIM does not have any information to disclose in relation to this Item.

Item 4. Other Business Activities

NIM is required to disclose information regarding any investment-related business or occupation in which James Nichols is actively engaged. NIM does not have any information to disclose in relation to this Item.

Item 5. Additional Compensation

NIM is required to describe any arrangement under which James Nichols receives an economic benefit for providing advisory services from someone that is not a client of NIM. NIM has no information to disclose in relation to this Item.

Item 6. Supervision

James Nichols, the owner and sole member of NIM, is generally responsible for his own supervision. James Nichols monitors his advice in an effort to ensure that investments are suitable for his individual clients and consistent with their individual needs, goals, objectives and risk tolerance, as well as any restrictions requested by NIM's clients.

Item 7. Requirements for State-Registered Advisers

NIM is required to disclose the material facts regarding James Nichols' involvement in certain civil, self-regulatory organization or administrative proceedings, arbitration awards or findings, or bankruptcy proceedings. NIM has no information to disclose in relation to this Item.