

FORM ADV

Part II - Page 1

Uniform Application for Investment Adviser Registration

OMB APPROVAL	
OMB Number:	3235-0049
Expires:	February 28, 2011
Estimated average burden hours per response:	4.07

Name of Investment Adviser: Martinelli Discenza Investment Counsel, Inc.				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone number:
138 Longmeadow Street	Longmeadow	MA	01106	(413) 567-8411

This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form
are not required to respond unless the form displays a currently valid OMB control number.

Applicant:
Martinelli Discenza Investment Counsel, Inc

SEC File Number:
801-

Date:
3/3/10

1. A. **Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | | | |
|-------------------------------------|---|-----|---|
| <input checked="" type="checkbox"/> | (1) Provides investment supervisory services | 100 | % |
| <input type="checkbox"/> | (2) Manages investment advisory accounts not involving investment supervisory services | | % |
| <input type="checkbox"/> | (3) Furnishes investment advice through consultations not included in either service described above | | % |
| <input type="checkbox"/> | (4) Issues periodicals about securities by subscription | | % |
| <input type="checkbox"/> | (5) Issues special reports about securities not included in any service described above | | % |
| <input type="checkbox"/> | (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities | | % |
| <input type="checkbox"/> | (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities | | % |
| <input type="checkbox"/> | (8) Provides a timing service | | % |
| <input type="checkbox"/> | (9) Furnishes advice about securities in any manner not described above | | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

- B. Does applicant call any of the services it checked above financial planning or some similar term? ☐ Yes ☒ No

- C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

- D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of clients** - Applicant generally provides investment advice to: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input checked="" type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input type="checkbox"/> D. Pension and profit sharing plans | |

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | <input type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> (1) securities |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input checked="" type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input checked="" type="checkbox"/> (2) oil and gas interests |
| <input checked="" type="checkbox"/> (1) variable life insurance | <input checked="" type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? ☒ Yes ☐ No
(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.
(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input checked="" type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? . . . ☐ Yes ☒ No

(If yes, describe on Schedule F the partnerships and what they invest in.)

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes	No
<input checked="" type="checkbox"/>	<input type="checkbox"/>

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

SEE SCHEDULE F

B. Describe below the nature and frequency of regular reports to clients on their accounts.

SEE SCHEDULE F

Applicant:
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12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | Yes | No |
|--|-------------------------------------|--------------------------|
| (1) securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? ☒ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|------------------------------|--|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? ☐ Yes ☒ No

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: **Martinelli Discenza
Investment Counsel, Inc.**

SEC File Number:

801-

Date:

3/3/10

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:

Martinelli Discenza Investment Counsel, Inc.

IRS Empl. Ident. No.:

04-3103670

Item of Form
(identify)

Answer

1.D.

Martinelli Discenza Investment Counsel, Inc. ("Adviser") provides continuous investment advice to clients and makes investments for clients based upon the individual needs of clients ("investment supervisory services"). Generally, Adviser's investment supervisory services involve gathering information concerning each client's assets and individual financial requirements at the time a client account is opened, updating this information at least annually, and managing the assets specified by the client with full authority on the part of Adviser as to which securities to purchase, as to the amounts of such securities and as to when to buy and sell such securities.

Based on its perception of each individual client's financial requirements, Adviser will generally allocate each client's assets among various asset classes, principally fixed-income securities and securities with equity characteristics (including, but not limited to, common stocks, preferred stocks, real estate investment trusts, and convertible bonds). Adviser frequently builds equity-oriented client portfolios around a core of open-end investment company ("mutual fund") shares. Adviser also invests client funds directly in equity securities. For clients with relatively small dollar amounts allocated to fixed-income securities, Adviser will generally invest in fixed-income securities indirectly through mutual fund shares. For clients with relatively large dollar amounts allocated to fixed-income securities, as well as in fixed-income mutual fund shares, Adviser may invest directly in fixed-income securities. Adviser addresses some of the objectives of income-oriented clients with preferred stocks, dividend-paying equities and natural gas royalty trusts.

As compensation for its investment supervisory services, Adviser

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Complete amended pages in full, circle amended items and file with execution page (page 1).

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Date:
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Martinelli Discenza Investment Counsel, Inc.		IRS Empl. Ident. No.: 04-3103670
Item of Form (identify)	Answer	
	<p>generally charges an annual fee equal to 0.9% of the net asset value of each client's account. Billing is done quarterly at the rate of 0.225% of the net asset value of each client's account (the "Quarterly Fee") at the end of each three month period (with <u>pro rata</u> adjustments for periods of less than three months). In the case of substantial additions or withdrawals of capital during a billing period, the Quarterly Fee may be increased or reduced, as the case may be, upon agreement by Adviser and the client. Quarterly Fees may be negotiated with certain clients.</p> <p>Compensation is payable after Adviser's services have been rendered and, accordingly, there is no procedure for client refunds. Either the client or Adviser may terminate an investment supervisory agreement by giving written notice to the other party. In case of termination, Adviser's fee will be pro-rated to the date of termination.</p> <p>To the extent that mutual fund securities are included in a client portfolio, a client, in effect, pays two management fees. The first is paid directly to Adviser for its ongoing investment supervisory services. The second is paid indirectly in that each mutual fund pays its investment adviser for the management of the portfolio of securities held by the mutual fund. Adviser receives no so-called "12b-1 fees" from mutual funds and no portion of any fee paid by a mutual fund to its advisers. In selecting mutual fund shares to be included in client portfolios, Adviser seeks funds with expense ratios that are lower than industry averages.</p> <p>In general, the securities of Adviser's clients are maintained in the custody of Charles Schwab & Co., Inc. ("Schwab"), a registered</p>	

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Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
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Applicant: **Martinelli Discenza
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Martinelli Discenza Investment Counsel, Inc.		IRS Empl. Ident. No.: 04-3103670
Item of Form (identify)	Answer	
3.	<p>broker-dealer. Through its Mutual Fund One Source service, Schwab makes available a wide variety of "no-load" (i.e. no sales commission to the broker) and "low-load" mutual funds. Certain no-load funds acquired through Schwab are, however, subject to a Schwab transaction fee. Generally, such transaction fees are in the range of \$25-99 per transaction, an amount materially lower than the commission that might be payable with respect to a "load" mutual fund. To the extent transaction fees or commissions are incurred in connection with transactions in a client account, such fees and commissions are paid directly from the client account.</p> <p>From time to time, the Adviser will invest client funds in the publicly-traded securities of certain natural resource (i.e. coal) and oil and gas transmission line companies that are structured as limited partnerships.</p> <p>In addition, the Adviser may invest the funds of clients who meet the definitions of "accredited investor" or "qualified purchaser" in restricted securities issued by private limited partnerships or "hedge funds."</p>	
5.	<p>Persons responsible for providing investment advice to Adviser's clients are required to have a college degree and at least two (2) years experience providing advice to clients in either the legal profession or the investment business.</p>	

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Complete amended pages in full, circle amended items and file with execution page (page 1).

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Applicant: **Martinelli Discenza
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Martinelli Discenza Investment Counsel, Inc.		IRS Empl. Ident. No.: 04-3103670									
Item of Form (identify)	Answer										
6.	<p>The principal executive officers of Adviser, their titles and years of birth are:</p> <table border="1"> <thead> <tr> <th><u>Name</u></th> <th><u>Title</u></th> <th><u>Year of Birth</u></th> </tr> </thead> <tbody> <tr> <td>Gary E. Martinelli</td> <td>Chairman, CEO, Chief Investment Officer and Chief Compliance Officer</td> <td>1943</td> </tr> <tr> <td>John M. Discenza</td> <td>President, COO, Chief Financial Planning Officer</td> <td>1956</td> </tr> </tbody> </table> <p>Mr. Martinelli is a 1965 graduate of Williams College (Bachelor of Arts) and a 1968 graduate of Cornell Law School (Juris Doctor). Mr. Martinelli has been a business lawyer since 1969 having practiced with the Wall Street firm of Burke & Burke from 1969 to 1974, with Ryan & White, P.C. in Springfield, Massachusetts from 1974 to 1990 and with Martinelli Discenza P.C. (and its predecessor, Gary E. Martinelli & Associates, P.C.) since 1991. He is Chairman of Martinelli Discenza P.C. and specializes in securities law, investment management law, corporate law and real estate development law. From 1986 to 1994, he was a director of Computer Associates International, Inc., a New York Stock Exchange-listed software company (now called CA, Inc.) and from 1981 to 1994 was responsible, as outside counsel, for all securities law matters of Computer Associates International, Inc. From 1994 to 2009 he was the Publisher/Editor of <u>The Investment Adviser's Counsel</u>, a quarterly newsletter covering legal and regulatory developments affecting investment advisers with a national</p>		<u>Name</u>	<u>Title</u>	<u>Year of Birth</u>	Gary E. Martinelli	Chairman, CEO, Chief Investment Officer and Chief Compliance Officer	1943	John M. Discenza	President, COO, Chief Financial Planning Officer	1956
<u>Name</u>	<u>Title</u>	<u>Year of Birth</u>									
Gary E. Martinelli	Chairman, CEO, Chief Investment Officer and Chief Compliance Officer	1943									
John M. Discenza	President, COO, Chief Financial Planning Officer	1956									

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Martinelli Discenza Investment Counsel, Inc.		IRS Empl. Ident. No.: 04-3103670
Item of Form (identify)	Answer	
	<p>subscribership. He is also active as a real estate investor/developer.</p> <p>Mr. Martinelli co-founded the Adviser in 2000 and has been the Adviser's Chairman, CEO and Chief Investment Officer since inception.</p> <p>Mr. Discenza is a 1978 graduate of Boston College (Bachelor of Arts), a 1981 graduate of Suffolk University Law School (Juris Doctor) and a 1982 graduate of University of Miami Law School (Masters of Law in Estate Planning). Mr. Discenza has specialized in estate planning and estate administration law since 1982, with Ryan & White, P.C. in Springfield, Massachusetts from 1982 through 1990 and with Martinelli Discenza P.C. (and its predecessor, John M. Discenza & Associates, P.C. and its predecessor sole proprietorship) since 1991. He is President of Martinelli Discenza P.C. Mr. Discenza is a Fellow of the American College of Trust and Estate Counsel and a frequent lecturer on estate planning matters with Massachusetts Continuing Legal Education, Inc. In connection with these lectures, Mr. Discenza has been a contributing author of numerous professional education publications.</p> <p>Mr. Discenza co-founded the Adviser in 2000 and has been the Adviser's President and Chief Financial Planning Officer since inception.</p> <p>The disciplinary history, if any, of Adviser and its representatives may be obtained from the Massachusetts Division of Securities by calling (617) 727-3548.</p>	

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Martinelli Discenza Investment Counsel, Inc.		IRS Empl. Ident. No.: 04-3103670
Item of Form (identify)	Answer	
7. & 8.	<p>Mr. Martinelli devotes the majority of his professional time to the business of the Adviser and the remainder to the practice of law and his other business interests. Mr. Discenza is principally engaged in the practice of law. Mr. Discenza devotes a portion (but not a majority) of his professional time to the affairs of Adviser.</p> <p>See Item 6 above.</p> <p>The estate planning, retirement planning, and long-term care planning services rendered (and separately charged for) by Martinelli Discenza P.C. complement Adviser's investment supervisory services.</p> <p>Adviser is a "fee only" investment adviser and does not intend to sell any financial products or services (other than its investment supervisory services).</p>	
9. E.	<p>Adviser, its principals and its employees may buy or sell for itself or themselves securities which Adviser recommends to clients. Adviser has implemented an investment policy relative to personal securities transactions. This investment policy is part of Adviser's overall Code of Ethics which serves to establish a standard of business conduct for all of Adviser's Associated Persons that is based upon fundamental principles of openness, integrity, honesty and trust. A copy of Adviser's Code of Ethics is available to clients and prospective clients upon request.</p>	

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:
Martinelli Discenza Investment Counsel, Inc.

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Item of Form
(identify)

Answer

Investment Policy

None of Adviser's advisory representatives may effect for himself or herself or for his or her immediate family (i.e. spouse, minor children) (collectively "Covered Persons") any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Adviser's clients, unless in accordance with the following procedures.

- (1) Adviser is purchasing or considering for purchase any security on behalf of Registrant's client, no Covered Persons may transact in that security prior to the client purchase having been completed by Adviser, or until a decision has been made not to purchase the security on behalf of the client; and
- (2) If Adviser is selling or considering the sale of any security on behalf of Adviser's client, no Covered Persons may transact in that security prior to the sale on behalf of the client having been completed by Adviser, or until a decision has been made not to sell the security on behalf of the client.

These procedures are subject to the following exceptions:

- (1) It is recognized that some securities being considered for purchase and sale on behalf of Adviser's clients trade in sufficiently broad markets to permit transactions to be completed without any appreciable impact on the markets for the securities. Under these circumstances, exceptions may be made to the policies stated above.

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**Schedule F of
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Martinelli Discenza Investment Counsel, Inc.		IRS Empl. Ident. No.: 04-3103670
Item of Form (identify)	Answer	
11. A.	<p>Records of these trades, including the reasons for the exceptions, will be maintained with Adviser's records in the manner set forth above.</p> <p>(2) Open-end mutual funds and/or the investment subdivisions which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or variable insurance products by Covered Persons are not likely to have an impact on the prices of the fund shares in which clients invest, and are not likely to have an impact on the prices of the fund shares in which clients invest, and are therefore not prohibited by Adviser's Investment Policy.</p> <p>In accordance with Section 204A of the Investment Advisers Act of 1940, the Adviser also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Adviser or any person associated with the Adviser.</p> <p>Adviser seeks to enter investment supervisory arrangements with clients involving a minimum of \$250,000. Clients may meet the minimum with a combination of accounts that can be effectively managed as one portfolio. Minimum account size is negotiable.</p> <p>All client accounts are reviewed on a continuous basis by Adviser management. During normal business hours, Adviser is available (to the extent reasonably practicable) to clients for consultation regarding the administration of the client's account and to discuss</p>	

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant: **Martinelli Discenza
Investment Counsel, Inc.**

SEC File Number:
801-

Date:
3/3/10

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:
Martinelli Discenza Investment Counsel, Inc.

IRS Empl. Ident. No.:
04-3103670

Item of Form
(identify)

Answer

11. B.

the client's situation and/or investment needs. Adviser will attempt to meet with each client personally or by telephone on at least an annual basis to review any changes in client objectives or needs which might affect a client's asset allocation or lead to a re-determination of whether Adviser's services meet the client's needs.

The Chairman has primary responsibility for the management and review of all accounts.

Custody of client securities is maintained at Schwab which will provide confirmations of each trade as soon as practicable after a transaction is consummated, monthly statements summarizing transactions, money flows and income and charges to the account, and annual statements needed for income tax purposes.

Adviser may be deemed to have "custody" of the securities of certain client accounts maintained for trusts or custodianships where an officer of Adviser serves as trustee of a trust or custodian of a custodianship. Despite such "deemed custody," actual custody of the securities held in such accounts is maintained at Schwab subject to all of its normal recordkeeping and reporting responsibilities.

Adviser will provide portfolio appraisals, including performance reviews, and summaries of realized gains and losses quarterly and for each calendar year as soon as practicable after year-end. On request, Adviser will provide other information concerning fees and interest and dividend income needed by the client for tax purposes. Adviser does not guarantee the accuracy of the characterization of

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Martinelli Discenza Investment Counsel, Inc.		IRS Empl. Ident. No.: 04-3103670
Item of Form (identify)	Answer	
12.	<p>dividends and cost bases for tax purposes.</p> <p>In general, Adviser has full investment authority with no limitations as to which securities are bought and sold and as to what amount.</p> <p>Adviser recommends that its clients establish securities accounts at Charles Schwab & Co., Inc. ("Schwab"), a large account brokerage firm with which Adviser maintains a computer interface. As noted above, Schwab makes available a wide variety of "no-load" mutual funds through its Mutual Fund One Source (although certain no-load funds acquired through Schwab, i.e. Vanguard funds, involve "transaction fees"). Adviser does not obtain a significant amount of "research" from Schwab and does not pay commissions higher than those otherwise attainable in return for research.</p> <p>Adviser recommends Schwab because of (a) its Mutual Fund One Source service, (b) its discounted commissions, (c) its overall financial strength, (d) its ability to execute a broad range of transactions in the bond, stock and mutual fund markets, and (e) its capacity to make information concerning client accounts electronically available to Adviser.</p>	

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Complete amended pages in full, circle amended items and file with execution page (page 1).