

FORM ADV**Uniform Application for Investment Adviser Registration****Part II - Page 1**

OMB APPROVAL	
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Name of Investment Adviser:			
Sky Investment Group LLC			
Address: (Number and Street)	(City)	(State)	(Zip Code)
One Financial Plaza, Suite 2010, Hartford CT	06103		
Area Code:		Telephone number:	
(860)		761-9700	

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:
Sky Investment Group LLC

SEC File Number:
801- 63875

Date:
3/31/07

- 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 type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

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

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 checked="" 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 checked="" 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 type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input 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 checked="" 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 checked="" 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 checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

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

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 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.)

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 type="checkbox"/>	<input checked="" 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.

Once established, accounts are reviewed at least quarterly. Accounts are reviewed more frequently if there are (1) bond redemptions, (2) changes in our view on a client holding, (3) a deposit exceeding 5% of the accounts value, (4) account performance inconsistent with the performance of similarly invested accounts, (5) client requests a personal review.

We try to limit the number of accounts handled by one portfolio manager to 100 relationships. Portfolio managers check: (1) asset allocation, (2) security, industry & sector concentrations, (3) constraints as outlined in the Statement of Investment Objectives, (4) consistency of accounts with similarly recommended holdings and weightings.

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

All clients receive a monthly statement from their custodian. They also receive a performance review, market commentary & invoice quarterly from Sky Investment Group LLC. Transactions are confirmed by way of a brokerage confirmation which is mailed by the client's custodian at the time transactions occur.

Applicant:
Sky Investment Group LLC

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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:

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

Sky Investment Group LLC

SEC File Number:

801- 63875

Date:

3/31/07

(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: Sky Investment Group LLC		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
1.D.	<p>SERVICES PROVIDED</p> <p>Sky Investment Group LLC ("Sky") manages direct instrument, core equity and balanced account portfolios for individuals, families, business and charitable entities seeking a conservative approach to equity and fixed income management.</p> <p>Equity Strategy:</p> <p>Sky seeks to generate attractive after-tax returns by investing in the common stocks of the world's largest and most profitable corporations at attractive valuations and holding them for long periods of time. Investment candidates are ideally companies with market capitalizations in excess of \$10 billion and for which earnings and dividends have historically shown above average growth and where similar growth is expected to continue for the foreseeable future. Prospective holdings tend to control dominant market positions in their industries worldwide and historically have performed well during periods of economic advance and decline. Other characteristics of preferred investment candidates are high levels of operating and free cash flow; higher-than-market return on equity; below market P/E and cash flow multiples; and attractive dividend yields. An outgrowth of this approach is that client portfolios tend to be concentrated in companies with familiar brand names.</p> <p>Our experience is that in more difficult market environments, clients are more comfortable owning the shares of companies they are familiar with. Recognizing that different sectors of the market tend to outperform at different times in the economic cycle, we seek to maintain exposure to diverse economic sectors. Depending upon our economic outlook, certain sectors may be underweighted while others are emphasized. However, these shifts in portfolio strategy tend to be incremental and evolutionary, not dramatic and revolutionary. Dramatic changes in portfolio composition always run the risk of being perfectly ill-timed.</p> <p>Fixed Income Strategy:</p> <p>Sky's fixed income approach is best described as semi-passive. Our bias is towards the creation of a laddered portfolio of bonds where holdings mature over a period spanning 10 or more consecutive years. The duration of the ladder can vary between clients depending upon their need for liquidity and income balanced against their tolerance for the price risk arising from changes in interest rates.</p> <p>Fixed Income Portfolio Strategy:</p> <p>Buy individual bonds to control maturities and expenses Ladder maturities to help dampen volatility and balance yield with periodic liquidity Minimize trading to reduce portfolio expenses Use tax-sensitive strategies where appropriate.</p>	

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

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:

Sky Investment Group LLC

SEC File Number:

801- 63875

Date:

3/31/07

(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: Sky Investment Group LLC		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
1.D. (cont.)	<p>Fixed Income Asset Allocation:</p> <p>Allocate among fixed income asset classes to reflect client's risk tolerance, income needs and tax situation.</p> <p>Diversify across industries when buying corporate bonds.</p> <p>Integrate portfolio with equity holdings where appropriate.</p> <p>Use municipals where appropriate to optimize after-tax total return.</p> <p>Bond Selection:</p> <p>Monitor spreads and compare to historical values in order to find opportunities.</p> <p>Buy improving credits in out-of-favor industries and hold until industries return to favor.</p> <p>Monitor credits to ensure they meet expectations.</p> <p>Fee schedule: See attachment 1</p> <p>Fee disclosure regarding additional fees charged to client accounts:</p> <p>Applicant's fees do not include brokerage commissions, transaction costs, or custodial fees.</p> <p>Mutual fund shares in which a client's assets may be invested charge investment advisory fees and other expenses as described in the fund's prospectus.</p>	
6.	<p>William Newman, DOB 10/14/1959</p> <p>Bill Newman commenced operations with Sky after over twenty years with a multi-faceted family business, which included daily management of inventory, cash projections, budgeting, benefits, personnel and customer relations. As controller of businesses with \$100 million in annual sales, Bill served as the primary stockholder contact for complex accounting and legal issues, and has a wide range of "hands on" experience in business administration. Bill served as a trustee for a multi-million dollar 401(k) plan and was solely responsible for employee communications, benefit distribution, and asset tracking and reporting. Bill also has extensive experience in "family office" issues, including tax, investment, real estate, generational and asset transition matters.</p> <p>Bill graduated from Connecticut College in 1981 with a BA in American Studies and in Twentieth Century History. He is a lifelong resident of West Hartford, where he and his wife, Nancy, are raising their two teenagers.</p>	

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

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

Applicant:

Sky Investment Group LLC

SEC File Number:

801- 63875

Date:

3/31/07

(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: Sky Investment Group LLC		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
6. (cont.)	<p>Robert J. Bingham, CFA, Managing Director. Robert Bingham is President and Chief Investment Officer of Sky Investment Group LLC. Mr. Bingham has 20 years of experience managing equity and balanced account portfolios for individuals, families and their business and charitable interests. Prior to founding Sky, he was with UBS Financial Services and its predecessor company, PaineWebber, where he was a Senior Vice President and a Senior Portfolio Manager in UBS's Portfolio Management Program.</p> <p>Mr. Bingham holds a BA in Mathematics and Economics from Middlebury College. He is a Chartered Financial Analyst and a member of the New York Society of Security Analysts and the CFA Institute. He is a Trustee of the Simsbury Land Trust in Simsbury CT. Mr. Bingham was born on August 19, 1959.</p> <p>Margaret Hubbard was born in 1971. She was a Senior Registered Client Service Associate with UBS Financial Services for nine years prior to joining Sky Investment Group LLC in March, 2005. Ms. Hubbard received a BA degree in Mathematical Sciences from Connecticut College in 1993.</p>	
9.	<p>The customer always comes first. Compliance Officer must approve any trades opposing customer transactions. Trades executed for Sky or Sky's associated persons listed under Item 6 can not be completed until all client orders are completed, unless blocked with customer transactions, when the trades are in the same equity security.</p>	
12.A. 1,2	<p>Sky defines and documents limitations on the portfolio authority, if any, during the process of creating or updating a client's Statement of Investment Objectives.</p>	
12.A. 3.	<p>The selection of brokers is based on the following factors:</p> <ul style="list-style-type: none">(1) Their contribution to our understanding of investments we own;(2) Their custodial services and how these services align with the needs of a particular client;(3) their cost relative to other providers of the same services;(4) Their ability to execute on a particular transaction;(5) other factors that may arise from time to time which are necessary to properly serve our clients' best interests. <p>When a client directs transactions in their account to a particular broker dealer, they are cautioned that they may not receive the best available execution on any individual trade, and may pay a commission rate higher than may otherwise be available.</p>	
12.A.4.	<p>We strive to obtain commission rates which are competitive and fair relative to obtaining best execution for our clients.</p>	

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