

Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of EagleClaw Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 617-314-0417. 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.

Additional information about EagleClaw Capital Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 134045.

## Item 2      Material Changes

This Firm Brochure, dated 02/02/2012, contains the following information not disclosed within the previous version dated 05/05/2011:

Item 4, Advisory Business - While there has not been any change in ownership, the previous version neglected to disclose that EagleClaw Capital Management, LLC is principally owned by Mr. David W. Donahue and Mr. David W. Donahue, Jr.

This section has also been updated to include the Company's total amount of customer assets under management as of December 31, 2011.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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## Item 4      Advisory Business

EagleClaw Capital Management, LLC is a SEC-registered, independent investment advisory firm founded in 2005 and located in Boston, Massachusetts. Mr. David W. Donahue and Mr. David W. Donahue, Jr. are the principal owners of EagleClaw.

EagleClaw concentrates its efforts on working with families and individuals as well as not-for-profits and endowments. Staying focused allows us to give each of our clients the attention they require, and to work with them to make the choices necessary to create the future they desire. We build portfolios comprised of individual securities (both stocks and bonds), and pride ourselves on the broad, enduring relationships we share with our clients. We understand that money is not an end in itself, but a means to an end. We have a well-defined process we use with our clients to identify what their real aspirations are, and to determine the tradeoffs they are willing to make to get there. The path toward the "ideal" life is carefully monitored and updated within the context of an "acceptable" outcome.

Our investment philosophy incorporates fundamental analysis with a technical overlay, and emphasizes a non-consensus contrarian style. We focus on:

1. Buying good businesses
  - Dominant market share
  - Recurring revenue streams
  - Well-managed
2. Invest with a 2-5 year time horizon
  - Act as a business owner not a stock trader
  - Look for catalysts to increase the valuation
3. Powerful earnings growth
  - Strong balance sheet
  - Look in all market capitalizations
  - Take a contrarian view
4. Consider the impact of taxes
  - Capital gains taxes are one of several factors considered
  - Tax rates are an important component of any income stream
5. Portfolio diversification
  - Ample diversification, not over diversification

### PORTFOLIO ADVISORY SERVICES (PAS)

In EagleClaw Capital Management LLC's ("EagleClaw") Portfolio Advisory Services fee program (PAS), the firm manages client accounts on a discretionary or nondiscretionary basis.

EagleClaw clients complete an Account Form for the purpose of determining the client's investment needs, objectives and risk tolerances. The client's personal financial information forms the basis of the investment strategy recommended by EagleClaw. For example, clients with a long-term investment view and who are interested in capital appreciation will need a strategy that is different from an investor with a short-term investment view and who is interested in generating income. Accordingly, EagleClaw uses a wide variety of investments including equity (large cap; mid cap, small cap and all-market capitalization portfolios), debt securities of various kinds (including high yield bonds), and investment company securities. Such investment company securities are generally placed with no associated sales charge, however, investment company securities that have been transferred into the program may have been purchased with a sales charge prior to the establishment of the client's respective portfolio. Such securities should have been held at least twelve months prior to their inclusion in the client PAS portfolio. Initial public offerings will not be offered in PAS accounts.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issues
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- Exchange Trades Funds
- United States government securities
- Option contracts on securities

Because some types of investments involve certain additional degrees of risk, they will only be purchased when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

## ASSETS UNDER MANAGEMENT

As of December 31, 2011, EagleClaw had \$119,023,000 in customer assets under management, all of which are managed on a discretionary basis.

## Item 5 Fees and Compensation

### MANAGEMENT FEE

Most PAS accounts are charged a wrap fee at the annual rate set forth in the table below based upon a percentage of the assets in the account.

Assets under Management Annual Fee Guideline (refer to your PAS agreement for your actual fee)

up to \$500,000.....	1.50%
\$500,000 - \$1,500,000.....	1.00%
\$1,500,000 - \$2,999,999.....	0.75%
\$3,000,000 and above.....	0.50%

The minimum account size is \$50,000.00. For PAS accounts, EagleClaw is entitled to a minimum fee, calculated for each calendar quarter based on a minimum annual fee of \$1,250. In situations where the account value declines below the minimum account size due to market action or other circumstances the minimum fee will continue to apply.

The initial fee will be due in full once an account is approved for the program. The fee will be prorated to cover the period from that date through the end of the current full calendar quarter. Thereafter, the fee will be based on the account value on the last business day of the preceding quarter, will be due the following business day and will cover that next calendar quarter. In computing the market value of any security or other investment in customer accounts, each security listed on a national exchange shall be valued, as of the valuation date, at the closing price on the principal exchange on which it is traded. Any other security or investment shall be valued in a manner determined in good faith by EagleClaw to reflect fair market value. Additional assets deposited in an account within a billing cycle will be charged a pro rata fee based upon the number of days remaining in the billing period. The client will also pay a \$2.00 per trade transaction fee that will be disclosed on each trade confirmation.

Within PAS accounts, any 12b-1 fees received by EagleClaw or its affiliates will be used to offset fees charged by EagleClaw for Investment Management Services.

PAS agreements can be terminated by EagleClaw or the client and a pro rata refund of fees will be made, if applicable or, if no fees have been paid a pro rata fee will be imposed.

The management fee charged by EagleClaw fee covers EagleClaw's advisory fee, custodial fees and related service fees. These fees do not include charges to your account for services not included herein such as retirement, trust, or cash management services, wire transfer charges, foreign securities, ACAT transfer fees, legal items,

transfer and ship securities, exchange and SEC transaction fees, transfer taxes and transaction fees. EagleClaw may, however, at its discretion, also waive or absorb these fees.

Clients should consider that, depending upon the management fee charged, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the arrangement, and other factors, the annual fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

## ADDITIONAL INFORMATION ABOUT FEES

The management fee charged may exceed those of other broker-dealers and/or investment advisors. To the extent that fees charged are negotiable, they may differ from client to client based upon a number of factors. Such factors include, but are not limited to, the type and size of account, the historical and/or expected size or number of transactions for the account, and the number and range of supplemental advisory and client related services to be provided.

All fees paid to EagleClaw for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, including money market funds, to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. Accordingly, the client should review both the fees charged by the funds and the fees charged by EagleClaw to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Clients wishing to participate in the PAS program described in this brochure must sign an investment advisory contract. The contract will specify the fees and costs of the program to the client and the manner in which such fees will be charged and collected. EagleClaw may not assign any client advisory contracts to a third party without the client's consent.

The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client, pursuant to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (hereinafter IA Act).

## COMMISSION ONLY

Approved EagleClaw Capital Management Representatives may also manage client accounts on a discretionary basis and receive commission compensation only (including 12b-1 service and marketing fees). Representatives may negotiate commission rates with individual clients (12b-1 fees are disclosed in mutual fund prospectuses). This fee arrangement creates an incentive for a Representative to generate commissions in an

account pursuant to its discretionary authority, or select funds with 12b-1 fees or higher 12b-1 fees than otherwise available. In certain periods, the total commission levels or 12b-1 fees may exceed other types of advisory fees offered by EagleClaw, or other advisers. In a certain time period, commissions and 12b-1 fees may not equal, i.e., may be lower, than the standard annual fee of EagleClaw's PAS Program. However, during other periods the total commissions or 12b-1 fees may exceed such fees otherwise available to clients as a wrap fee. The total level of fees will depend on the commission rate, 12b-1 fees paid by mutual funds in client accounts, and portfolio turnover within a client's account. Periods of higher market volatility and other market conditions may result in increased portfolio turnover and the level of commissions under this arrangement may vary based on the investment strategy of a client's own individual Representative. In addition to the standard commission a \$2.00 transaction fee will be charged per trade and disclosed on the confirmation.

Clients who elect discretionary management services by a Representative for commission costs only, thereby direct EagleClaw to execute all transactions through Moors & Cabot or its affiliate's brokerage services. Representatives will not consider other brokers for trade execution in such accounts. Clients should understand that by directing brokerage to the EagleClaw Representative that best execution may not be achieved and commission rates may be higher than those offered by other brokers.

#### ADDITIONAL MANAGEMENT/CONSULTING SERVICE

EagleClaw may also be retained to provide ongoing recommendations for advisory client accounts managed by other third parties. Typically, EagleClaw may be retained by clients with accounts managed by bank trust departments. EagleClaw provides nondiscretionary investment recommendations to the client and the client's third party account representative. EagleClaw does not provide reports to these accounts, vote proxies, or arrange for securities transactions in these accounts. EagleClaw typically receives an annual fee of 0.25% of a client's portfolio. The market value and further billing arrangements are dictated by the independent third party representing the client.

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

EagleClaw Capital Management, LLC does not charge performance-based fees.

#### Item 7 Types of Clients

EagleClaw Capital Management, LLC provides advisory services to the following types of clients:

- Individuals
- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above



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

### METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis: We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis: We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

### INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: we purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: when utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Option writing: we may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We may also purchase "protective puts", in which the client pays a premium for the ability to sell the underlying security at a specific price if the security loses market value.

Margin transactions: or 'buying on margin' is borrowed money that is used to purchase securities. Buying on margin refers to the initial or down payment made to the broker for the asset being purchased. The collateral for the funds being borrowed is the marginable securities in the investor's account. Before buying on margin, an investor needs to open a margin account with the broker. In the U.S., the amount of margin that must be paid for a security is regulated by the Federal Reserve Board.

## Item 9      Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

## Item 10 Other Financial Industry Activities and Affiliations

EagleClaw Capital Management, LLC is affiliated with Moors & Cabot Inc. Our investment advisor representatives are also registered representatives with Moors & Cabot, Inc.

EagleClaw uses Moors & Cabot's clearing firm, First Clearing, LLC to hold all client accounts.

## Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

EagleClaw has adopted a Code of Ethics which provides for a high ethical standard of conduct for all EagleClaw's professionals and employees, compliance with federal securities laws, and policies and procedures for the reporting of certain personal securities transactions on a quarterly basis and initial and annual security holdings by EagleClaw's professionals and employees. Among other things, EagleClaw's Code of Ethics also requires the prior approval of any IPO and private placement investments, supervisory reviews, enforcement and recordkeeping. A copy of EagleClaw's Code of Ethics is available to EagleClaw's advisory clients upon written request to the Compliance Officer at EagleClaw's principal office address

Although EagleClaw further utilizes Moors & Cabot's brokerage services for client transactions in the PAS wrap program, EagleClaw and its registered persons do not receive separate commission compensation for such transactions. Advisory clients in the PAS wrap fee program are not charged commissions. EagleClaw pays to Moors & Cabot a portion of the total annual fee for each client account. This fee does not depend on the number of transactions in client account, but, rather, is a percentage of the total account fee.

## Item 12 Brokerage Practice

EagleClaw Capital Management will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts.

Block trading may allow us to execute equity trades in a timelier, more equitable manner at an average share price. EagleClaw's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with EagleClaw Capital Management, or our firm's order allocation policy.

- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable EagleClaw Capital Management, LLC to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) EagleClaw's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on EagleClaw's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

Notes: Employees participating in the block trade will never get a higher price, when selling, or a lower price, when buying, than the client. All trades are cross-checked the following day to ensure proper execution. If a client did receive a different price than another client, the problem is corrected to give each client the average price.

## Item 13      Review of Accounts

### PORTFOLIO ADVISORY SERVICES

The underlying securities within Portfolio Management Services accounts are continuously monitored. Client accounts are further reviewed based on client profiles on at least an annual basis. Clients are requested to inform EagleClaw of any changes in their personal financial information and EagleClaw will contact clients at least annually to review such information. Accounts are reviewed by David W. Donahue and David W. Donahue, Jr. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

PAS clients are provided trade confirmations of transactions and monthly account statements in any month in which there is activity. In addition, EagleClaw provides quarterly reviews that describe client's asset allocation and account performance. EagleClaw also provides clients with a quarterly investment letter.

## Item 14      Client Referrals and Other Compensation

It is EagleClaw's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is EagleClaw's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## Item 15      Custody

Our firm does not have actual or constructive custody of client accounts. EagleClaw uses Moors & Cabot's clearing firm, First Clearing, LLC to hold all client accounts.

## Item 16 Investment Discretion

For discretionary clients, EagleClaw requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. EagleClaw's authority to purchase or sell securities for a discretionary account may be limited in accordance with any agreements entered between EagleClaw and the individual clients. Such limitations may by their very nature adversely impact the risk-reward level of a portfolio in order to gain a tax advantage or for the achievement of some other personal objective. It is the policy of the firm to honor such limitations absent extraordinary circumstances. The inclusion of such assets in a managed account may cause the client to incur management fees for a portion of their portfolio which is, in effect, not managed or not subject to the portfolio manager's discretion, expertise and judgment as to the wisdom of holding such securities. The decision by a client to retain certain assets may have an adverse impact on the amount of risk assumed by the client and may hinder the EagleClaw's ability to properly manage the portfolio according to the stated objectives of the client.

Clients who do not grant EagleClaw discretionary authority to manage accounts may not be included in "blocked" trades described below, and will often have their trades executed only after the completion of trading for discretionary accounts. This limitation may result in nondiscretionary accounts receiving less favorable pricing of securities.

EagleClaw requests the discretion to select brokers for the processing of client transactions in the PAS wrap program. EagleClaw generally finds it appropriate to utilize the execution services of Moors & Cabot, Inc. for the purchase and sale of securities for all managed client accounts, absent restrictions imposed by regulation or client concerns or designations. Moors & Cabot does reserve the right to utilize the transaction facilities of other broker-dealers at favorable prices and reasonable execution costs. The best net price, giving effect to commissions and other costs, is an important factor in this decision, but a number of other judgmental factors are also important. These include knowledge of commission rates generally available; the nature of the security being traded; the size and complexity of the transaction; confidentiality, and the execution, clearance and settlement expertise of the parties. If a client trade is executed at another broker-dealer, clients may be charged a principal mark-up or mark-down by the contra-party broker-dealer.

EagleClaw does not engage in principal or agency cross transactions for managed accounts in the PAS program. In a principal transaction, a firm may buy or sell a security from its own account to an advisory client. In an agency cross transaction, a firm may act for two sides of a transaction and receive two commissions from both an advisory client and a brokerage client. Although such transactions could increase the ability to achieve best execution of client's securities transactions, principal and agency cross transactions create conflict of interests from which the firm has elected to refrain. Clients may elect a separate brokerage account for these types of transactions.

Transactions for advisory clients may be aggregated for execution purposes under appropriate circumstances. Aggregated securities may be allocated among advisory clients and their respective accounts on a pro rata basis depending upon the size of the transaction or some other equitable procedures adopted. In any case, the trade allocation procedure may result in certain clients paying higher or lower prices for securities than may otherwise have been obtained. If, however, a security is trading in a very volatile fashion or the market is "fast", it may be in the best interests of all parties to participate in order aggregation in order to obtain a timely and favorable execution. Eagleclaw associated persons do not include any personal trades in "blocked" client trades.

EagleClaw does not engage in the practice of providing so-called "soft dollars" arrangements using client commission dollars to purchase research.

## Item 17      Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## Item 18      Financial Information

As an advisory firm that maintains discretionary authority for client accounts, we are required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. EagleClaw Capital Management, LLC has no additional financial circumstances to report.

EagleClaw has not been the subject of a bankruptcy petition at any time during the past ten years.