

# Belray Asset Management LLC

## Investment Advisor Disclosure Brochure Part II of Form ADV

### Item 1 - Cover Page

This is the cover page for Belray Asset Management's firm brochure also known as Part II of Form ADV. Our firm's Part I of Form ADV is available on the Security and Exchange Commission's Investment Advisor Public Disclosure website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

<b>ABOUT THIS BROCHURE</b>	This brochure provides information about the qualifications and business practices of Belray Asset Management, LLC.
<b>Where is this firm located?</b>	125 Greenwich Avenue, Greenwich, CT 06830
<b>Who do I contact if I have questions?</b>	If you have any questions about the contents of this brochure, please contact us at 203-629-3300 or <a href="mailto:info@belrayam.com">info@belrayam.com</a> .
<b>What are the limitations of this brochure?</b>	<p>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 Belray Asset Management is available on the SEC's website at <a href="http://www.adviserinfo.sec.gov">www.adviserinfo.sec.gov</a>.</p> <p>In addition it should be noted that registration with the SEC does not imply a certain level of skill or training of our firm.</p>
<b>When did you last update this brochure?</b>	Last updated on March 15 <sup>th</sup> 2011. ©2011 Belray Asset Management, LLC (Belray). All rights reserved.

## Item 2 - Material Changes

This section discusses material changes to this brochure since our last annual update of the brochure.

**When was the last annual update of this brochure?**

3/20/2011

### Material Changes

Brochure Supplement

New information has been added to reflect the addition of Investment Adviser Representatives Donald Kisselbach and David Nelson. (See the end of this document - Part II-B of Form ADV: Brochure Supplement)

Assets Under Management

We have updated our Assets Under Management as of 3/20/2011 (See Item 4 Section E)

Investment Discretion

New information has been added to further describe our non-discretionary advisory services. (See Item 16)

**Where can I find additional information about this firm?**

Information is available on the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The SEC's web site also provides information about any persons affiliated with Belray Asset Management who are registered, or are required to be registered, as investment adviser representatives of Belray Asset Management.

## Item 3 - Table of Contents

This section provides you with a table of contents to help you navigate this brochure.

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## Item 4 - Advisory Business

This section helps you understand how we service clients with investment advice. Last updated: 3/20/2011

<b>A. Who is Belray?</b>	Belray Asset Management, LLC ("Belray") offers investment advice on individual securities and portfolios of securities. Our firm was founded in February of 2007. The owners of the company are Gregory H. Skidmore and Brandon E. Lacoff, Esq.
<b>B. What services do you offer?</b>	We provide investment advice to assist you with: saving for college, saving for retirement, retirement planning, income planning, preserving assets and growing assets. The investment advice we provide is on a discretionary basis meaning you would give us limited powers to buy and sell securities in the accounts you make available to us.
<b>C. Do you customize your services?</b>	Yes. We believe in providing customized investment advice to a wide variety of clients, and each of Belray's Wealth Advisors/Portfolio Managers (Advisor) has developed his or her own investment and financial planning styles. Prior to making an investment recommendation or implementing an investment strategy we work with you in an effort to understand your financial needs and risk tolerance.
<b>D. Do you have a program that wraps brokerage and advisory fees into one fee?</b>	No.
<b>E. What are your assets under management?</b>	As of March 20th 2011 our assets under management are \$82,044,015.23 of client assets. Of these assets \$73,578,147.45 is managed on a discretionary basis and \$8,465,867.78 is advised on a non-discretionary basis.
<b>F. Are there any operational risks unique to doing business with you?</b>	We are a small firm with limited operational resources. Occasionally the office will not be staffed or will be understaffed. For this reason you have direct access to your assets via your custodian and if you are unable to reach an advisor or a Belray member, you should contact your custodian directly to make changes to your accounts. If you believe you will need this kind of accessibility to trade your assets yourself please let us know so we may make the necessary accommodations.

## Item 5 - Fees and Compensation

This section discusses the fees we charge and how we are compensated.

A. How is Belray compensated?		Fees charged are negotiable and they may differ from client to client. What effects the fees you pay? Investment strategies utilized, the amount of assets under management and the amount of work we anticipate in servicing your account(s). Generally speaking we are compensated in one of two ways:
1.	Assets Under Management ("AUM") Fee	<p>We can charge an annual fee based on the amount of assets we are managing for you. This fee is negotiable, and it is our most common way of being compensated. The maximum AUM Fee that can be charged to you is 2.00%. Typically your fees will be lower.</p> <p>Detailed Description: Our AUM Fee compensates us for investment advisory, management and administrative services. Fees are calculated on an annualized percentage of assets under management, assessed quarterly in advance. Pro-rata fees will be assessed in the event the Agreement is executed other than the first day of the new calendar quarter. Advisory fees are based on the value of the portfolio as of the last day of the previous quarter. Quarterly fees are charged on the following cycle: March 31st, June 30th, September 30th, and December 31st. A new client will be charged a prorated fee for the current quarter and then begin the normalized quarterly cycle. No AUM Fee adjustment will be made during any quarter for appreciation or depreciation in the value of your assets. No adjustment will be made for partial additions to your account(s) which when aggregated, total less than \$10,000 per month. Fees are debited directly from your account.</p>
2.	Hourly Fee	<p>Our maximum hourly fee is \$250.00 per hour. This fee is negotiable and agreed upon in advance of any work that we do for your account(s).</p> <p>Detailed Description: The use of an Hourly Fee is an option that you may elect to use in replace of the AUM Fee. It may also be billed in addition to an AUM Fee. In the case of financial planning or other additional work you may deem this as an appropriate billing method. You will be invoiced for services rendered on an hourly basis. Fees are due within 30 days of invoice. Time is accrued in 15-minute intervals.</p>
B. How do we collect fees?		Fees are deducted directly from your account on a quarterly basis.
	What if I don't want fees deducted from my account?	You may pay for your fees by personal check.

<b>C. What are other fees that I pay?</b>		There are investment costs beyond the advisory fees you pay to Belray.
<b>1.</b>	<b>Broker-dealer commissions and Custodian Fees</b>	You pay all brokerage commissions and custodian fees. These commission schedules are subject to change any time at the discretion the corresponding Broker or Custodian. Please review Item 12 for more information on our Brokerage Practices.
i.	<i>Schwab Transactional Based Pricing</i>	<i>Electronic Equity Trades: 0-1000 shares are \$19.95 (\$8.95 for clients that elect to receive electronic confirmations). Over 1000 shares there is an additional \$0.15 per share cost. Mutual Funds: 0.10 basis points, \$20 minimum with a \$49 maximum trading cost. Option Trades: \$ 1.50 per contract with a \$ 15.00 minimum Commission Per Contract. Fixed Income: \$3 per bond with a \$39 minimum.</i>
ii.	<i>Fidelity Transactional Based Pricing</i>	<i>Electronic Equity Trades: \$7.95 (plus \$0.015 per share for every share over 1,000 shares). Manual Equity Trades via Trading Desk: \$0.05 per share (minimum \$ 29.95 per trade). Option Trades: \$ 1.50 per contract with a \$ 15.00 minimum Commission Per Contract. Fixed Income (Principle Basis): Competitive Bid. Mutual Fund Trades: \$25.00.</i>
iii.	<i>Scottrade Transactional Based Pricing</i>	<i>Electronic Equity Trades: \$7.00. Manual Equity Trades: \$27.00. Option Trades: \$7.00 + 1.25 per contract Mutual Funds: \$17.</i>
iv.	<i>Leigh Baldwin Transactional Based Pricing</i>	<i>Electronic Equity Trades: \$18.00. Option Trades: \$ 1.50 per contract with a \$15.00 minimum Commission Per Contract. Fixed Income Trades (Principle Basis): Competitive Bid. Mutual Fund Trades: \$25.00.</i>
v.	<i>Additional Trading Fees</i>	<i>If a trade is executed by Belray with another broker-dealer, you will pay additional compensation to that broker-dealer, which may include markups, markdowns, and dealer profits. Any dealer profit, markup or markdown on principal trades will be separate from and in addition to, and will not reduce or otherwise offset, the program fee for your Account.</i>
<b>2.</b>	<b>Investment Product Fees</b>	You pay all fees associated with the investment products in your account. Here is an example of some of those products: money market funds, mutual funds, exchange traded products, ADRs, REITs. These fees are separate fees and in addition to the Advisory Fee we charge.
<b>3.</b>	<b>Additional Custodian Fees</b>	Our fee does not cover additional fees a custodian may impose for special services elected by you or Belray, including without limitation periodic distribution fees, electronic fund and wire transfer fees, certificate delivery fees, and reorganization fees.
<b>D. Do I have to pay fees in advance of services?</b>		AUM Fees are paid one quarter (3 months) in advance. Hourly Fees are paid in arrears.
	<b>How do I get a</b>	Please notify us in writing of your wish to terminate your advisory agreement with

	<b>refund?</b>	<p>us and the date on which you would like it to terminate. We will refund a pro-rata portion of your advisory fees.</p> <p>If we notify you of our wish to terminate our advisory agreement, a pro-rata portion of fees paid in advance will automatically be refunded.</p> <p>Refunded fees will be mailed to you via check at the end of the current quarter.</p>
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<b>E.</b>	<b>Do you accept compensation for the sale of securities?</b>	Yes, we may accept compensation for the sale of securities or other investment products.
<b>1.</b>	<b>Does this present a conflict between your interests and mine?</b>	<p>This practice presents a conflict of interest and gives our firm an incentive to recommend investment products based on the compensation received, rather than your needs. Typically we do not recommend that you compensate us for the sale of a security because it is not in your best interest and typically we recommend no load mutual funds. We verbally disclose these conflicts to you as they occur.</p> <p>These conflicts most often occur when selling you insurance based products such as annuities or life insurance and when selling you a 529 plan.</p>
<b>2.</b>	<b>Can I buy securities you recommend through other brokers?</b>	You have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated or recommended by our firm.
<b>3.</b>	<b>How much revenue comes from these commissions?</b>	Commissions account for less than 5% of our supervised persons revenue.
<b>4.</b>	<b>Do you adjust your fees to offset brokerage commissions or markups?</b>	Yes, our fees are typically lower than a wrap fee account to adjust for these added charges you incur.

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

This section would be used to describe our use of performance based fees. It does not apply to us.

	<b>Do you charge clients performance based fees?</b>	No, we do not charge you an additional fee based on the performance of your accounts.
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## Item 7 - Types of Clients

This section describes the types of clients that we service.

1.	<b>What type of clients do you service?</b>	We typically serve the investment needs of individual investors. To a lesser extent we serve corporations and trusts. This includes the management of retirement and non-retirement accounts they may have.
2.	<b>Do you have requirements for becoming a client?</b>	We do not have a minimum account size. In some cases we may elect to not take on a client because we do not feel we are best suited to meet their investment needs. Also we may end a client relationship if we feel we can no longer meet their investment needs. We try to accommodate a wide range of custodians; however, we may refuse a client who does not use a suggested/ recommended custodian.

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

This section describes how we analyze investments, the strategies we use and the risk of loss when investing with our firm.

### A. Methods of Analysis and Investment Strategies

The investment advice you receive will be based on the experience of your Belray Advisor. Therefore, it is important to review the Brochure Supplement at the end of this brochure. This document provides additional information on your individual Advisor. In General the research they conduct uses a variety of sources: academic research, commercially published research (Examples: Morningstar, Argus, S&P, CoreBrand, Dorsey Wright & Associates and Schwab).

The replacement of an investment vehicle may be triggered by performance, a change in management, market outlook or a Client's personal financial situation. An analysis of your current financial situation, risk tolerance and future needs will be used to help determine the best investment vehicles to meet your investment objectives. This may occur verbally or in writing.

At our firm each Advisor creates his or her own unique portfolios for clients and there are no "standard" portfolios. We customize portfolios in this way to meet your individual needs. It will be difficult for you to evaluate the past performance of a portfolio being recommended because your portfolio is likely to be different from that of another client's portfolio.

Below is a description of some of the investment strategies we commonly use to manage client portfolios.

#### 1. Asset Class Beta

Research has shown that most actively managed portfolios underperform their relative benchmark. Our passively managed Asset Class Beta Portfolios give investors a diversified portfolio targeted to goals like their estimated date of retirement. Use of index funds or asset class funds reduces the risks associated with actively managed portfolios. Risk can be managed by the asset allocation of the portfolio. See the asset allocation guide for additional information.

#### 2. Alpha Select

David C. Nelson, CFA manages the Alpha Select portfolio. This portfolio was originally created while he owned and operated his own investment firm DC Nelson Asset Management LLC. The portfolio continues to be managed by David at Belray Asset Management. The portfolio uses technical analysis, quantitative research and fundamental research to select securities. Risk of loss can be increased through exposure to the equity market or decreased by holding more cash. The portfolio will be actively traded and frequently buys and sells securities. Attempts to time the market are designed to improve the performance of the portfolio, but are accompanied by the risk of under-performance. It also the portfolio is not tax efficient. The goal of the portfolio

		is to outperform the S&P 500. However, there is no guarantee that this can or will be achieved. This portfolio is concentrated in equities and therefore has a substantial risk of loss.
3.	<b>Brand Strategy</b>	James Gregory developed the Corporate Branding Index ® (CBI) – a research vehicle that has continuously tracked the reputation and financial performance of over 1200 publicly traded companies in 47 industries since 1990. His marketing and branding firm CoreBrand uses the CBI to help clients understand how their brand compares with industry peers and determine how communications can impact corporate reputation and financial performance – including stock price and revenue growth. Developed by Jim, Brand Equity is proprietary data that gauges the relationship between brand perception and various performance metrics to produce an index that measures a corporate brand's impact on stock performance. His measure of Brand Power is based on a survey where each company is rated by approximately 400 senior business executives in the U.S. over the course of the year. The study is conducted continuously over the course of the year. Participants are asked to rate their familiarity with each company and then rate the companies that they are familiar with on three dimensions of favorability (overall reputation, perception of management and investment potential). These scores are combined to determine Brand Power. Brand Power is reported on a 100-point scale. Our Brand Strategy portfolios utilizes Brand Equity to assist in security selection.
4.	<b>Options Strategies</b>	Generally multiple strategies are used to protect capital and enhance the returns of a client's investment portfolio. The goal is to improve the probability of a positive return. Options strategies to be used typically include buying of puts to hedge equity risk, writing covered calls for income generation, and buying calls as an equity substitute.
5.	<b>Relative Strength, Momentum and Sector Rotation</b>	This strategy seeks to use price momentum to reduce investment risks and enhance returns over the long term. The fundamental assertion is that market and sector forces are the primary drivers of portfolio performance. This strategy tactically allocates to market sectors that demonstrate superior relative performance. Risk can be managed by the asset allocation of the portfolio. See the asset allocation guide for additional information.
6.	<b>University Style</b>	This strategy was created to give individual investors access to institutional style asset allocation. While it is not possible to replicate all aspects of how endowments invest, Belray has developed an expertise in applying these strategies to individual investors. This strategy seeks broad diversification to decrease volatility and to target the funding of specific client needs. Risk can be managed by the asset allocation of the portfolio. See the asset allocation guide for additional information.

<b>B. Material Risks</b>	<p>The strategies used to manage risk in our investment strategies include:</p> <ol style="list-style-type: none"> <li>1. Asset Allocation</li> <li>2. Security Selection</li> <li>3. Trading of Securities</li> </ol> <p>You should be aware of how each investment element can effect your risk of loss.</p>
<b>1.</b>	<p><b>Asset Allocation</b></p> <p>In general safer portfolios are constructed from large allocations to cash, government and high-grade corporate bonds. Higher risk portfolios have larger allocations to stocks. The asset allocation we recommend will vary depending on you personal investment goals. A general guide to asset allocation is offered below.</p> <p>Our Advisors typically reserve a portion of the portfolio (Labeled “Other” below), which they use to tactically adjust the overall risk of the portfolio. For example an advisor may feel negatively towards the equity markets and choose to allocate that other category to bonds.</p>
i.	<p><b>What is the risk of losing all or some of my investment?</b></p> <p>Investing always involves risk of loss, which you should be prepared to bear. A Conservative Portfolio has a lower probability of loss than an Aggressive Portfolio. See the asset allocation descriptions below for more information.</p>
ii.	<p><b>How would a market crash effect my portfolio?</b></p> <p>Even a portfolio with an asset allocation that matches your financial goals and risk tolerance can be impacted by rare and improbable market events such as the stock market crash of 1929, “Black Monday” in 1987 or the Financial Crisis in 2008. You should not expect us to predict such market anomalies and understand that they may have a tremendously negative impact the value of traditionally “safe” assets.</p> <p><i>Example: Prior to the financial crisis of 2008 investment grade bonds from financial institutions were considered safe investments. However, the crisis caused many of these bonds to lose 50% of their value.</i></p> <p>When investing there is always the risk of losing all of your original investment.</p>
iii.	<p><b>Very Conservative Portfolio</b></p> <p><i>A portfolio managed to preserve capital and generate income as its secondary objective. Very Conservative Portfolios tend to be invested in a mix of government and high grade corporate fixed income securities with much less volatility then the S&amp;P 500. A conservative portfolio is typically 5% Cash, 80% Bonds, 0% Equities and 15% Other.</i></p>
iv.	<p><b>Conservative Portfolio</b></p> <p><i>A portfolio managed to generate income as its primary objective and preserve initial capital as its secondary objective. Conservative portfolios tend to be invested in a mix of income-producing securities with much less volatility then the S&amp;P 500. A conservative portfolio is typically 1% Cash, 49% Bonds, 35% Equities and 15% Other.</i></p>
v.	<p><b>Moderate Portfolio</b></p> <p><i>A balanced portfolio that has both capital preservation, income and growth as</i></p>

		<i>its objectives. Moderate portfolios tend to have volatility less than the S&amp;P 500. A moderate portfolio is typically 1% Cash, 29% Bonds, 55% Stocks and 15% Other.</i>
vi.	<b>Aggressive Portfolio</b>	<i>A growth portfolio managed to generate long-term capital gains as its primary objective. Aggressive portfolios tend to be invested in a mix of securities with potential for long-term capital appreciation with volatility similar to the S&amp;P 500. An aggressive portfolio is 1% Cash, 0% Bonds, and 80% Stocks and 19% Other.</i>

<b>2.</b>	<b>Security Selection</b>	The risk of loss in a portfolio can often be increased or decreased depending on the type of security and the quality of the security. Understanding the types of risks that are present within the various securities we use is important to understanding your risk of loss. Our portfolios typically use multiple asset classes and securities to add diversification. This can make the portfolio harder to understand and each individual security or asset class carries its own risk of loss.
i.	<b>Equity Risks</b>	Equity investments in public equities (stocks), Exchange Traded Products ("ETPs"), Real Estate Investment Trusts ("REITs"), Master Limited Partnerships ("MLPs"), Business Development Corporations (BDCs) and mutual funds are not guaranteed. This includes the possibility of losses due to fluctuations in value, fraud, and withdrawals by other fund shareholders. The prices of equity securities rise and fall daily. These price movements may result from factors affecting individual companies, industries or the securities market as a whole. In addition, the equity market tends to move in cycles which may cause stock prices to fall for short or extended periods of time. Companies with a larger market capitalization are typically less risky than companies with a smaller market capitalization. Domestic stocks are considered less risky than international stocks. When making equity investments you assume risks greater than when you invest in bonds or cash.
ii.	<b>Option Risks</b>	<p>Investments in option contracts are not guaranteed. Options should be considered riskier than stocks, bonds or cash. You should familiarize yourself with the type of option (i.e., put or call) and strategy your Advisor is contemplating. Transactions in options carry a high degree of risk. The loss due to an option investment can be unlimited. Your Advisor's skill in using options is very important to how they will impact your portfolio.</p> <p>Buying an option is subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time. If the purchased options expire worthless, you will suffer a total loss of your investment, which will consist of the option premium plus transaction costs.</p> <p>Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option</p>

		<p>in cash or to acquire or deliver the underlying interest.</p> <p>If the option is "covered" by the seller holding a corresponding position in the underlying interest or a future or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.</p>
iii.	<b>Debt Risks</b>	<p>Investments in debt are not guaranteed. We commonly use debt instruments to provide fixed income for a portfolio. The value of fixed income securities will fluctuate, which means that a portfolio could lose money and an individual security can default causing you to lose all of your original investment. Fixed income should be considered less risky than investments in option contracts or equity, but more risky than cash. Preferred stock and/or high yield fixed income can become as risky as an equity investment.</p> <p>High credit quality fixed income securities (like US Treasuries) are less risky than low credit quality fixed income securities (like junk bonds). Fixed income securities with a longer maturity (bonds that mature in 30 years) are riskier than fixed income securities with a shorter maturity (bonds that mature in 6 months). International bonds are considered more risky than domestic bonds (because of currency risks). Higher yielding investments are typically riskier than low yielding investments. A change in any of these factors can cause your fixed income investment to fall in value and in some circumstances become worthless.</p> <p>Other risks effecting fixed income include elements consistent with other investments such as: a change in economic conditions, fraud by the issuer (remember Enron), currency fluctuations, inflation and a change in US tax treatment.</p>
iv.	<b>Unregistered Investment Risk</b>	<p>In some cases we advise clients on unregistered investments. To invest in investments that are unregistered with a financial regulator a client must be an accredited investor. These are also known as limited partnerships, hedge funds, private equity, direct investments and co-investments.</p> <p>Unregistered investment tend to have less liquidity than traditional investments. Some require holding periods of 5 to 10 years. They may use significant leverage, which can increase potential gains as well as potential losses. Unregistered investments can be difficult to accurately price (mark to market) and value. They may offer less transparency into the underlying investments and do not offer investors the same protection as registered investments. For this reason they carry significant risks and, in turn, they carry additional risk of fraud. Only sophisticated investors should invest in unregistered investments.</p>
v.	<b>Commodity and Precious Metal Risks</b>	<p>Investments in commodities and Precious Metals are not guaranteed. The value of a commodity or precious metal investment will fluctuate greater than an equity investment. You should consider an investment in these asset classes to be more risky than an equity investment.</p> <p>You should expect to see changes in the value of these investments in a range that is greater than an equity investment. If you cannot tolerate drastic changes in value you should not invest in commodities or precious metals.</p>

3.	<b>Trading of Securities</b>	When we buy or sell a security, the trade effect whether you experience a gain or a loss. If your personal situation changes and requires the sale of a security at an inopportune time this can significantly effect the performance of your investments. Market volatility may impair your judgement and result in poor investment timing. Also, frequent trading or trying to time the market can increase your risk of loss.
i.	Market Timing Risks	We may attempt to time when to buy, sell or sell short public equities. Because it is impossible for us to predict the best time to buy or sell a security, there is a risk that our timing maybe not result in the best price. There is also the risk that the cost of trading outweighs the benefit of the trading activity. The greater the frequency of trading the greater the market timing risks and therefore day trading is especially risky/speculative. Frequent trading in an effort to time the market may severely hurt the value of a portfolio if the timing of the decision to buy or sell is wrong.
ii.	Liquidity Risks	Investments can suddenly become illiquid and difficult to trade. Illiquid assets can be particularly challenging to value and trade if no buyer or seller of an asset can be found. Our AUM Fees, which are based on values provided to us by your custodian, may be higher or lower than they would normally be for an asset with regular pricing information. Markets that provide liquidity may change at any time, eliminating our ability to buy or sell a specific security. Liquidity cannot be guaranteed and you risk not having the ability to buy or sell an investment when investing.
iii.	Tax Risks	A Client should understand that all or a portion of their securities may be sold either at the initiation of or during the course of the management of their assets. Clients are responsible for all tax liabilities arising from such transactions, and Clients are encouraged to seek the advice of a qualified tax professional. It is important to notify us if your account requires special handling because of your tax situation.

## Item 9 – Disciplinary Information

This section would be used to disclose if our firms disciplinary history.

	<b>Has your firm been subject to any disciplinary actions?</b>	No.
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## Item 10 - Other Financial Industry Activities and Affiliations

This section would be used to disclose if our firm participates in other financial industry activities or if our firm has any other financial industry affiliations.

<b>A. Are any of your management a registered representative of a broker-dealer?</b>	<p>Gregory H. Skidmore, President of Belray Asset Management, is a registered representative of Leigh Baldwin &amp; Co., LLC, member: FINRA / SIPC.</p>
<b>B. Are any of your management registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor?</b>	<p>No</p>
<b>C. Does your firm have any relationship or arrangement that is material to your advisory business?</b>	<p>Yes, we have relationship arrangements with a broker dealer, law firm and insurance agency. In addition, our Advisors may engage in activities other than investment advice. This may take our time away from you and present certain conflicts that may not be in your best interest so it is important for you to understand and inquire about your Advisor's activities outside of providing you investment advice.</p>
<b>1. Broker-Dealer</b>	<p>Gregory Skidmore, Pedro Ramirez, Peter Barcia Donald Kisselbach are Registered Representatives ("RR") of Leigh Baldwin &amp; Co., LLC, and when we sell securities to a client this is done through Leigh Baldwin &amp; Co., LLC.</p> <p>Leigh Baldwin &amp; Co., LLC  Attn: Compliance Department  1 Hopper Street  Utica, NY 13501  (315) 734-1410  compliance@leighbaldwin.com</p> <p>Belray Asst Management, LLC and Leigh Baldwin &amp; Co., LLC. are not affiliated. Securities offered through Leigh Baldwin &amp; Co., LLC. Member: FINRA / SIPC</p>

		<p>This relationship with Leigh Baldwin &amp; Co., LLC presents a conflict of interest between you and your Advisor. They have an incentive to recommend that a client open an account in which they receive commissions. To manage this conflict of interest Belray has adopted a policy, which prohibits your Advisor from being compensated by both brokerage commissions and advisory fees. They must elect to be compensated through one method or another.</p> <p>When the option exists to be compensated through the sale of securities, your Advisor has an economic incentive to sell you securities products in lieu of providing investment advice. This is not in your best interests.</p> <p>In compliance with regulatory rules, no brokerage commissions may be directed to Leigh Baldwin in exchange for client solicitations or referrals to Belray.</p>
2	<b>Investment Company</b>	No.
3.	<b>Another Investment Adviser</b>	No.
4.	<b>Futures commission merchant, commodity pool operator, or commodity trading advisor</b>	No.
5.	<b>Bank or Thrift</b>	No.
6.	<b>Accountant or accounting firm</b>	No.
7.	<b>Lawyer or law firm</b>	<p>Yes, Brandon E. Lacoff is an owner of Belray. Brandon Lacoff is also a Belray Partner and a Partner of Greenwich Legal Associates, LLC (GLA). We monitor your securities for possible participation in security class action cases, securities litigation, fraud and failure to meet corporate governance obligations. The practice of Greenwich Legal Associates, LLC includes security class action lawsuits. A financial conflict will arise if it is determined that a security held in a client's Account is eligible for a case. There is a direct financial interest for us to recommend you select Greenwich Legal Associates, LLC to recover losses and damages in a security you own. There is no formal arrangement established that would provide monetary compensation, but you should understand that Brandon Lacoff and Greenwich Legal Associates, LLC would be compensated for handling your case. You are free to elect a firm other than Greenwich Legal Associates to represent you in a case.</p>
8.	<b>Insurance company or agency</b>	<p>Belray Insurance, LLC is owned by Gregory Skidmore, Brandon Lacoff and Robert Raimondo. Fixed insurance product sales to you will be conducted through this firm. If your Advisor is licensed to sell insurance they will be compensated by commission and they have an incentive to recommend products based on the commissions they receive rather than on your needs.</p>

		This is not in your best interests as they have an economic incentive to sell you insurance products in lieu of providing investment advice.
9.	<b>Pension Consultant</b>	No.
10.	<b>Real Estate Broker</b>	No.
11.	<b>Sponsor or syndicator of limited partnerships</b>	No.
<b>D.</b>	<b>Do you recommend or select other investment advisers for your clients and do you receive compensation directly or indirectly from those advisers?</b>	No.

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

This section describes our Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

A. Can you briefly describe your code of ethics?	We have various ethical standards, described in our Code of Ethics. The Code of Ethics is intended to reflect fiduciary principles that govern the conduct of our firm and our personnel when providing investment advice.
	Can I get a copy of your Code of Ethics?
B. Do you or a related person recommend to clients, or buy or sell for client accounts, securities in which you or a related person has a material financial interest?	No.
C. Do you or a related person invest in the same securities that you or a related person recommends to clients?	<p>Your Advisor and the people we supervise may take positions in the same securities as you. As a regular course of business your positions may be bought and sold along side your advisor and the people we supervise. As a result there may be times when a conflict of interest arises and it is possible for an investment decision to benefit them more than you.</p> <p>To manage these conflicts we have adopted the following principles governing personal investment activities of the people we supervise:</p> <ul style="list-style-type: none"> <li>• The clients' interests will be placed first at all times</li> <li>• All personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest</li> <li>• No one may take inappropriate advantage of their positions</li> </ul>
D. Do people at your firm recommend securities to clients, or buy or sell securities for client accounts, at	People we supervise may take positions in the same securities as you. As a regular course of business your positions may be bought and sold along side people we supervise. We have imposed policy restrictions on all our personnel with respect to transactions in their own accounts and accounts over which they have control or a beneficial interest.

**or about the same time that he or she buys or sells the same securities for his or her own account?**

Trading restrictions prohibit unacceptable trading practices such as front running, crossing trades with customers, and insider trading. Our Code of Ethics requires that we comply with applicable Federal securities laws and that we report violations of the Code of Ethics. People we supervise must report their personal transactions and holdings periodically and get pre-clearance before buying a security in an initial public offering or private offering.

When possible people we supervise must trade alongside you and receive identical pricing. When this is not possible (example: trading at various custodians) the people we supervise must first buy for your accounts and then him/herself. When selling a supervised person must sell his/her shares after a Client's shares are sold. Even though Belray believes that this places Client in a favorable trading position, this practice may result in Clients receiving worse pricing than access persons due to changes in the market.

## Item 12 - Brokerage Practices

This section describes how we work with broker-dealers when conducting business.

<b>A. What factors do you consider in selecting or recommending broker-dealers for my transactions and determining the reasonableness of their compensation?</b>	<p>We may recommend a custodian. Currently our list of recommended custodians ("Custodians") includes: Charles Schwab &amp; Co., Inc. ("Schwab"), Fidelity Institutional Wealth Services ("Fidelity"), Scottrade Advisor Services ("Scottrade") and Leigh Baldwin &amp; Co. ("Leigh Baldwin").</p> <p>We select custodians based on the quality of their brokerage services, customer service and resources to help us manage the accounts of our clients. A custodian typically provides you with brokerage services as well as custodial services. They typically provide us with research and technology to service our clients. The commissions generated in your account indirectly compensate a custodian for the services they provide to your account and our business.</p>
<b>1. Do you receive research and other "soft dollar" benefits from these custodians/brokers?</b>	<p>Yes, our custodians make available to us products and services that benefit our firm but may not directly benefit your account. Many of these products and services may be used to service all or some substantial number of our clients. This presents us with a conflict because our business and other client's may benefit from the commissions generated in your account.</p>
<b>a. When you use my brokerage commissions to pay for products or services does it save your firm money?</b>	<p>Yes, when we use your brokerage commissions to obtain research or other products or services, we receive a benefit because we do not have to pay for the research, products or services.</p>
<b>b. Do you have an incentive to select or recommend a broker-dealer based on your interest in receiving products or services, rather than based on my interest in receiving the most favorable execution?</b>	<p>We may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on your interest in receiving the most favorable execution.</p>
<b>c. Will this cause me to pay commissions higher than those charged by other broker-dealers?</b>	<p>No.</p>

d.	What types of products and services do you receive from my commission dollars?	<p>Our firm receives a large number of benefits from the custodians that we use. Our custodians provide us with access to their institutional trading and custody services, which are typically not available to retail investors. These services are generally available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts. These services are not contingent upon us committing to any specific amount of trading commissions. Our custodians do not charge separately for custody services but are compensated by your brokerage commissions and other fees.</p> <p>Our Custodian's brokerage services will typically include the execution of securities transactions, custody, research, and access to mutual fund and other investments that are otherwise generally available only to the institutional investors or would require a significantly higher minimum initial investment.</p> <p>Our Custodians offer products and services that assist us in managing and administering your account and the accounts of our other clients. This includes software and other technology that:</p> <ol style="list-style-type: none"> <li>1. Provides us access to client account data (such as trade confirmations and account statements)</li> <li>2. Facilitate trade execution and allocate aggregated trade orders for multiple client accounts</li> <li>3. Provide research, pricing and other market data</li> <li>4. Facilitate payment of our fees from clients' accounts</li> <li>5. Assist with back-office functions, record keeping and client reporting</li> </ol> <p>Custodians also offer other services intended to help us manage and further develop its business enterprise. These services include:</p> <ol style="list-style-type: none"> <li>1. Compliance, legal and business consulting</li> <li>2. Publications and conferences on practice management and business succession</li> <li>3. Access to employee benefits providers, human capital consultants and insurance providers.</li> <li>4. Make available, arrange and/or pay third party vendors for the types of services rendered to our firm.</li> <li>5. Discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to Belray.</li> <li>6. Provide educational events or occasional business entertainment of our personnel.</li> </ol> <p>In evaluating whether to recommend or require that you custody your assets at a particular Custodian, we take into account the availability of some of these products and services. We do not rely solely on the nature, cost or quality of custody or brokerage services to you, which may create a potential conflict of interest.</p>
2.	Do you consider,	No.

	<b>in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer?</b>	
<b>3.</b>	<b>Do you direct brokerage commissions or allow clients to direct brokerage commissions?</b>	No.
<b>a.</b>	Do you routinely recommend, request or require that I execute transactions through a specified broker-dealer?	No.
<b>b.</b>	Am I permitted to direct brokerage to a specific broker-dealer?	<p>Yes, If a Client directs Belray to use a particular broker, they should be aware of the following:</p> <ol style="list-style-type: none"> <li>1. Our ability to achieve the best sale or purchase price (best execution) may be limited</li> <li>2. We may not be able to negotiate or re-negotiate the commission rates with a client's directed broker-dealer</li> <li>3. You will not be able to participate in volume discount commission rates that may be negotiated with our existing broker-dealers</li> <li>4. You may forgo other benefits from savings on execution costs that may otherwise be obtain by aggregating client orders</li> </ol>
<b>B.</b>	<b>Under what conditions do you aggregate the purchase or sale of securities for my accounts with other client's accounts?</b>	<p>We may aggregate transactions for your account(s) with the transactions of other clients. We do this to avoid giving favorable pricing to one client over another.</p> <p>This practice will not reduce the costs charged to your account for those transactions. Our trading policies require us to assign to your account the average price resulting from these aggregated trades. If a trade order for a large group of clients is not completed, the shares may be allocated in one of three ways:</p> <ol style="list-style-type: none"> <li>1. Randomly</li> <li>2. Pro rata based on the size of the account</li> <li>3. Alphabetically</li> <li>4. Some other policy adopted by us</li> </ol> <p>Our trade allocation policies may result in certain clients paying higher or lower prices for securities than may otherwise have been obtained if the</p>



transactions had been executed separately.

## Item 13 – Review of Accounts

This section describes how we review and monitor client accounts

<b>A. Do you periodically review my accounts?</b>	Yes. We review trades done in your accounts and your account balances. Performance reviews are conducted on a quarterly basis.
<b>B. Do you review my accounts on other than a periodic basis?</b>	Yes, deeper reviews into asset allocation and security selection can be triggered by a number of factors. This may include (but is not limited to) factors such as economic conditions, market conditions, security related factors and a change in a client's financial/investment needs or goals. You may call at any time during normal business hours to speak directly with your Advisor about your account(s), financial situation, or investment needs. You may trigger a review at any time by requesting a review of your account. If your financial situation or investment goals change, a review of all account(s) will be triggered. No formal instruction is provided on how to review client accounts. Advisors are permitted to use their discretion on how and when to review client accounts.
<b>C. What is the content and frequency of regular reports you provide me?</b>	You will receive statements from your custodian as well as Belray. Our recommended custodians deliver brokerage statements monthly and trade confirmations as they occur. We deliver Account Statements to you on a quarterly basis. These reports display all positions as of the end of the quarter, asset allocation, performance net of fees and the value of the account as of the end of the quarter. We will bundle the reporting of accounts located at the same address. If you do not want these accounts bundled please let us know.

## Item 14 - Client Referrals and Other Compensation

This section discuss how we compensate people for client referrals.

<b>A. Are you compensated by anyone other than clients for the advice that you provide to clients?</b>	No.
<b>B. Do you compensate anyone who is outside your firm's supervision for client referrals?</b>	James Gregory - We compensate James Gregory for the solicitation of clients. He does not provide investment advice. In exchange for referring clients, he receives 50% of the fees associated with the clients account. This does not raise the amount of fees paid by the client.

## Item 15 - Custody

This section describes who holds custody of your assets and our business relationship with them.

<b>A Do you have custody of my assets?</b>	No, a qualified custodian will have custody of your investments. The SEC does deem us to have custody, but only for the purpose of deducting fees.
<b>Who can I use to custody my assets when working with you?</b>	We typically recommend that you custody your assets at Schwab Institutional, Fidelity Institutional Wealth Services, Scottrade Advisor Services, or Leigh Baldwin & Co., Inc. We may work with clients who custody assets at other locations in some circumstances.
<b>How frequently will they send me a statement of my assets?</b>	Your custodian will deliver brokerage statements monthly (no less frequently than quarterly) and trade confirmations as they occur. We also send statements to you on a quarterly basis. These reports display your current holdings, asset allocation, performance net of fees and the value of the account as of the end of the quarter. We urge you to compare our statements with the statements of your custodian. Please notify us of any discrepancies.
<b>How do you safeguard my assets?</b>	<p>Our recommended custodians are all members of the Securities Investor Protection Corporation (SIPC), and brokerage accounts maintained with them are protected by SIPC, which protects brokerage accounts of each customer when a brokerage firm is closed due to bankruptcy or other financial difficulties and customer assets are missing from accounts. SIPC protects brokerage accounts of each customer up to \$500,000 in securities, including a limit of \$250,000 on claims for cash. Money market funds held in a brokerage account are considered securities. For more information on SIPC coverage, please review the brochure “How SIPC Protects You” available for free download at <a href="http://www.sipc.org">www.sipc.org</a>.</p> <p>Certain assets are not eligible for SIPC protection. Among the assets typically not eligible for SIPC protection are commodity futures contracts, precious metals, as well as investment contracts (such as limited partnerships) and fixed annuity contracts that are not registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933.</p> <p>In accordance with the SEC rule 15c3-3, often known as the “Customer Protection Rule”, a custodian must protect client securities that are fully paid for by segregating them and ensuring that they are not used for any other purpose, such as for loans to investors or institutions, corporate investment purposes, and spending. This practice helps ensure that customers have access to these securities at all times. Customer assets may still be subject to market risk and volatility.</p> <p>You have the option of using multiple custodians to provide yourself with</p>

greater SIPC coverage.

In addition, the Belray carries a bond that covers \$500,000 in theft from a clients account that is carried out by an employee.

## Item 16 - Investment Discretion

This section discusses the investment discretion that you provide us in managing your account. Last updated: 3/20/2011

### Do you have investment discretion?

Yes. You will provide us with limited-powers and authority to manage your accounts using our own discretion. We act as your agent, with respect to your account(s):

1. To make all investment decisions
2. To buy, sell and otherwise trade in securities or other related investments
3. Discretion and authority includes the following: Asset Allocation Discretion; Security Selection Discretion; Brokerage Discretion; Proxy Voting Discretion.

You may place reasonable restrictions on you account(s) through the use of written instructions to us ("Client Instructions"). This includes which individual securities to buy or sell. You may place these restrictions in the form of limitations on a specific security or broad categories of securities. We can also work with you in a non-discretionary manner.

We do not have the following authorities and therefore we must receive your written approval before investing in privately offered securities; hire or fire third-party investment managers; purchase insurance contracts; invest in non-registered investments; open or close custodial accounts.

We do not direct trades to brokerage firms in exchange for research or products.

### May I have my account managed on a non-discretionary basis?

Yes, you may have your account managed on a non-discretionary basis. However, because we are not a broker dealer, our non-discretionary accounts are different from what you may be accustomed to and therefore it is important to understand the following:

Non-discretionary means we will not buy or sell a security without first communicating our investment advice to you and receiving verbal authority to implement our recommendations. Once we have received authority to implement a strategy we may exercise the following discretion:

1. Power to exercise discretion in the selection of the security to be purchased or sold.
2. Power to exercise discretion on time and price.
3. Power to exercise discretion on the quantity of shares/amount of a security to be bought or sold.
4. Power to refuse an order from you to buy or sell a security because it

violates our commitment to act in your best interest at all times.

There are some disadvantages to having your account managed on a non-discretionary basis:

1. It is Belray's policy to execute trades for discretionary clients before the trades of non-discretionary clients.
2. The price you receive for securities purchased or sold will be different from the price you would have received as a discretionary client.
3. The advice you receive may be delayed because we cannot reach you, are communicating with other non-discretionary clients, and or taking action first with our discretionary clients.

## Item 17 - Voting Client Securities

This section describes how we vote proxies.

**A. How do you handle the voting of proxies?**

We have voting authority with regard to your securities and therefore have the authority to vote proxies on your behalf.

Our policy is to refrain from voting proxies because we believe the time cost of voting a proxy typically outweighs the benefits to our clients in aggregate. From time-to-time we may elect to vote proxies when we believe the benefit outweighs these costs. This may not always be in your best interest.

Through the use of Client Instructions you may place restrictions on our ability to participate in proxy voting.

**B. What if I want to vote proxies and receive other solicitations?**

You may elect to receive/vote proxies and receive solicitations. These will be delivered directly by your custodian to you. You will be able make the elections yourself or ask your Advisor to help you with voting.



## Item 18 - Financial Information

This sections informs you with financial information on our firm.

**A. Will you require or solicit prepayment of more than \$1,200 in fees from me, six months or more in advance?**

No.

**B. Are you facing any financial condition that is reasonably likely to impair your ability to meet contractual commitments to me?**

No.

**C. Have you have been the subject of a bankruptcy petition at any time during the past ten years?**

No.

## **Item 19 - Requirements for State-Registered Advisers**

This section does not apply to our firm.

# Appendix 1: The Wrap Fee Program Brochure

This section does not apply to our firm. Last updated on: 03/20/11

## Part II-B of Form ADV: Brochure Supplement

This is Part II-B of Form ADV also known as the Brochure Supplement for Belray Asset Management LLC. You may reach any of the individuals describe in this brochure by writing them at Belray Asset Management, 125 Greenwich Ave, Greenwich, CT 06830 or by calling (203) 629-3300.

Last updated on: 3/22/11

### What is the purpose of this brochure supplement?

This brochure supplement provides information about Gregory H. Skidmore, Philip M. Skidmore, Christopher N. Sandys, David C. Nelson, CFA, Donald W. Kisselbach, Jr., Jeffrey L. Rosselli, Pedro A. Ramirez, Jr., Peter T. Barcia, CFA, CLU and Timothy C. Davidson that supplements Belray Asset Management's brochure. You should have received a copy of that brochure. Please contact Gregory H. Skidmore, President, if you did not receive Belray Asset Management's brochure or if you have any questions about the contents of this supplement.

### Where can I find additional information on these agents of your firm?

Additional information about the above named individuals is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 - Educational Background and Business Experience

This section informs you of our education and business experience. Investment Adviser Representatives are given titles to help describe their role within the firm and these should not be used to determine the skill or experience of an adviser.

### **Gregory H. Skidmore**

Mr. Skidmore was born in 1976 and he graduated from Connecticut College with a BA in Economics and History. Greg founded and become President of Belray Asset Management in February of 2007. Prior to founding Belray Asset Management, he was a Financial Advisor at Citi Smith Barney in Greenwich, CT from 2005 to February of 2007. Greg has passed on Principal/Supervisor Exam, the Series 24. In addition, he has passed two State Securities Laws Exams, the Series 63 and the Series 65. He has also passed one General Industry/Product Exam, the Series 7. He is currently registered as a Securities Principal and Registered Representative of Leigh Baldwin & Co. and an Investment Adviser Representative of Belray Asset Management. See "Guide to Industry Examinations" below.

### **Philip M. Skidmore**

Mr. Skidmore was born in 1940 and he graduated from Georgia Institute of Technology with a BS in Industrial Management in 1964. Phil was a Managing Director of Advest, Inc. from 1986 to 2005. He retired from Advest in 2005 and then joined Belray Asset Management in May of 2007 as Chairman. He attended graduate school at NYU Business School from 1968 to 1969 where he received an MBA in Finance. Phil received a waiver on the Series 65 Exam from the State of Connecticut Department of Banking. See "Guide to Industry Examinations" below. He is currently registered as an Investment Adviser Representative of Belray Asset Management.

### **Christopher N. Sandys**

Mr. Sandys was born in 1970 and he graduated from the US Air force Academy with a BS in Aeronautical Engineering. He attended graduated school at the University of Southern California where he received a MS in Systems Management. Chris was first an Institutional Salesman and then a Financial Advisor at UBS Financial Services, Inc from 2004 to 2009. He joined Belray Asset Management in March of 2009 as a Portfolio Manager. Chris has passed the Series 7 Exam and Series 66 Exam. See "Guide to Industry Examinations" below. He is currently registered as an Investment Adviser Representative of Belray Asset Management.

### **David C. Nelson, CFA**

Mr. Nelson was born in 1948. Mr. Nelson joined Belray Asset Management in February of 2011 as Chief Strategist. David founded his own investment firm in October 2000, DC Nelson Asset Management. Prior to forming DC Nelson, David was a portfolio manager at Lehman Brothers' New York City office, where from 1997-2000, he was responsible for managing the assets of high net worth clients and small institutions. From 1995-1997 he was a manager at Morgan Stanley Dean Witter. Mr. Nelson does not have undergraduate degree. He is a Chartered Financial Analyst (CFA). See "Guide to Industry

	Examinations” below. He is currently registered as an Investment Adviser Representative of Belray Asset Management.
<b>Donald W. Kisselbach, Jr.</b>	Mr. Kisselbach was born in 1953. Don joined Belray Asset Management in January of 2011 as a Senior Portfolio Manager and Wealth Advisor. Don’s financial career began at Alexander, Wescott & Co., Inc. in January 2000. Shortly thereafter, he was recruited by UBS in 2002 to provide wealth management services to individuals as an Account Vice President. Between 2009 and 2010 Don was a Portfolio Manager at DC Nelson Asset Management LLC. Don studied business at Fairleigh Dickinson University, but did not graduate. He has passed two state securities law exams: the series 63 and series 66. In addition, he has passed two general Industry/product exams: the series 7 and series 31. See “Guide to Industry Examinations” below. He is currently registered as a Registered Representative of Leigh Baldwin & Co. and an Investment Adviser Representative of Belray Asset Management.
<b>Jeffrey L. Rosselli</b>	Mr. Rosselli was born in 1975 and he graduated from Rider University in 1999 with B.S. in Finance. He joined Belray in March of 2011. Prior to the joining Belray he was the Managing Directory of the Investment Advisory firm, Atlantic Wealth Management, which he founded in January of 2005. From December 2009 to March 2010 he was a registered representative of Gunnallen Financial, Inc. In addition, he was a registered representative of Aegis Capital Corp from March 2010 to March 2011. He has passed one state securities law exams: the series 65. In addition, he has passed two general Industry/product exams: the series 6 and series 7. See “Guide to Industry Examinations” below. He is currently registered as an Investment Advisor Representative of Belray Asset Management.
<b>Pedro A. Ramirez, Jr.</b>	Mr. Ramirez was born in 1963 and he graduated from Cornell University with a BS in Business Management and Marketing. Pedro was a at Signature Apparel Group from 2003 to November 2007. In November 2007 he joined UBS Financial Services, Inc as a Financial Advisor. In May of 2009 he joined Belray Asset Management as a Wealth Manager. Pedro has passed the Series 7 Exam and the Series 66 Exam. See “Guide to Industry Examinations” below. He is currently a Registered Representative of Leigh Baldwin & Co. and as an Investment Adviser Representative of Belray Asset Management.
<b>Peter T. Barcia, CFA, CLU</b>	Mr. Barcia was born in 1951 and he graduated from St. John’s University with a BA in Economics. Peter was Financial Advisor at UBS Financial Services Inc. from 2002 to April 2009. He joined Belray Asset Management in May of 2009 as a Senior Private Wealth Advisor. Peter has passed the Series 7 Exam, Series 26 Exam and Series 66 Exam. See “Guide to Industry Examinations” below. He is currently registered as a Registered Representative of Leigh Baldwin & Co. and Investment Adviser Representative of Belray Asset Management. Peter holds the following designations Chartered Financial Analyst (CFA) and Chartered Life Underwriter (CLU). See “Guide to Industry Designations” below.
<b>Timothy C. Davidson</b>	Mr. Davidson was born in 1954 and he graduated from The College of William & Mary with a BA in Economics and Language. Tim was a Financial

Advisor at UBS Financial Services Inc. from April 2005 to October 2009; from November 2009 to August 2010 he was an Investment Adviser Representative of DC Nelson Asset Management, LLC. In August of 2010 he joined Belray Asset Management as a Senior Portfolio Manager and Wealth Advisor. He has passed the Series 7 Exam and the Series 66 Exam. See "Guide to Industry Examinations" below. He is currently registered as an Investment Adviser Representative of Belray Asset Management.

## Guide to Industry Examinations

<b>General Securities Principal - (Series 24)</b>	150 multiple choice questions; 3 hours and 30 minutes testing time. This examination qualifies individuals required to register as general securities principals in order to manage or supervise the member's investment banking or securities business for corporate securities, direct participation programs, and investment company products/variable contracts.
<b>General Securities Representative - (Series 7)</b>	250 multiple choice questions - administered in two parts of 125 questions each; 3 hours testing time for each part. This registration qualifies a candidate to be a Registered Representative and for the solicitation, purchase, and/or sale of all securities products, including corporate securities, municipal securities, municipal fund securities, options, direct participation programs, investment company products, and variable contracts.
<b>Investment Company Products/ Variable Contracts Limited Representative</b>	100 multiple choice questions; 2 hours and 15 minutes testing time. This registration qualifies a candidate to be a Limited Representative and for the solicitation, purchase and/or sales of redeemable securities of companies registered pursuant to the Investment Company Act of 1940; securities of closed-end companies registered pursuant to the Investment Company Act of 1940 during the period of original distribution only; and variable contracts and insurance premium funding programs and other contracts issued by an insurance company.
<b>Uniform Securities Agent State Law Examination - (Series 63) (NASAA)</b>	60 multiple choice questions; 1 hour and 15 minutes testing time. The Series 63 is designed to qualify candidates as securities agents. The examination covers the principles of state securities regulation reflected in the Uniform Securities Act.
<b>Uniform Investment Adviser Law Examination - (Series 65) (NASAA)</b>	130 multiple choice questions; 3 hours testing time. The Series 65 is designed to qualify candidates as investment adviser representatives.
<b>Uniform Combined State Law Examination - (Series 66) (NASAA)</b>	100 multiple choice questions; 2 hours and 30 minutes testing time. The Series 66 is designed to qualify candidates as both securities agents and investment adviser representatives. The Series 7 is a co-requisite exam that needs to be successfully completed in addition to the Series 66 exam before a candidate can register with a state.

## Guide to Industry Designations

<b>Chartered Financial Analyst (CFA)</b>	This designation is an international professional certification offered by the CFA Institute (formerly AIMR) to financial analysts who complete a series of three examinations. To become a CFA Charterholder candidates must pass
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	each of three six-hour exams, possess a bachelor's degree (or equivalent, as assessed by CFA institute) and have 48 months of qualified, professional work experience. CFA charterholders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct.
<b>Chartered Life Underwriter (CLU)</b>	This is a professional designation for individuals who wish to specialize in life insurance and estate planning. Individuals must complete five core courses and three elective courses and successfully pass all eight two-hour, 100-question examinations in order to receive the designation.

## Item 3 - Disciplinary Information

This section notifies you of any disciplinary history and information regarding our Advisors. Updated 3/22/11

### Jeffrey L. Rosselli

A dispute between Mr. Rosselli and a customer occurred in 2007 while he was a registered representative of Park Avenue Securities LLC. The client alleged that Mr. Rosselli had recommended the sale and purchase of securities and fixed annuities to generate sales commissions. The client stated that as a result of Mr. Rosselli's actions, they had been charged an excessive amount of surrender charges. Park Avenue Securities agreed to settle the complaint for \$6,128.56. The New Jersey Department of Banking and Insurance reviewed the complaint. After evaluating the the commissions charged to the client, surrender fees paid by the client and investment returns to the client, the Department ruled that Mr. Rosselli had not violated any insurance or security laws.

### Timothy C. Davidson

Mr. Davidson has an arbitration dispute with a former client pending. The event took place in 2008, while he was a Registered Representative of UBS Financial. The former client has complained that Mr. Davidson conducted unauthorized trades in his account and recommended securities that were not suitable. He is seeking to recover \$200,000 in damages. Mr. Davidson and UBS Financial Services dispute these complaints and the damages that the former client is seeking to recover. The case is pending and therefore remains unresolved. A description of the dispute can be found on the Investment Adviser Public Disclosure "IAPD" site: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may learn more by visiting this site and conducting an "Investment Adviser Search" for "Timothy Channell Davidson."

## Item 4 - Other Business Activities

This section informs you of our Advisors business activities other than investment advice.

### **Gregory H. Skidmore**

Mr. Skidmore is actively engaged as a Securities Principal and Registered Representative for Leigh Baldwin & Co.; a broker dealer unaffiliated with Belray Asset Management. In his capacity as a Securities Principal he is to supervise the brokerage activities of the Registered Representatives of Leigh Baldwin & Co. who are located at 125 Greenwich Avenue, Greenwich, CT 06830 ("Greenwich Branch"). In addition, he also engages in the sale of securities as a Registered Representative. He is also a licensed Insurance Producer who engages in the sale of insurance products. When selling securities, insurance or other investment products he receives a commission. In addition, he receives a portion of commissions generated by the other Registered Representatives located at the Greenwich Branch. This practice gives him an incentive to recommend products based on the commissions he receives rather than on your needs.

### **Donald W. Kisselbach, Jr.**

Mr. Kisselbach is actively engaged as a Registered Representative for Leigh Baldwin & Co.; a broker dealer unaffiliated with Belray Asset Management. He engages in the sale of securities as a Registered Representative of Leigh Baldwin & Co. He is also a licensed Insurance Producer who engages in the sale of insurance products. When selling securities, insurance or other investment products he receives a commission. This practice gives him an incentive to recommend products based on the commissions he receives rather than on your needs. Mr. Kisselbach is also a member of the band "The Turtles" and periodically performs.

### **Pedro A. Ramirez, Jr.**

Mr. Ramirez is actively engaged as a Registered Representative for Leigh Baldwin & Co.; a broker dealer unaffiliated with Belray Asset Management. He engages in the sale of securities as a Registered Representative of Leigh Baldwin & Co. He is also a licensed Insurance Producer who engages in the sale of insurance products. When selling securities, insurance or other investment products he receives a commission. This practice gives him an incentive to recommend products based on the commissions he receives rather than on your needs.

### **Peter T. Barcia**

Mr. Barcia is actively engaged as a Registered Representative for Leigh Baldwin & Co.; a broker dealer unaffiliated with Belray Asset Management. He engages in the sale of securities as a Registered Representative of Leigh Baldwin & Co. He is also a licensed Insurance Producer who engages in the sale of insurance products. When selling securities, insurance or other investment products he receives a commission. This practice gives him an incentive to recommend products based on the commissions he receives rather than on your needs.

### **Timothy C. Davidson**

Mr. Davidson is a licensed Insurance Producer who engages in the sale of

insurance products. When selling insurance he receives a commission. This practice gives him an incentive to recommend insurance products based on the commissions he receives rather than on your needs.

## Item 5 - Additional Compensation

This section is to disclose if our firm or Advisors receive additional compensation from sources other than you in connection to the investment advice that we provide.

**Does someone other than me provide you with an economic benefit for providing advisory services describe?**

No, none of our Advisors receive an economic benefit for providing you with the advisory services described in this document.

## Item 6 - Supervision

This section informs you of how we supervise our Advisors and other supervised people.

### Chief Compliance Officer

Gregory H. Skidmore is the President and Chief Investment Officer of Belray Asset Management. He also holds the position of Chief Compliance Officer (CCO) and therefore is charged with the oversight of all supervised persons of Belray Asset Management. He can be reached during normal business hours at (203) 629-3300.

### Supervision Policies

The following policies are in place to provide oversight of supervised persons. Regular review means the CCO is reviewing these activities on a daily to bi-weekly frequency. Periodic review means the CCO is reviewing these activities on a Monthly to Quarterly frequency. Infrequent review means the CCO is reviewing these activities on an annual basis.

1. Regular review of electronic communications
2. Regular review of non-electronic communications
3. Regular review of fax communications
4. Regular review of trading activity on behalf of clients
5. Regular review of cash flows in and out of client accounts
6. Periodic review of employee trading activities
7. Periodic review of client portfolios and investment performance
8. Periodic discussions with Advisors regarding the advice they are providing
9. Infrequent review of video surveillance
10. Infrequent review of computer activities