

Part 2A of Form ADV: *Firm Brochure*

Wellesley Investment Partners, LLC

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3/31/2012

This brochure provides information about the qualifications and business practices of Wellesley Investment Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 781-431-1325 or jeff@wellesleyinvestmentpartners.com. 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 Wellesley Investment Partners, LLC also is available on the SEC's website at 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 144984.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 3/31/2012, is our disclosure document prepared according to the SEC's requirements and rules.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

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.

Material changes outlined in the most recent version of these documents include Thomas J. Fontaine's resignation as President of Wellesley Investment Partners, LLC and the appointment of William J. Cadigan to fill the position. Additionally, Wellesley Investment Partners, LLC's Chairman of the Board, Edwin G. Silver, retired. The role has not been filled.

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Item 4 Advisory Business

Wellesley Investment Partners, LLC (WIP) is a SEC-registered investment adviser with its principal place of business located in Massachusetts. WIP began conducting business in 2007. While referring to WIP as a Registered Investment Advisor, our registration as such does not imply a certain level of skill or training.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Wellesley Bancorp, Inc., Owner

Wellesley Investment Partners, LLC offers the following advisory services to our clients:

TYPES OF ADVISORY SERVICES OFFERED

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

WIP provides investment supervisory services for individual portfolio management and model portfolio management.

Our firm provides continuous advice to a client regarding the investment of client funds based on their individual needs. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background, and any other issues that may impact our approach to investment management of client funds.

WIP provides financial planning services including, but not limited to, retirement planning, retirement income planning, college planning, estate planning, tax planning, and other related services. WIP may collaborate with other professionals with expertise in these areas solely for the purpose of providing better services to clients.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., conservative, balanced, growth, or aggressive growth), as well as tax and legacy considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

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
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- Closed end funds
- United States governmental securities
- Options contracts on equity securities
- Interests in partnerships investing in oil and gas interests
- Other-commodities and real estate
- Currencies
- Structured notes

Because some types of investments involve additional degrees of risk, they will only be recommended/implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity, and suitability. Typically, a client receiving individual supervisory services will generally be managed in accordance with the styles described under model portfolio management.

MODEL PORTFOLIO MANAGEMENT

Our firm provides portfolio management services to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal.

Our model portfolios Include:

Conservative: The primary objective of our conservative portfolio is to protect clients' assets. Secondary functions include providing a growing stream of income while keeping pace with inflation.

Minimizing portfolio volatility through risk management and diversification is paramount.

This portfolio may be appropriate for investors with a short investment time frame or have current income requirements. Additionally, conservative investors may want to minimize fluctuations in market values by taking an income-oriented approach while maintaining some potential for capital appreciation.

Balanced: Our balanced portfolios are designed to support a dual mandate of capital appreciation and current income (total return).

These portfolios employ multiple diversifying strategies designed to reduce volatility and portfolio risk.

The portfolio is broadly diversified, both domestically and internationally and is designed to generate capital growth with moderate levels of volatility.

This portfolio may be suitable for investors with an intermediate term investment horizon. Balanced investors are able to withstand moderate fluctuations in market value.

Growth: Our growth portfolio is constructed to provide clients with growth over the long term with a secondary goal of generating current income.

This portfolio utilizes strategies that create growth opportunities. A growth portfolio is likely to hold a greater proportion of international securities, real assets, and high yield fixed income instruments.

This portfolio may be appropriate for investors who have a longer investment time frame and a preference for growth. Growth investors can withstand significant fluctuations in market value.

Aggressive: Our aggressive portfolio is designed to focus primarily on capital appreciation with less emphasis on generating current income.

The portfolio is weighted toward domestic and foreign equities and alternative assets. An aggressive portfolio is likely to hold the largest proportion of international securities, real assets, and international fixed income instruments relative to the other offered portfolios.

The aggressive portfolio may be appropriate for investors with the longest time frame and greatest desire for capital appreciation. Aggressive growth investors can withstand the highest portfolio volatility.

Through personal discussions with the client in which the client's goals and objectives are established, we determine which model portfolio is suitable to the client's circumstances. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, while considering the client's individual circumstances. Clients have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

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

MONITORING OF THIRD-PARTY MONEY MANAGERS

We monitor the performance of one registered investment adviser(s) in conjunction with a previous business arrangement that is no longer offered to new clients or prospects. If we determine that the advisory services provided by this manager are unsatisfactory or inconsistent with the client's objectives, we offer our services as an alternative. However, any

move to a new asset manager and/or program is solely at the discretion of the client. Except for this legacy arrangement with one third party manager, recommending third party managers is not an active part of our business.

DETERMINING AND MAINTAINING INVESTMENT SUITABILITY

Our firm provides each client of our advisory business with an asset allocation strategy developed through personal discussions in which goals and objectives based on the client's particular circumstances are established. This asset allocation strategy is identified in the investment advisory agreement.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, each client is contacted on a regular basis. Additionally, quarterly statements identify the client's risk tolerance and investment objective.

1. periodic discussions to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
2. reasonable availability of WIP's staff to consult with the client; and maintain client suitability information in each client's file.

PUBLICATION OF PERIODICALS

Wellesley Investment Partners, LLC publishes a quarterly newsletter providing general information on various financial topics including, but not limited to, macro-economic developments, financial planning, and general market commentary. No specific investment recommendations are provided in this newsletter and the information provided does not purport to meet the objectives or needs of any individual. This newsletter is distributed free of charge to our advisory clients, prospects, interested parties, and select Wellesley Bancorp, Inc. customers. Communications of this type may be distributed more often than quarterly based on events and developments that might affect client portfolios.

AMOUNT OF MANAGED ASSETS

As of 12/31/2011, we were actively managing \$63,490,684 of clients' assets on a discretionary basis.

Item 5 Fees and Compensation

Management Fee Structure

Our annual fees for Investment Supervisory Services and Model Portfolio Management are based upon a percentage of assets under management and generally range from .20% to 1.00% according to the following schedule:

| <u>Annual Fee</u> | <u>Assets Under Management</u> |
|--------------------------|---------------------------------------|
| 1% | Managed Assets up to \$2,000,000 |

| | |
|------|-----------------------------------|
| .75% | Managed Assets up to \$5,000,000 |
| .50% | Managed Assets up to \$20,000,000 |
| .20% | Managed Assets above \$20,000,000 |

Our annual fees for the legacy third party management business described previously are based upon a percentage of assets under management and generally range from .10% to .50%. Wellesley Investment Partners, LLC's fee for this service does not include the third party's management fee. The third party's management fee is disclosed in the its Firm Brochure or other disclosure document.

| <u>Annual Fee</u> | <u>Assets Under Management</u> |
|--------------------------|---------------------------------------|
| .50% | Managed Assets up to \$2,000,000 |
| .375% | Managed Assets up to \$5,000,000 |
| .25% | Managed Assets up to \$20,000,000 |
| .10% | Managed Assets above \$20,000,000 |

Limited Negotiability of Advisory Fees: Although Wellesley Investment Partners, LLC has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the management agreement between the adviser and each client.

Our fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the management agreement.

WIP suggests to our clients a minimum of \$250,000 of assets under management to receive our services. This account size may be negotiable under certain circumstances. Wellesley Investment Partners, LLC may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Advisor's fees are exclusive of brokerage commissions, transactions fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investments, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and security transactions. Mutual funds, closed end funds, and exchange traded funds also charge internal management fees which are disclosed in the funds prospectus. Such charges, fees, and commissions are exclusive of and in addition to WIP's management

fee and WIP shall not receive any portion of these commissions, fees, and costs. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts are offered to family members and friends of associated persons of our firm.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

ERISA Accounts: Wellesley Investment Partners, LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Wellesley Investment Partners, LLC may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Wellesley Investment Partners, LLC's advisory fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$500 more than six months in advance of services rendered.

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

Wellesley Investment Partners, LLC does not charge performance-based fees.

Item 7 Types of Clients

Wellesley Investment Partners, LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals

- Pension and profit sharing plans (including plan participants)
- Charitable organizations
- Corporations or other businesses not listed above
- Trusts
- Estates

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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 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 anticipate future security 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.

Qualitative Analysis. We subjectively evaluate factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and anticipate changes to a security's price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Quantitative Analysis. We apply a mathematic process known as optimization for efficiently integrating securities into a portfolio within defined return/risk constraints and asset allocation parameters. The optimization model consists of a computer model which considers

variables such as individual volatility histories of each security, portfolio target rates of return, and position limits in determining the weighting of each security within the portfolio.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if the manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) is(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. 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.

Option Transactions. 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 or the obligation to sell an asset at a certain price within a specific period of time. We will buy a call if we believe that the stock will increase substantially before the option expires.

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

We use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security held in a portfolio.

Our primary use of options involves "covered calls," in which we sell an option on a security owned by a client. In this strategy, the client receives a premium payment for making the option available, and the individual purchasing the option has the right to buy the security from the client at an agreed-upon price before an expiration date identified at the time of purchase.

Risk of Loss. Investing in securities involves risk of loss that clients should be prepared to bear. We ask that clients work with us to help us understand their tolerance for risk.

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

- We are a registered investment adviser and a wholly owned subsidiary of Wellesley Bancorp, Inc., a public stock bank that offers a broad spectrum of banking products and financial services to consumers, small businesses and commercial clients.

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

Code of Ethics

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Wellesley Investment Partners, LLC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

WIP's, Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. All employees that have access to non-public information are

directed that such information may not be used in a personal or professional capacity.

Persons employed by Wellesley Investment Partners may hold profession designations such as the Chartered Financial Analyst or Certified Financial Planner.

The CFA Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

The CFP Code of Ethics and Professional Responsibility includes the principles of:

- Integrity
- Objectivity
- Competence
- Fairness
- Confidentiality
- Professionalism
- Diligence

A copy of our Code of Ethics is available to our advisory clients and prospective clients. Our Code of Ethics may also be acquired by email sent to info@wellesleyinvestmentpartners.com, or by calling 781-431-1325.

Personal Interest in Client Transactions

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions in the best interest of advisory clients.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be excluded in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered and may instruct us to manage their investments in a manner that deviates from our advice and recommendations.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.
12. We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed. We periodically monitor these outside employment opportunities to verify that any conflicts of interest continue to be properly monitored by the firm.

Item 12 Brokerage Practices

Wellesley Investment Partners, LLC does not have any soft-dollar arrangements and does

not receive any soft-dollar benefits.

Clients must include any limitations on this discretionary authority in this written authority statement. Clients may change these limitations as required. Such amendments must be provided to us in writing.

Wellesley Investment Partners, LLC will aggregate (block) trades where possible and when advantageous to clients. This aggregation of trades permits the use of assets from multiple client accounts to purchase a single security, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. WIP will typically aggregate trades among clients whose accounts can be traded at a given custodian (Fidelity or TD Ameritrade), and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. Wellesley Investment Partners, LLC'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 Wellesley Investment Partners, LLC, 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 Wellesley Investment Partners, 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 using Wellesley Investment Partners' allocation method among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. This allocation method entails allocating share up to the full amount requested on the original trade alphabetically by clients' last name starting with A and ending with Z, then beginning again with Z and going through A. This method continuously alternates from A-Z and Z-A. However, adjustments to this allocation method may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this allocation method 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, and each allocation incurs a commission based on the firm's commission schedule with the custodian. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

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) Wellesley Investment Partners, LLC'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 Wellesley Investment Partners, LLC'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.

Wellesley Investment Partners, LLC has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services. The platform services include, among others, brokerage, trading, research, financial planning, custodial, administrative support, record keeping and related services that are intended to support intermediaries like Wellesley Investment Partners, LLC in conducting business and in serving the best interests of our clients but that may also benefit us.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Wellesley Investment Partners, LLC to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement, Fidelity also makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by Wellesley Investment Partners, LLC (within specified parameters).

Wellesley Investment Partners, LLC may also receive additional services which may include Retirement Income Evaluator. Without this arrangement, we might be compelled to purchase the same or similar services at our own expense.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of

interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of Wellesley Investment Partners, LLC's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while Wellesley Investment Partners, LLC will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Wellesley Investment Partners, LLC and Fidelity are not affiliated.

Wellesley Investment Partners, LLC participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers services to independent investment advisers which include custody of securities, trade execution, clearance and settlement of transactions. Wellesley Investment Partners, LLC receives some benefits from TD Ameritrade through our participation in the program.

Wellesley Investment Partners, LLC participates in TD Ameritrade's Institutional customer program for custody and brokerage services. Clients of Wellesley Investment Partners, LLC. can choose either TD Ameritrade or Fidelity Investments to custody their assets. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Wellesley Investment Partners, LLC by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by Wellesley Investment Partners, LLC's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit Wellesley Investment Partners, LLC but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The

benefits received by Wellesley Investment Partners, LLC through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by Wellesley Investment Partners, LLC or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Wellesley Investment Partners, LLC also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisers participating in the program. Specifically, the Additional Services include no charge access to Morningstar's Principia Research software which assists Wellesley Investment Partners, LLC with stock, ETF, and mutual fund research, portfolio construction, and statistical portfolio analytics. This software retails for \$3,345 per year. Wellesley Investment Partners uses this software to create and maintain its model portfolios and analyze prospects' current holdings. TD Ameritrade provides the Additional Services to our firm in its sole discretion and at its own expense, and Wellesley Investment Partners, LLC does not pay any fees to TD Ameritrade for the Additional Services. Wellesley Investment Partners, LLC and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Wellesley Investment Partners, LLC's receipt of additional services raises potential conflicts of interest. In providing additional services to our firm, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the additional services addendum with Wellesley Investment Partners, LLC, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the additional services from TD Ameritrade, we may have an incentive to recommend to our clients that the assets under management by us be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade.

Wellesley Investment Partners, LLC's receipt of additional services does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts. The products and services offered by the custodians including the use of websites, research tools, investment and planning guidance, and planning and investment tools provide considerable benefits to the clients of WIP.

Item 13 Review of Accounts

REVIEWS: All securities owned by advisory clients are continually monitored and their investment portfolios are reviewed at least quarterly. 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.

These accounts are reviewed by: William J. Cadigan, President, Christopher K. Gaffney, Vice President-Financial Advisor, and Jeffrey C. Smith, Chief Investment Officer.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account

performance, balances and holdings.

Item 14 Client Referrals and Other Compensation

It is Wellesley Investment Partners, LLC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Wellesley Investment Partners, LLC'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

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, we encourage clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. We direct clients to contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings, and values are correct and current.

Item 16 Investment Discretion

Clients will hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary management agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

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: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) 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

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

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

Wellesley Investment Partners, LLC has not been the subject of a bankruptcy petition at any time during the past ten years.

Part 2B of Form ADV: Brochure Supplement

Item 1:

This brochure supplement provides information about Jeffrey C. Smith that supplements the Wellesley Investment Partners, LLC brochure. You should have received a copy of that brochure. Please contact Wellesley Investment Partners, LLC at 781-431-1325 or info@wellesleyinvestmentpartners.com if you did not receive Wellesley Investment Partners, LLC's brochure or if you have any questions about the contents of this supplement.

Item 2:

Supervised Person's Name: Jeffrey C. Smith

Firm Name: Wellesley Investment Partners, LLC

Firm Phone Number: 781-431-1325

Business Address: 47 Church Street
Wellesley, MA 02482

Supplement Date: 3/31/2011

Year of Birth: 1977

Formal Education After High School: Assumption College, 1999. Boston University, 2008.

Business Background: Fidelity Investments 1999-2005

Positions Held: Investment Consultant

Beaumont Financial Partners: 2005-2009

Positions Held: Analyst/Trader/Portfolio Manager

Wellesley Investment Partners: 2009-Present

Positions Held: Chief Investment Officer/Chief Operating
Officer/Chief Compliance Officer/Portfolio Manager

Part 2B of Form ADV: Brochure Supplement

Item 1:

This brochure supplement provides information about Christopher K. Gaffney that supplements the Wellesley Investment Partners, LLC brochure. You should have received a copy of that brochure. Please contact Wellesley Investment Partners, LLC at 781-431-1325 or info@wellesleyinvestmentpartners.com if you did not receive Wellesley Investment Partners, LLC's brochure or if you have any questions about the contents of this supplement.

Item 2:

Supervised Person's Name: Christopher K. Gaffney

Firm Name: Wellesley Investment Partners, LLC

Firm Phone Number: 781-431-1325

Business Address: 47 Church Street
Wellesley, MA 02482

Supplement Date: 3/31/2011

Year of Birth: 1962

Formal Education After High School: Fitchburg State University, 1986. University of
Massachusetts, 1989.

Business Background: Fidelity Investments 1999-2005

Positions Held: Investment Consultant/Marketing

Beaumont Financial Partners: 2005-2011

Positions Held: Analyst/Trader/Portfolio Manager

Wellesley Investment Partners: 2011-Present

Positions Held: Vice President-Financial Advisor/Portfolio

Manager

Part 2B of Form ADV: Brochure Supplement

Item 1:

This brochure supplement provides information about William J. Cadigan that supplements the Wellesley Investment Partners, LLC brochure. You should have received a copy of that brochure. Please contact Wellesley Investment Partners, LLC at 781-431-1325 or info@wellesleyinvestmentpartners.com if you did not receive Wellesley Investment Partners, LLC's brochure or if you have any questions about the contents of this supplement.

Item 2:

Supervised Person's Name: William J. Cadigan

Firm Name: Wellesley Investment Partners, LLC

Firm Phone Number: 781-431-1325

Business Address: 47 Church Street
Wellesley, MA 02482

Supplement Date: 3/31/2011

Year of Birth: 1955

Formal Education After High School: Amherst College, 1977.

Business Background: Merrill Lynch: 1977-1978

Position Held: Registered Representative

Oppenheimer & Co.: 1977-1982

Positions Held: Registered Representative

Donaldson, Lufkin, & Jenrette, Inc.: 1983-1988

Positions Held: Registered Representative

Smith Barney: 1988-1994

Positions Held: Registered Representative, Sales Manager,
Branch Office Manager, National Assistant Sales Manager

Credit Suisse First Boson: 1994-1999

Positions Held: Branch Manager, Global Private Client
Director

Cadigan Capital Management : 1999-2008

Positions Held: Investment Manager

Wellesley Investment Partners: 2012-Present

Positions Held: President