



Artemis
FINANCIAL ADVISORS LLC

Form ADV Part 2A

December 31, 2011



This brochure provides information about the qualifications and business practices of Artemis Financial Advisors LLC. If you have any questions about the contents of this brochure, please contact us at 617-542-2420. The information in this brochure has not been verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Artemis Financial Advisors is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Artemis Financial Advisors is 146203.

Artemis Financial Advisors, LLC

54 Chandler Street
Boston, MA 02116
617-542-2420
www.artemisadvisors.net



1. Summary of Material Changes

In this “Summary of Material Changes” we discuss only the material changes since the last update of this brochure in March of 2011.

Services. Artemis now offers stand-alone financial plan development services on a fixed project fee basis.

Firm Ownership. Effective September 1, 2011, Karen Parker Feld is no longer employed at Artemis Financial Advisors and Leigh Bivings acquired all of her interests in the firm.



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3. Advisory Business

Artemis Financial Advisors LLC (“Artemis”) is an independent, registered investment advisor based in Boston, Massachusetts. The firm helps individuals, families, and philanthropic organizations realize their personal, investment and retirement goals by working with them to develop and implement a comprehensive financial strategy.

Artemis was founded in 2007 and is owned by Leigh Bivings, Ph.D. The firm is fee-only and is dedicated to the fiduciary principal that the client’s best interests are always paramount.

SERVICES

a. Financial Plan Development

Our financial planning assistance begins with a detailed review of our client’s financial situation, their financial goals and retirement plans. Working closely with the client, we then develop a strategy to achieve those objectives. Our process is highly tailored to meet each client’s specific needs, which may include cash flow analysis, investment strategy development, tax planning, education planning, retirement planning, insurance analysis and estate planning.

Our process for developing the investment strategy begins with a thorough review of our client’s current portfolio, and an analysis of a detailed questionnaire that helps us to understand their investment goals and tolerance for risk. Based on this information, we will evaluate different asset allocation strategies with our clients so that they understand the risks they are taking and the results that they can expect.

Once the agreed strategy has been developed, a client can, but is not obligated to, continue working with us to help implement and monitor the strategy.

b. Wealth Management Services

Our flagship wealth management service is our most comprehensive service, integrating financial plan development with ongoing portfolio management and financial plan implementation. This service begins with the development of a financial plan. We then formalize the agreed investment strategy in an Investment Policy Statement (IPS) and implement the strategy by managing the assets on a discretionary basis. All assets are held at our custodian, Fidelity Investments, which provides regular monthly account statements.

Quarterly, our wealth management clients receive a detailed performance report, which consolidates and analyzes the performance of their investments across all of their accounts. Annually, we conduct a comprehensive financial planning and investment portfolio review to evaluate and adapt the overall strategy and address any new financial planning needs.



c. Investment Management Services

Artemis Financial Advisors also provides investment management-only services to charitable organizations and select individuals and families who choose not to engage us in any financial planning. Our institutional clients are generally smaller charitable organizations with endowments in the \$2.0 to \$10.0 million range, who would benefit from professional, disciplined investment advice. For all of our investment management clients, we undertake a portfolio review and develop an Investment Policy Statement (IPS). We then implement the plan by managing the assets on a discretionary basis.

Investment management clients also receive a detailed performance report, in addition to the standard monthly account statements received from our custodian, Fidelity Investments. Annually, we conduct a comprehensive investment review to update the strategy as needed.

ASSETS UNDER MANAGEMENT

As of December 31, 2011, Artemis managed approximately \$50.0 million of financial assets for about 14 families. This amount includes assets that Artemis directly manages at the firm's custodial agent, but does not include assets for which Artemis clients have sought the firm's advice, such as 401k accounts, 529 plans and certain alternative investments. Virtually all of Artemis client assets are managed on a discretionary basis, as described below.

4. Fees and Compensation

a. Individual Wealth Management Fees

Artemis offers the above-described wealth management services for an annual fee based on a percent of the market value of the assets being managed by Artemis, as well as a one-time initial planning fee for those clients who need very comprehensive planning work. For the purpose of calculating the annual fee, assets under management typically include those managed on a discretionary basis at the firm's custodial agent, but may also include those located in company-sponsored (e.g., 401k) and state-sponsored (e.g., 529 college savings plans) plans, or held with other managers (e.g. a hedge fund). Artemis does not charge an advisory fee on investments made directly by clients that Artemis is not overseeing. The current annual fee schedule for wealth management services is as follows:

1.0% for the first \$2,500,000
0.9% for the next \$2,500,000
0.7% for the next \$5,000,000
0.5% for amounts over \$10,000,000.

Please note that certain pre-existing wealth management clients are subject to a different fee schedule.



Artemis does not impose an account minimum for starting or maintaining a wealth management agreement. However, Artemis generally imposes a minimum annual fee of \$10,000 for its services. Artemis, in its sole discretion, may waive its stated minimum annual fee or charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, pre-existing client, *pro bono* activities, etc.).

Artemis may provide certain of its clients with financial planning and consulting services (which may include non-investment related matters). While Artemis does not typically charge a separate fee to its wealth management clients for on-going financial planning support, the firm may render a one-time fee for those clients who require comprehensive initial planning work. Artemis may also render a fee for any consulting services that fall outside of the normal scope of providing ongoing financial planning support. Artemis's financial planning and consulting fees are \$200-500 per hour. Artemis may also charge a fixed fee based upon an estimate of the number of hours that a project will require. Artemis will not initiate any hourly billing without prior written agreement by the client.

Where Artemis charges a fee for financial planning and/or consulting services, the client will generally be required to enter into a written agreement setting forth the terms and conditions of the engagement, the scope of services to be provided, and the portion of the fee that is due from the client prior to Artemis commencing services. Generally, Artemis requires one-half of the financial planning / consulting fee (estimated hourly or fixed) to be paid upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed services. Either party may terminate the agreement by written notice to the other. In the event the client terminates Artemis's financial planning and/or consulting services, the balance of Artemis's unearned fees, (if any) shall be refunded to the client. If termination occurs within five business days of entering into an agreement for such services the client shall be entitled to a full refund.

For All Investment Management Clients. Artemis's annual fee is charged quarterly, in arrears, and is pro-rated in the initial and final quarters, if service was not provided for the full three months. The fee is calculated based on the market value of the account(s) as of the last day of the quarter. The valuation of the assets will be derived using Artemis's portfolio management software and may vary slightly from the account statement from our custodial agent *Fidelity Investments* due to the timing of some dividend and interest payments made on the last day of the quarter. Artemis will instruct *Fidelity* as to the direct deduction of the advisory fee shortly after quarter end. Clients may, however, request direct invoicing of the fee. Fees for the first quarter are calculated based on the value of the assets transferred to *Fidelity* as of the last day of the first quarter, pro-rated from the date the Client Agreement was signed. Fees for the first quarter are refundable in full if the agreement is terminated in the first five (5) business days from the date of inception. After the first five days, either Artemis or the client may terminate the arrangement through written notice to the other, and any prepaid fees will be pro-rated to the date of termination and refunded to the client.

Artemis's advisory fees are separate and distinct from the fees and expenses charged by mutual funds and exchange-traded funds (described in each fund's prospectus) to their shareholders. These fees



generally include a management fee and other fund expenses. Further, there may be transaction charges associated with the purchase or sale of securities. Artemis does not share in any portion of the brokerage / transaction fees charged by the custodian that holds the client's funds. It is part of Artemis's basic investment philosophy to minimize these fees through the extensive use of no-load, passively-structured mutual funds, conventional index funds, ETFs and other low-cost options.

Artemis requests that all its clients move appropriate and transferable assets to *Fidelity*. *Fidelity* does not charge a minimum annual aggregate commission to satisfy our advisory agreement, but does assess transaction charges directly to each client account upon execution of trades.

Clients may also incur "account termination fees" upon the transfer of an account from one brokerage firm (custodian) to another. Fees typically range between \$0-200 at present. Clients should contact their custodians to determine the amount of account termination fees which may be charged and deducted from their accounts for any accounts which may be transferred.

Artemis may also provide advice about any type of investment held in a client's portfolio at the beginning of the advisory relationship. Clients have the option to purchase investment products that Artemis recommends through other brokers that are not affiliated with the firm.

b. Management of Conflicts of Interest Relating to our Business Model

Virtually all of our clients pay Artemis fees based upon a percentage of the assets we manage for them. This is a very common form of compensation for registered investment advisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation arrangements. Artemis does not accept commission-based compensation of any nature, nor does it accept 12b-1 fees. Asset-based fees can still at times lead to conflicts of interest between our firm and our client. For example, conflicts of interest may arise relating to any financial decision which results in a net reduction in assets managed by the firm. We have adopted a code of conduct to properly manage these and other potential conflicts of interest.

5. Performance-Based Fees and Side-By-Side Management

Artemis does not accept any form of performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client. However, should our investment strategies result in appreciation of our clients' portfolios, Artemis will benefit. In this way, our interests are aligned with those of our clients.

6. Types of Clients

a. Individuals and Families



While we work with individuals and families of all kinds, our services are particularly valuable to two types of clients:

Clients in the process of saving for retirement—typically those who have at least \$750,000 in investable assets.

Clients who have already retired—including those who are planning to retire soon and need detailed retirement planning assistance.

We can also be helpful to clients who are going through a life transition, such as divorce, loss of a spouse, sale of a business, or an inheritance. We take into account the impact of major life changes on our clients' financial plans.

Our clients are successful people who either do not have enough time to devote to their financial affairs or who recognize the benefits of ongoing professional guidance in this area.

b. Philanthropic Organizations

We also offer our investment management services to charitable organizations with endowments ranging from \$1 million to \$10 million. Our investment advisory services for charitable organizations are an integral part of our practice and a natural extension of our disciplined approach to building wealth.

7. Methods of Analysis, Investment Strategies and Risk of Loss

INVESTMENT PRINCIPLES

At Artemis we focus our primary attention on achieving the optimal mix of assets for our clients, reflecting their long-term investment goals and risk tolerance. Our asset allocation strategies are built upon a foundation of: clearly-defined investment goals, diversification of risk, dynamic asset allocation and efficient execution.

a. Clearly-defined Investment Goals

It would be impossible for us to select the right assets for our clients without first gaining a clear understanding of their aspirations, business plans and financial goals. To gain this clarity, we interview our clients and ask them to complete one or more questionnaires that will enable us to further evaluate their tolerance for risk. Based on this information, we develop and discuss alternative investment strategies that will fulfill our clients' objectives. The investment objectives, strategy and parameters are codified in a personal Investment Policy Statement (IPS).

b. Diversification of Investment Risk



We draw upon a wide investment opportunity set to achieve our clients' objectives, including stocks, bonds, real estate, and commodities. Within the equity portion of the portfolio, we seek diversification across large and small capitalization stocks, U.S. and international stocks, and value and growth-oriented stocks. For the fixed income portion of the portfolio, we utilize municipals bond funds and ladders, mortgage-backed securities, emerging market bonds, inflation-protected bonds, international bonds, and (on a tactical basis) corporate credit funds.

We believe that one key to achieving good risk-adjusted returns is pursuing investment opportunities throughout the world. The U.S. market represents only approximately 40% of global market capitalization, and there are large and varied opportunities overseas.

c. Dynamic Asset Allocation

We establish prudent ranges around our clients' strategic allocation targets. This discretion allows us to dynamically manage broad asset class exposures in order to protect the portfolio from valuation extremes and/or take advantage of opportunities that offer exceptional appreciation potential. In doing so, we take account of our clients' tolerance for risk, the risk-reward profile of the investments under consideration and the costs of executing.

d. Efficient Investment Execution

Our investment philosophy is premised on the belief that capital markets are generally efficient, meaning that individual security prices reflect all publicly available information. Though prices are not always correct, markets are so competitive that it is unlikely any single investor—even a professional one—can routinely profit at the expense of all other investors. As such, we believe that index- and exchange-traded funds (ETFs) are the most efficient building blocks for well structured portfolios. We make prudent allocations to actively-managed funds, where there is greater scope for excess returns, or where there is no comparable passively-managed fund.

METHODS OF ANALYSIS

In designing investment plans for clients, we rely on information supplied by the client and the client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management planning, short-term and long-term financial goals and objectives, investment time horizon, and perceived tolerance for risk. This information becomes the basis for the client's strategic asset allocation, which we believe will best meet the client's stated longer term financial goals. The strategic asset allocation provides for investments in those asset classes which Artemis believes possess attractive return, risk and correlation attributes over the longer term.

We undertake primary research to develop proprietary estimates of projected future long-term returns of assets classes, and their current relative valuations. To develop these estimates, we utilize a wide variety of sources including general economic and market data, financial newspapers and journals,



academic white papers and periodicals, and data aggregation services (e.g., Bloomberg, Morningstar, etc.). Artemis also receives research from a variety of firms including Dimensional Fund Advisors (DFA), Fidelity and other brokerage firms.

The above-described analysis forms the basis for the shorter-term dynamic allocation targets we establish for our clients. These fall within agreed ranges around a client's strategic asset allocation, and allow us to protect the portfolio from markets tendency to overshoot fair value. For example, although equities have historically outperformed bonds, valuation extremes such as occurred in 1999-2000 substantially reduced the likelihood of outperformance over the following years. In such circumstances, holding a dynamic allocation to equities that is below the strategic weight (typically over a 1-3 year horizon) will result in higher absolute returns. Conversely, when we believe that certain asset classes (or individual markets) are undervalued, a larger allocation may be warranted. We establish dynamic allocation ranges in consultation with each client based on their risk tolerance.

TYPES OF INVESTMENTS

Each client typically receives an investment portfolio consisting mainly of no-load stock and bond mutual funds and/or exchange-traded funds. For clients with a substantial municipal bond allocation, Artemis generally purchases individual bonds with the assistance of a municipal bond separate account manager. For equity exposure, we rely heavily on mutual funds offered by Dimensional Funds Advisors (DFA). DFA mutual funds offer broad diversification and most are structured for low turnover, so as to substantially lessen the often substantial transaction costs incurred by mutual funds and ETFs. For select fixed income classes (e.g., emerging market bonds, mortgage-backed securities), we rely on actively-managed funds.

Client portfolios will also typically include exposure to publically-traded domestic and international real estate investment trusts (REITS), and a commodity index. Artemis does not recommend any other alternative assets such as private equity or hedge funds, due primarily to the extreme difficulty small investors face in gaining access to the very small minority of funds that have demonstrated a superior investment record.

RISK OF LOSS, GENERALLY

Investing in securities involves a risk of loss that clients should be prepared to bear. Artemis's investment recommendations seek to limit risk through broad diversification across a range of asset classes. Additionally, we allocate investment capital dynamically in response to valuation risks and opportunities. Nevertheless, our investment methodology may still subject the client to potential declines in the value of their portfolios, which could at times be dramatic. We believe there exists a high probability, in most market environments, of long-term (i.e., 15 years or more) outperformance of emerging market, small-capitalization and value-oriented stocks, relative to developed market, large-capitalization and growth stocks. Hence, the equity portion of our client's portfolios is tilted toward these sectors. Accordingly, the normally greater expected return of the equity portion of our clients'



portfolios permits the overall allocation to equities to be smaller than is typical, while the allocation to fixed income and real assets (i.e., inflation hedges) is larger. Artemis believes that this is the best way to temper the shorter-term volatility of the stock market, especially for clients who derive income from their portfolios.

Given fluctuations in the equity risk premium (i.e., the additional expected return for investing in the broad equity market, relative to U.S. Treasury bills), as well as the value and small cap premiums, Artemis's investment approach is best suited for clients with an investment time horizon of a minimum of ten years. While Artemis seeks to reduce non-compensated risks to which a client may be exposed, other risks (including but not limited to the risk of a general stock market decline) must be assumed in order to attain a client's longer-term financial goals. Artemis cannot provide any guarantee that the client's goals and objectives will be achieved.

RISK OF LOSS, CERTAIN HIGHER-RISK SECURITIES

While Artemis does not recommend the purchase of individual common stocks or some alternative investments such as hedge funds and private equity, clients may wish to retain existing holdings (often for tax reasons), or to purchase more of the same. When individual common stocks or private equity are held in a client's investment portfolio, the client remains exposed to specific company risk, i.e., the risk that the company may go bankrupt or otherwise fail. Hedge funds entail a wide variety of other risks, depending on the investment strategy employed, and most often do not deliver a superior result, after taking into account their higher fees and the tax consequences of short-term trading.

Certain securities that Artemis recommends, such as publically-traded real estate investment trusts and commodity funds, are more volatile than equity and fixed income. Artemis attempts to mitigate this risk by making modest allocations of these assets in most client portfolios.

8. Disciplinary Information

Artemis has never been convicted of, or pled guilty or no contest to, any felony, misdemeanor or conspiracy to commit any offenses that involved investments or an investment-related business.

Artemis has never been a named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses.

Artemis has never been involved in a violation of an investment-related statute or regulation, or been the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the firm from engaging in any investment-related activity, or from violating any investment-related statute, or rule.



Artemis has never been involved in an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the firm or a management person was:

- a. found to have caused an investment-related business to lose its authorization to do business; or
- b. barred or suspended the firm's or a management person's association with an investment-related business; or
- c. otherwise significantly limited the firm's or a management person's investment-related activities; or
- d. imposed a civil money penalty of more than \$2,500.

Artemis has never been a participant in a self-regulatory organization (SRO) proceeding in which the firm or a management person was:

- a. found to have caused an investment-related business to lose its authorization to do business; or
- b. found to have been involved in a violation of the SRO's rules and was:
 - (i) barred or suspended from membership or from association with other members, or was expelled from membership; or
 - (ii) otherwise significantly limited from investment-related activities; or
 - (iii) fined more than \$2,500.

9. Other Financial Industry Activities and Affiliations

None of Artemis's management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Further, none of Artemis's management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Artemis does have a strategic alliance with Boston-based registered investment adviser, **Athena Capital Advisors**. Athena provides investment and family office services to ultra high net-worth clients (Athena's minimum annual advisory fee is \$150,000) who have needs beyond those of Artemis clients. The alliance is structured to be mutually beneficial to both firms. Artemis and Athena may also jointly identify and serve clients who desire a mix of services from both firms. In this way, clients of Artemis can gain access to Athena's proprietary fund of funds, Athena Alpha Investors. Similarly, Athena clients can participate in Artemis's dynamic approach to asset allocation in the public markets. Artemis may serve as a sub-advisor to Athena for the management of select assets (and vice versa), or as an independent consultant. For more information about Athena, please visit www.athenacapital.com.



Artemis does not receive any compensation directly or indirectly from any advisors we recommend or select for our clients.

10. Code of Ethics, Interest in Client Transactions and Personal Trading

The Principal of Artemis may buy or sell the same mutual funds, ETFs and other investment vehicles that Artemis recommends to its clients consistent with Artemis's policies and procedures. In accordance with Section 204A of the Advisers Act, Artemis has adopted a code of ethics that sets forth the standards of conduct expected of its associated personnel and requires compliance with applicable securities laws ("Code of Ethics"). It is the policy of Artemis that no person employed by Artemis may purchase or sell any security prior to a transaction being implemented for a client, thus preventing such employees from potentially benefiting from transactions placed on behalf of advisory accounts. This rule does not apply to mutual fund and exchange-traded fund transactions since trades are executed at the closing price at the end of the trading day.

Artemis's Code of Ethics covers a range of topics including: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. Artemis will provide a copy of the Code to any client or prospective client upon request.

11. Brokerage Practices

Artemis requires that its clients move transferable assets to *Fidelity Investments*. This is necessary so that Artemis can provide its clients with consolidated performance reporting and to closely and effectively manage all client assets. Artemis has negotiated fair and reasonable transaction cost rates in line with its best execution policies during its engagement with *Fidelity*. As part of Artemis's best execution policy, Artemis periodically monitors and compares execution prices with those of other brokers, to ensure that *Fidelity* remains competitive.

As a result of Artemis's advisory agreement with *Fidelity*, Artemis receives the following at no charge:

- Online access to client accounts
- Trade order software
- Closing security prices
- Practice management and compliance updates
- Select market research and other publications
- Invitations to educational seminars

The availability of these supplementary products and services is not contingent upon Artemis's committing to its preferred custodian any specific amount of trading business.



Artemis does not receive any soft dollar benefits or use client brokerage commissions to obtain research or other products or services. Further Artemis does not, and would not, direct client transactions to a particular broker in return for client referrals or any other service or product.

Artemis has chosen not to aggregate (combine for purposes of securing reduced commissions or transaction fees) the trades of its clients. This is due to the fact that all trade decisions are reviewed for near-term and longer-term tax efficiency, which requires individual analysis of most trading decisions. As a result, our clients do not receive the benefits of reduced transaction fees that such aggregation of trades could provide to them. However, Artemis's clients may receive benefits from enhanced tax-efficient portfolio management, which clients of other investment advisors may not be receiving.

Artemis will, on occasion, utilize brokers other than Fidelity (namely, Advisors Asset Management and YieldQuest) to help with the purchase and sale of fixed income securities. Artemis makes this choice because these more specialized brokers provide a value-added service of helping the firm design and manage municipal bond ladders for its clients.

Artemis periodically monitors these firms' execution prices with those of other brokers, to ensure that they are competitive.

12. Review of Accounts

All client accounts are reviewed on a bi-weekly basis to determine if the current asset allocation for the portfolio is out of tolerance with the desired allocation, which is based upon the client's IPS. When a portfolio is significantly out of range, the assets will be reallocated to keep the portfolio allocation consistent with the IPS.

Every client receives a customized written investment performance report on a quarterly basis in addition to monthly account statements and trade confirmations received directly from the firm's custodial agent, *Fidelity Investments*. Clients also receive a written quarterly report, which provides Artemis's perspective on the markets and their implications for some of the investment strategies the firm is pursuing.

Clients can also expect a formal annual review meeting each year, in which the client's investment strategy and financial plan are reviewed and updated, as well as communications via email and phone throughout the year. At the client request, the firm will have quarterly calls with clients. Leigh Bivings conducts all reviews.

13. Client Referrals and Other Compensation

Artemis does not receive any compensation or economic benefit directly or indirectly from any advisors we recommend or select for our clients.



As part of Artemis's strategic alliance with Athena, Artemis may compensate Athena for a client referral. Any such referral fee is in accordance to established written agreements between the two firms and in compliance with the Investment Advisors Act of 1940, Section 275.206(4)-3. Such referral fee takes the form of a fee-sharing arrangement, is paid solely out of Artemis's advisory fee, and shall not result in any additional charge to the client.

When Artemis and Athena jointly serve a client, they will enter into a fee-sharing arrangement that is based upon the distribution of services each firm will be providing to the client. This arrangement will not result in any additional charge to the client unless the client and the two firms agree that the client will receive more services than are typically available under either firm's standard fee schedule. The fee-sharing arrangement will be fully disclosed to the prospective client in writing.

Artemis does not accept referral fees from Athena, nor will it accept any kind of commission or placement fee for introducing its clients to Athena's hedge fund of funds product, Athena Alpha Investors (AAI). If a client of Artemis participates in AAI, Artemis shall not receive investment advisory fees on the portion of the client's assets invested in the fund, but will continue to take those assets into account when making investment recommendations pertaining to the client's overall portfolio.

Artemis does not pay referral fees or have fee-sharing arrangements with any firm other than Athena Capital Advisors.

14. Custody

It is Artemis's policy not to accept custody of a client's funds or securities.

15. Investment Discretion

Artemis establishes a discretionary investment relationship with most of its clients. This type of relationship helps to facilitate the investment process. For example, it allows Artemis to rebalance client portfolios when necessary and to request third-party checks for a client. Artemis also may render non-discretionary investment managed services to clients relative to: (1) variable life/annuity products that they may own, (2) their individual employer-sponsored retirement plans; and/or, (3) their state-sponsored educational savings plans. In so doing, Artemis either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product or the retirement or educational savings plan. The client's assets shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement or educational savings plan.

As previously mentioned, for the vast majority of the firm's clients, Artemis has the authority to determine, without specific client consent, funds to be bought or sold, and the amounts thereof, without limitations. Importantly, however, the firm's discretionary authority is bounded by the written



investment policy statement developed for the client and signed by the client. In this same document, Artemis will explicitly note any limitations clients may place on the firm's discretionary authority. Artemis is prohibited from withdrawing funds or securities from clients' accounts, except for the deduction of advisory fees.

16. Voting Client Securities

Artemis does not vote proxies for clients. Therefore, the firm's clients retain responsibility for voting proxies on securities held in all their accounts (including the accounts managed by Artemis). Clients are, however, welcome to contact us with questions about a particular issue.

17. Financial Information

Artemis does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Further, the firm is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.



Form ADV Part 2B

December 31, 2011



This brochure provides information about the following individuals: Leigh Bivings and Karen Carr and supplements the information provided in the firm's ADV, Part 2a brochure. Please contact us at 617-542-2420 if you did not receive our ADV, Part 2a or if you have any questions about the contents of this supplement.

Additional information about Artemis Financial Advisors and the above-named advisors is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Artemis Financial Advisors is 146203.

Artemis Financial Advisors, LLC

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Leigh Bivings Ph.D., CFP®

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Born: 1958

Education Background:

Ph.D., M.A., Applied Economics, Food Research Institute, Stanford University, 1992
M.A., International Trade and Finance, University of Sussex, England, 1986
Post-Graduate Diploma, Economics, London School of Economics and Political Science, 1985
A.B., International Relations, Pomona College, 1980

Business Background:

Artemis Financial Advisors (formerly ELB Advisors), Founder and CEO, 2007-present
Stax Inc., Managing Director, 2003-2006
The Monitor Group, Partner, 1992-2002

Affiliations:

Boston YWCA: Board Member
National Association of Personal Financial Advisors (NAPFA), Member
Financial Planning Association (FPA), Member
Boston Estate Planning Council, Member
Boston Economic Club, Member
Big Sister Association of Greater Boston, Big Sister

Honors:

AAEA National Prize for Most Outstanding Doctoral Dissertation, 1993
LSE diploma awarded with Outstanding Merit, 1985
International Rotary Foundation Fellowship, 1985

Certifications:

Certified Financial Planner [CFP®]: Accredited by the National Commission for Certifying Agencies (NCCA), this designation is issued by the Certified Financial Planner Board of Standards, Inc. (CFPBS) and is granted to individuals who complete a CFP Certification Examination and as well as to meet the following prerequisites: bachelor's degree from an accredited college or university and three years of full time personal financial planning experience. In order to qualify, the candidate must complete a CFP-board registered program or hold one of the following titles: CPA, ChFC, Chartered Life Underwriter (CLU), CFA, PhD in business economics, Doctor of Business Administration or Attorney's License. Once issued, the candidate is required to complete 30 hours of continuing education every two years and must continuously meet the standards administered by CFPBS.

DISCIPLINARY INFORMATION

- A. Leigh Bivings has never been involved with a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which she:
1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
 2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
 3. was found to have been involved in a violation of an investment-related statute or regulation; or
 4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.
- B. Leigh Bivings has never been involved with an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which she:
1. was found to have caused an investment-related business to lose its authorization to do business; or
 2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
 - a) denying, suspending, or revoking her authorization to act in an investment-related business;
 - b) barring or suspending her association with an investment-related business;
 - c) otherwise significantly limiting her investment-related activities; or
 - d) imposing a civil money penalty of more than \$2,500 on her.
- C. Leigh Bivings has never been involved with a self-regulatory organization (SRO) proceeding in which she:
1. was found to have caused an investment-related business to lose its authorization to do business; or



2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.
- D. Leigh Bivings has never been involved with any other proceeding in which a professional attainment, designation, or license of hers was revoked or suspended because of a violation of rules relating to professional conduct.

OTHER BUSINESS ACTIVITIES

- A. Leigh Bivings is not engaged in any other investment-related business or occupation, nor does she have an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA.

Leigh Bivings does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds.

- B. Leigh Bivings is not actively engaged in any business or occupation for compensation outside of Artemis Financial Advisors.

ADDITIONAL COMPENSATION

Leigh Bivings does not receive any economic benefit / special incentive based on the number or amount of sales, client referrals, or new accounts at Artemis.

SUPERVISION

Leigh Bivings is not a supervised person.

Karen Carr

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Born: 1988

Education Background:

B.S., Finance, Bentley University, 2009

Business Background:

Artemis Financial Advisors, Support Advisor, 2009-present

Scottrade, Stockbroker Intern, 2009

J. Crew Retailer, Sales Associate, 2008-2009

Honors:

President's List, Dean's List, Presidential Academic Scholarship, Bentley University

Certifications:

Currently studying to become a **Certified Financial Planner [CFP®]** – expected in 2012.

DISCIPLINARY INFORMATION

- A. Karen Carr has never been involved with a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which she:
1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
 2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
 3. was found to have been involved in a violation of an investment-related statute or regulation; or
 4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.



- B. Karen Carr has never been involved with an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which she:
1. was found to have caused an investment-related business to lose its authorization to do business; or
 2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
 - a) denying, suspending, or revoking her authorization to act in an investment-related business;
 - b) barring or suspending her association with an investment-related business;
 - c) otherwise significantly limiting her investment-related activities; or
 - d) imposing a civil money penalty of more than \$2,500 on her.
- C. Karen Carr has never been involved with a self-regulatory organization (SRO) proceeding in which she:
1. was found to have caused an investment-related business to lose its authorization to do business; or
 2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.
- D. Karen Carr has never been involved with any other proceeding in which a professional attainment, designation, or license of hers was revoked or suspended because of a violation of rules relating to professional conduct.

OTHER BUSINESS ACTIVITIES

- A. Karen Carr is not engaged in any other investment-related business or occupation, nor does she have an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA.

Karen Carr does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds.

- B. Karen Carr is not actively engaged in any business or occupation for compensation outside of Artemis Financial Advisors.

ADDITIONAL COMPENSATION

Karen Carr does not receive any economic benefit based on the number or amount of sales, client referrals, or new accounts at Artemis.

SUPERVISION

Karen Carr is supervised by Leigh Bivings, who can be reached at 617-542-2420. Leigh meets weekly with Karen and reviews all of her work.