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## **FORM ADV PART 2A. BROCHURE**

**This brochure provides information about the qualifications and business practices of Graham & Dodd Fund, LLC. If you have any questions about the contents of this brochure, please contact us at 212-649-5884. 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 Graham & Dodd Fund, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Graham & Dodd Fund, LLC is 148285.**

**Graham & Dodd Fund, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## Table of Contents

<b><i>Advisory Business.....</i></b>	<b><i>1</i></b>
<b><i>Fees and Compensation .....</i></b>	<b><i>2</i></b>
<b><i>Performance-Based Fees and Side-By-Side Management .....</i></b>	<b><i>3</i></b>
<b><i>Types of Clients.....</i></b>	<b><i>4</i></b>
<b><i>Methods of Analysis, Investment Strategies and Risk of Loss.....</i></b>	<b><i>5</i></b>
<b><i>Disciplinary Information.....</i></b>	<b><i>6</i></b>
<b><i>Other Financial Industry Activities and Affiliations .....</i></b>	<b><i>7</i></b>
<b><i>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</i></b>	<b><i>8</i></b>
<b><i>Brokerage Practices .....</i></b>	<b><i>10</i></b>
<b><i>Review of Accounts.....</i></b>	<b><i>11</i></b>
<b><i>Client Referrals and Other Compensation.....</i></b>	<b><i>12</i></b>
<b><i>Custody.....</i></b>	<b><i>13</i></b>
<b><i>Investment Discretion .....</i></b>	<b><i>14</i></b>
<b><i>Voting Client Securities.....</i></b>	<b><i>15</i></b>
<b><i>Financial Information.....</i></b>	<b><i>16</i></b>
<b><i>Requirements for State-Registered Advisers.....</i></b>	<b><i>17</i></b>
<b><i>Additional Information.....</i></b>	<b><i>18</i></b>

## ***Advisory Business***

Form ADV Part 2A, Item 4

Graham & Dodd, LLC's registration was granted by the U.S. Securities and Exchange Commission on February 27, 2009. David Maurice Masten Montero-Rosen, LLC (CRD Number 1146696) is the Member of the firm and owns one-hundred (100%) percent of the equity of the firm. James Edward Barrett (CRD Number 1995035) is the firm's Chief Compliance Officer. The firm is not publicly owned or traded. There are no indirect owners of the firm. The firm manages each client's portfolio on an individualized basis. Clients may impose restrictions on their accounts. The firm does not sponsor any wrap programs. As of December 31, 2011, the firm managed assets on a discretionary basis in the amount of \$123,785,178, representing 6 accounts.

Firm accepts institutional separate accounts to manage, on a discretionary basis, from state and municipal, family office and other institutions, for their Separate Account product. Firm has a Commingled Fund Vehicle (private placement fund) it sells to qualified investors under Regulation D.

### ***Fees and Compensation***

Form ADV Part 2A, Item 5

The advisory fee shall be as follows: For accounts up to \$5,000,000, the advisory fee shall be 1.25%. For accounts which are over \$5,000,000, the advisory fee shall be 1.00%. This shall be an annualized fee. Fees shall be based quarterly and shall be payable quarterly in advance. All unearned or unapplied fees will be refunded by firm at once. Clients enjoy a five business day penalty-free right of rescission.

Our fees for accounts managed outside of the Fund as separate accounts will be as follows:

For accounts with an initial balance of \$3 Million to \$5 Million 1.00%

For those amounts up to \$10 million 0.80%

For those amounts \$10 million or above \$15 Million 0.70%

For those amounts \$15 million or above negotiable

All fees are payable quarterly in advance. Changes in account size due to valuation will not cause the imposition of revised fees. Changes in account balances due to contributions or withdrawals do. Minimum account size \$3 million.

Advisors or consultants giving us a number of accounts that add up to any of the above AUMs receive a discount for all of their clients to the aggregate rate described above or their negotiated rate which would apply to all clients.

***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

None.

***Types of Clients***

Form ADV Part 2A, Item 7

Individuals, pension plans, profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

***Methods of Analysis, Investment Strategies and Risk of Loss***

Form ADV Part 2A, Item 8

Method of securities analysis is fundamental analysis.

Investment strategies are long term purchases (securities held at least a year), short term purchases (securities sold within a year) and trading (securities sold within 30 days).

Investing in securities involves risk of loss that clients should be prepared to bear.

***Disciplinary Information***

Form ADV Part 2A, Item 9

None.



***Other Financial Industry Activities and Affiliations***

Form ADV Part 2A, Item 10

Firm has a Commingled Fund Vehicle (private placement fund) it sells to qualified investors under Regulation D.

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

Form ADV Part 2A, Item 11

The firm has adopted The CFA Asset Manager Code of Professional Conduct, which is a written Code of Ethics which outlines the professional behavior which is required of all associated persons. The firm also has both a Firm Compliance Manual and a GIPS Compliance Manual. Mr. Barrett shall monitor the personal securities transactions of any and all access persons and arrange to have a third party review his personal transactions. A copy of the firm's Compliance Manual and GIPS Manual are available to all clients and prospective clients upon request.

Firm or individuals associated with Firm may buy or sell securities identical to those recommended to customers for their personal account.

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

Firm or any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

As these situations may represent a conflict of interest, Firm has established the following restrictions in order to ensure its fiduciary responsibilities:

- 1) A director, officer or employee of Firm shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No associated person of Firm shall prefer his or her own interest to that of the advisory client;
- 2) Firm maintains a list of all securities holdings for itself, and anyone associated with this advisory practice. These holdings are reviewed on a regular basis by David Montero-Rosen.
- 3) Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices;
- 4) Any individual not in observance of the above may be subject to termination.

It is further noted that Firm is in and shall continue to be in total compliance with The Insider Trading and securities Fraud Enforcement Act of 1988. Specifically, Firm has adopted a firm wide policy statement outlining insider trading compliance by Firm and its associated persons and other employees. This statement has been distributed to all associated persons and other employees of Firm and has been signed and dated by each such person. A copy of such firm wide policy is left with such person and the original is maintained in a master file. Further, Firm has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the firm wide policy. These materials are also distributed to all associated persons and other employees of Firm, are signed, dated, and filed with the insider trading compliance materials. There are provisions adopted for: (1) restricting access to files, (2) providing continuing education, (3) restricting and/or monitoring trading on those securities of which Firm's employees may have non-public information, (4) requiring all of the Firm's employees to conduct their trading through a specified broker or reporting all transactions promptly to Firm, and (5) monitoring the securities trading of the firm and its employees and associated persons.

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***Brokerage Practices***

Form ADV Part 2A, Item 12

Not applicable.

***Review of Accounts***

**Form ADV Part 2A, Item 13**

David Montero-Rosen undertakes continuous reviews on a monthly and quarterly basis.

***Client Referrals and Other Compensation***

Form ADV Part 2A, Item 14

The firm has no solicitation arrangements in force.

With respect to additional compensation, Firm has a Commingled Fund Vehicle (private placement fund) it sells to qualified investors under Regulation D.

*Custody*

Form ADV Part 2A, Item 15

None.

***Investment Discretion***

Form ADV Part 2A, Item 16

The firm does have limited investment and brokerage discretion. As such, the firm may determine, without first obtaining client consent, the securities to be bought or sold, the amount of the securities to be bought or sold, the broker or dealer to be used and commission rates to be paid.



***Voting Client Securities***

Form ADV Part 2A, Item 17

As a general rule, the firm does not vote proxy statements on behalf of advisory clients. However, two clients do mandate that we vote proxy statements on their behalf.

***Financial Information***

Form ADV Part 2A, Item 18

No financial reporting is required as the firm does not vote proxy statements on behalf of clients.

***Requirements for State-Registered Advisers***

Form ADV Part 2A, Item 19

Not applicable.

*Additional Information*

None.