

**Part 2A of Form ADV: *Firm Brochure***

**Chartwell Consulting (USA) LLC**

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This brochure provides information about the qualifications and business practices of Chartwell Consulting (USA) LLC. If you have any questions about the contents of this brochure, please contact us at (973) 783-2900 or [chartwell@chartwellusa.com](mailto:chartwell@chartwellusa.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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Chartwell Consulting (USA) LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 106500.

## **Item 2    Material Changes**

This Firm Brochure, dated 01/30/2015 provides you with a summary of Chartwell Consulting (USA) LLC's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 01/04/2014:

No material changes.

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## **Item 4    Advisory Business**

Chartwell Consulting (USA) LLC is a SEC-registered investment adviser with its principal place of business located in NJ. Chartwell Consulting (USA) LLC began conducting business in 1994.

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

- Nataalka O. Bukalo,
- Richard D. Shaffer,

Chartwell Consulting (USA) LLC offers the following non-discretionary advisory services to our clients:

### **ASSET CONSULTING SERVICES**

The primary clients for these services will be pension, profit sharing and 401(k) plans, endowments and foundations. We offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Asset Consulting Services are comprised of the following distinct services. Clients may choose to use any or all of these services.

#### *Investment Policy Statement Preparation (hereinafter referred to as "IPS"):*

We will meet with the client to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles, the procedures and timing interval for monitoring of investment performance and any pertinent investment restrictions.

#### *Selection of Investment Vehicles:*

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various investment funds, individual manager strategies and/or fund of funds to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

#### *Monitoring of Investment Performance:*

We monitor client investments continually, based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

#### *Employee Communications:*

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising

control over assets in their own account ("self-directed plans"), we may also provide quarterly educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

### **AMOUNT OF MANAGED ASSETS**

As disclosed above, our firm provides asset consulting services to our advisory clients. Because our services do not include portfolio management, or other advisory services that pertain to the management of client assets, we do not have a value of managed assets to report.

As of 12/31/2014, we were providing asset consulting services to \$2 billion of clients' assets on a non-discretionary basis.

We also provide several advisory services separately or in combination.

## **Item 5 Fees and Compensation**

### **ASSET CONSULTING FEES**

Chartwell Consulting provides asset management consulting services as described below:

#### **INVESTMENT POLICY FORMULATION**

Work with clients to establish the risk and return requirements for their assets. Investments restrictions are also identified, and performance guidelines use for evaluations are established. The fee is \$5,000 per client/plan. All fees will be due upon presentation of the work to the client.

#### **ASSET LIABILITY STUDY**

The exposure in equities and fixed income (including international), cash equivalents and any other client approved asset class (alternatives, private equity, real estate, etc.) in a client's portfolio can be evaluated. Specific asset groups will be reviewed to help better achieve the client's return or asset liability goals. The fees will typically range from \$15,000 to \$25,000 depending on the number of asset classes to be evaluated and the complexity of the client's situation. All fees will be due upon presentation of the work to the client.

#### **INVESTMENT COMPANY SEARCH**

Chartwell Consulting can screen for mutual funds based on the specific needs of a client. The fees for this service will range from \$4,000 to \$7,500 per fund search. All fees will be due upon presentation of work to the client.

## INVESTMENT ADVISOR SEARCH

Chartwell will screen for investment advisers for separate account or commingled fund management based on client specific criteria. The fee for this service ranges from \$10,000-\$20,000 for each search, depending on the structure of the search (traditional management versus alternatives, for example). In the event of a multiple manager search, an appropriate fee structure may be negotiated.

## PERFORMANCE MONITORING AND EVALUATION

Chartwell will provide performance reports and evaluation (provided that adequate and appropriate documentation is supplied by the client and/or client's custodian). The fee for this service is \$8,000 to \$12,000 per investment manager or fund evaluated, or can be a percent of assets which are being monitored. These fees will be billed quarterly in arrears.

## GENERAL INFORMATION ON FEES

In certain circumstances, all fees and account minimums can be negotiated.

A client agreement may be canceled at any time, by either party for any reason upon receipt of 90 days written notice. Upon termination on any account any prepaid, unearned fees will be promptly refunded.

If a client requests a special version of any of the above services that goes beyond the typical scope of these services, Chartwell may charge an additional fee. The size of this fee will be determined by the complexity of each client's request. This fee will be disclosed to the client before entering into the service and will be due and payable upon completion of the service or quarterly in arrears, if applicable.

At the discretion of the client, and when applicable, all or part of the client's fee may be paid directly by an investment company in a 12(b)-1 fee offset arrangement or from a client's ERISA budget/administration account by their recordkeeper. Under such arrangements, Chartwell will always invoice the client and the plan sponsor may direct payment of 12b-1 fees associated with the plan's investment in a mutual fund or the invoiced amount from their ERISA budget/administration account. Chartwell may, at the client's request, assist in negotiating such an arrangement; however, no client is obligated to enter into this type of arrangement.

## 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 90 days written notice. 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.

***Mutual Fund Fees:*** All fees paid to Chartwell Consulting (USA) LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds

and/or EFTs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s).

***IF APPLICABLE: Grandfathering of Minimum Account Requirements:*** Pre-existing advisory clients are subject to Chartwell Consulting (USA) LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

***ERISA Accounts:*** Chartwell Consulting (USA) 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"). 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, Chartwell Consulting (USA) 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 Chartwell Consulting (USA) 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 \$1200 more than six months in advance of services rendered.

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

Chartwell Consulting (USA) LLC does not charge performance-based fees.

## Item 7 Types of Clients

Chartwell Consulting (USA) LLC provides advisory services to the following types of clients:

- High net worth individuals
- Pension and profit sharing plans(other than plan participants)
- Charitable organizations (endowments, foundations)
- Corporations or other businesses not listed above
- State or municipal government entities

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

### METHODS OF ANALYSIS

We use the following methods of analysis in formulating our consulting advice:

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the historic market data, and other publicly-available sources of information, 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.

## 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**

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

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.

Chartwell Consulting (USA) 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.

Chartwell Consulting (USA) LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [chartwell@chartwellusa.com](mailto:chartwell@chartwellusa.com), or by calling us at (973) 783-2900.

Chartwell Consulting (USA) LLC and individuals associated with our firm are prohibited from engaging in principal transactions.

Chartwell Consulting (USA) LLC and individuals associated with our firm are prohibited from engaging in agency cross transactions.

## **Item 12 Brokerage Practices**

Chartwell Consulting (USA) LLC does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

## **Item 13    Review of Accounts**

### **ASSET CONSULTING SERVICES**

**REVIEWS:** Chartwell Consulting (USA) LLC will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. Chartwell Consulting (USA) LLC will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly.

These accounts are reviewed by: Nataalka Bukalo and Richard Shaffer

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory relationship.

## **Item 14    Client Referrals and Other Compensation**

It is Chartwell Consulting (USA) LLC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Chartwell Consulting (USA) 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**

Our firm does not have actual or constructive custody of client accounts.

## **Item 16    Investment Discretion**

As previously disclosed in Item 4 of this brochure, our firm does not provide discretionary asset management services.

## **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**

Chartwell Consulting (USA) LLC has no additional financial circumstances to report.

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.

Chartwell Consulting (USA) LLC has not been the subject of a bankruptcy petition at any time during the past ten years.