

FORM ADV

Uniform Application for Investment Adviser Registration

Part II - Page 1

OMB APPROVAL
OMB Number: 3235-0049
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Name of Investment Adviser: Leahy & Clair Financial Management				
Address: (Number and Street) 6008 Sedgefield Road	(City) Midlothian	(State) VA	(Zip Code) 23112	Area Code: Telephone Number: (804) 201-8900

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

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Part II - Page 2

Applicant: Leahy & Clair Financial Mangement	SEC File Number: 801-	Date: 02/05/2009
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Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services - Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

1. A. Advisory Services and Fees. (check the applicable boxes)	For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)
Applicant:	
<input checked="" type="checkbox"/> (1) Provides investment supervisory services	85%
<input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services	%
<input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above	10%
<input type="checkbox"/> (4) Issues periodicals about securities by subscription	%
<input type="checkbox"/> (5) Issues special reports about securities not included in any service described above	%
<input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	%
<input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities	5%
<input type="checkbox"/> (8) Provides a timing service	%
<input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does the applicant call any of the services it checked above financial planning or some similar term?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
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C. Applicant offers investment advisory services for: (check all that apply):			
<input checked="" type="checkbox"/> (1) A percentage of assets under management	<input type="checkbox"/> (4) Subscription fees		
<input checked="" type="checkbox"/> (2) Hourly charges	<input type="checkbox"/> (5) Commissions		
<input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees)	<input type="checkbox"/> (6) Other		

- D. For each checked box in A above, describe on Schedule F:
- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
 - applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
 - when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of Clients - Applicant generally provides investment advice to: (check those that apply)			
<input checked="" type="checkbox"/> A. Individuals	<input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations		
<input type="checkbox"/> B. Banks or thrift institutions	<input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above		
<input type="checkbox"/> C. Investment companies	<input type="checkbox"/> G. Other (describe on Schedule F)		
<input checked="" type="checkbox"/> D. Pension and profit sharing plans			

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (3) foreign issues | <input type="checkbox"/> (1) securities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> C. Corporate debt securities | <input type="checkbox"/> J. Futures contracts on: |
| (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input checked="" type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input checked="" type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities | <input checked="" type="checkbox"/> (2) oil and gas interests |
| <input checked="" type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input checked="" type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 02/05/2009
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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes No

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? Yes No

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

For financial planning and retained clients, reviews are performed periodically, but at least annually, when additional work may be necessary or as requested by the client, fees at that time are negotiable on a per our hour basis. Leahy & Clair performs all reviews.

For clients whose assets are managed on a fee basis, quarterly summary statements are reviewed and provided by Leahy & Clair. If a client wishes a review they are done at the time. Accounts are reviewed no less than quarterly by the principles of the firm.

There are two reviewers: Thomas M. Leahy III, RFC, Managing Partner and John B. Clair, CFP, Managing Partner, both are registered investment advisor representatives of the firm and represent the firm's investment committee.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

All clients receive account statements from the mutual funds, brokerage accounts, or partnerships they might be in. These statements are usually issued quarterly and transactions in an account usually produce a monthly statement. Clarification statements or interpretations may be provided by the applicant to assist the clients.

Leahy & Clair Financial Management provides clients with managed accounts, quarterly performance reports. Explanation of mangagement fee calculations are provided on a peroidic basis determined by the fee schedule the client is on (monthly, quarterly).

Applicant: Leahy & Clair Financial Management	SEC File Number: 801- Financial	Date: 02/05/2009
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12. Investment or Brokerage Discretion.

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- | | | |
|---|---|--|
| (1) securities to be bought or sold? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold ? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) broker or dealer to be used ? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) commission rates paid? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? Yes No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? Yes No
- B. directly or indirectly compensates any person for client referrals? Yes No

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? Yes No

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 02/05/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Leahy & Clair Financial Management	IRS Empl. Ident. No.: 26-4173823
Item of Form (identify) Part II, Page 2 1A (1)	Answer <p>Leahy & Clair Financial Management (subsequently referred to as Leahy & Clair) provides an asset management program, which is a wrap fee program, <i>Investment Management – Wrap Program</i>, and for which Leahy & Clair is the portfolio manager, sponsor, organizer, and administrator. Various investment strategies are used in the management of accounts as determined by the stated investment objectives of the Client (i.e. maximum capital appreciation, growth, income, or growth and income). Leahy & Clair provides clients with asset allocation models at no charge as a part of this process.</p> <p>Leahy & Clair does not vote Proxies on behalf of their clients, but upon request, will provide advice to clients regarding issues up for shareholder vote.</p> <p>Leahy & Clair provides quarterly management reports.</p> <p>Leahy & Clair does not have custody of clients' assets. Leahy & Clair will use a variety of custodians dependent on the needs and goals of the client and the nature of their assets.</p> <p>Leahy & Clair's authority for trading is limited to transactions necessary for the transfer, exchange, liquidation or purchase of securities to meet the goals, objectives and commitments of the client as stipulated in the executed Policies and Objectives Statement. Leahy & Clair does not trade in options, futures or derivatives unless specifically requested in writing by the client and accepted by the applicable custodian.</p> <p>The assumption of ticket charge costs on the part of the Leahy & Clair is irrelevant to the investment decisions made on behalf of the client. The selection of securities is based solely on the merits of the investment and its appropriateness for the client.</p> <p>Management fees may be calculated at the beginning of each period (monthly or quarterly). Monthly management fees will be billed in advance and based on the Average Daily Balance (ADB) of the client's Account assets under management for the previous period. The ADB does not take into account un-priced securities nor does it count days when the Account has a zero balance. At the beginning of each period, Leahy & Clair will send the client a Management Fee Notification showing the ADB computed fee, any adjustment to fee, explanation of adjustment, and net fee to be deducted later in the period from client's money market mutual fund within the Account. Management fees will be automatically deducted. The fee will be assessed beginning the first full billing period following the funding of the account (s), full or partial, according to the agreed upon investment strategy. The initial fee may be based on the initial value of the account if an accurate ADB cannot be calculated due to the limited tenure of the assets deposited to the account.</p> <p>Management fees for accounts for which average daily balances cannot be calculated will be based on the balance of the client's account as of the last business weekday of the billing period. The account balance does not take into account any un-priced securities nor does it take into account any account whose balance is zero. At the beginning of each period, Leahy & Clair will send the clients a Fee Notification if the fee is billed into an account. Where the client is being billed directly, the notification will be the actual invoice. This notification will show the balance on which the account is being billed the computed fee, any adjustment to the fee, explanation of the adjustment, and net fee billed.</p> <p>Clients may incur certain fees and charges imposed by third parties other than Leahy & Clair and its associated persons in connection with an investment placed in or made through a managed account, including but not limited to 12(b)1 distribution fees, IRA and Qualified Retirement Plan Fees.</p> <p>Load mutual funds may be purchased in a managed account on an exception basis <u>only</u> at the direction of the Client. In such instances, the Client will be asked to sign a Fee Acknowledgment Statement acknowledging that they will pay a load fee in addition to the management fee on the account.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 02/05/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Leahy & Clair Financial Management	IRS Empl. Ident. No.: 26-4173823																																																
Item of Form (identify)	Answer																																																
	<p>Trading charges for equities and mutual funds are waived in the account. However, transaction ticket charges (the actual cost of each trade, typically \$20 to \$35, plus exchange fees) may be passed on to a client at Leahy & Clair 's discretion. Fees and charges will be noted on the client's statements and confirmations. Clients may incur certain charges imposed by third parties other than Leahy & Clair in connection with investments including, but not limited to, mutual funds sales loads (if applicable), 12(b)-1 fees and surrender charges; variable annuity commissions and surrender charges; and IRA and qualified retirement plan fees.</p> <p>Because it is internal to the pricing process of trading in fixed income securities, Leahy & Clair cannot determine or control the cost of buying or selling such securities and therefore cannot assume financial responsibility. Leahy & Clair will, however, attempt to ensure best price execution.</p> <p>Advisory fees charges for managed accounts include such costs as bookkeeping, record keeping, account set-up procedures and maintenance, computer monitoring of funds and sales expenses. These fees are separate and distinct from fees and expenses charged internally by mutual funds and variable annuities, which may be recommended to clients. A description of these fees and expenses is in each fund's and annuity's prospectus.</p> <p>If Leahy & Clair is going to increase its fee, Leahy & Clair must notify the client in writing sixty (60) days in advance of the scheduled implementation of the fee increase.</p> <p>Managed account agreements may be terminated at any time by the client given thirty (30) days written notification of such to Leahy & Clair by certified mail. Managed account agreements shall be automatically renewed on an annual basis unless terminated by the client. If deposited assets are subsequently withdrawn prior to the end of the initial billing period and notification is received, the fee chargeable is the full period fee given that it is less than or equal to \$100.00, or pro-rated based on the number of days assets were under management given that the full period fee is more than \$100.00. If assets are withdrawn without client notification, the full period fee will be retained. Leahy & Clair reserves the right to wave these fees if the situation warrants it.</p> <p>The managed account agreement may be canceled in writing within five (5) business days of the date of the contract without penalty. All deposits then received will be refunded in full; otherwise all terms and conditions as stated are binding.</p> <p>Managed accounts may be placed under any of the following five schedules determined by agreement with clients and based on the complexity of the portfolio and the associated service work required to manage the client's account(s).</p> <table border="1"> <thead> <tr> <th>Fee Schedule Number</th> <th>(reduced AUM)</th> <th>\$25,000 to \$99,000</th> <th>\$100,000 to \$249,000</th> <th>\$250,000 to \$499,999</th> <th>\$500,000 to \$999,999</th> <th>\$1,000,000 to \$2,999,999</th> <th>\$3,000,000 to and above</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> <td>2.00%</td> <td>1.85%</td> <td>1.70%</td> <td>1.55%</td> <td>1.30%</td> <td>1.15%</td> </tr> <tr> <td>2</td> <td></td> <td>1.80%</td> <td>1.65%</td> <td>1.50%</td> <td>1.35%</td> <td>1.10%</td> <td>0.95%</td> </tr> <tr> <td>3</td> <td></td> <td>1.60%</td> <td>1.45%</td> <td>1.30%</td> <td>1.15%</td> <td>0.90%</td> <td>0.75%</td> </tr> <tr> <td>4</td> <td></td> <td>1.40%</td> <td>1.25%</td> <td>1.10%</td> <td>0.95%</td> <td>0.70%</td> <td>0.55%</td> </tr> <tr> <td>5</td> <td></td> <td>1.20%</td> <td>1.05%</td> <td>0.90%</td> <td>0.75%</td> <td>0.50%</td> <td>0.35%</td> </tr> </tbody> </table> <p>In order to offer management services to clients with smaller account sizes, Leahy & Clair require a Minimum annual fee of \$1,200 to cover the cost of providing the initial planning work needed to determine the structure of the client's portfolio and other associated service work. This fee would be inclusive of the account management fee and reconciled monthly. For example, an account of \$25,000 at a 2% management fee would yield an annual management fee of \$500 or \$42 a month. The client would be billed an additional \$58 to equal \$100 for the month or \$1,200 annualized.</p> <p>These percentages of billings are estimates.</p>	Fee Schedule Number	(reduced AUM)	\$25,000 to \$99,000	\$100,000 to \$249,000	\$250,000 to \$499,999	\$500,000 to \$999,999	\$1,000,000 to \$2,999,999	\$3,000,000 to and above	1		2.00%	1.85%	1.70%	1.55%	1.30%	1.15%	2		1.80%	1.65%	1.50%	1.35%	1.10%	0.95%	3		1.60%	1.45%	1.30%	1.15%	0.90%	0.75%	4		1.40%	1.25%	1.10%	0.95%	0.70%	0.55%	5		1.20%	1.05%	0.90%	0.75%	0.50%	0.35%
Fee Schedule Number	(reduced AUM)	\$25,000 to \$99,000	\$100,000 to \$249,000	\$250,000 to \$499,999	\$500,000 to \$999,999	\$1,000,000 to \$2,999,999	\$3,000,000 to and above																																										
1		2.00%	1.85%	1.70%	1.55%	1.30%	1.15%																																										
2		1.80%	1.65%	1.50%	1.35%	1.10%	0.95%																																										
3		1.60%	1.45%	1.30%	1.15%	0.90%	0.75%																																										
4		1.40%	1.25%	1.10%	0.95%	0.70%	0.55%																																										
5		1.20%	1.05%	0.90%	0.75%	0.50%	0.35%																																										
Part II, Page 2 1A (3, 7)	Leahy & Clair furnishes investment advice not included in investment supervisory services in two ways:																																																

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 02/05/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Leahy & Clair Financial Management	IRS Empl. Ident. No.: 26-4173823
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Item of Form (identify)	Answer
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Plan basis: Financial Plans, Retirement or Tax Plans, as well as consulting on corporate benefit plans (beyond that required to initially implement the client's portfolio) will be billed based on an hourly fee of \$175.00 per hour for individual clients and \$200.00 for corporate clients. These fees may be negotiable at times. An estimate based on the number of hours to complete the plan is provided the client with one-half of the estimated fee due upon signing the contract for work to be performed. The reconciled balance is due within 30 days of the presentation of the completed plan. If a client contacts us within 3 days of signing the contract and wishes to terminate, their deposit will be refunded. Refunds will not be provided for terminations occurring after this 3 day period.

Hourly basis: Clients selecting this service will be billed an hourly fee of \$175.00 per hour for individual clients and \$200.00 for corporate clients. These fees may be negotiable at times. Under Leahy & Clair's fee schedules for hourly work, there is no provision for refunds on work completed.

Summary of services provided under these arrangements may include but are not limited to:

Personal Net Worth Statement and Analysis

Cash Flow Analysis and Budgeting

Investment Assessment and Allocation Advice

Employee Benefits Consulting, to Include Qualified Plans and Health Care Benefits

Risk Assessment and Insurance Planning

Tax Analyses and Planning, which may include consultation with an outside CPA and/or Attorney

Estate Planning, which may include consultation with an outside CPA and/or Attorney

Retirement Planning, to include but not limited to Accumulation and Withdrawal Scenarios

College Planning, to include but not limited to Savings and Investment Strategies, and Application and Financial Aid Assistance

Part II, Page 3 (4A-5), (4B-8), (4C-7)	Model asset allocation portfolio programs, provided by the applicant and other institutional investment managers and strategies may be used when managing client assets.
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Part II, Page 4 (5)	Minimum requirement is a Bachelors degree from an accredited university. Leahy & Clair requires its advisors to demonstrate technical competency by achieving industry recognized licensing and experience.
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Part II, Page 4 (6)	<p>Thomas M. Leahy, III, 03/06/52, BFA, MA, Managing Partner, Leahy & Clair, 2009; Vice President, Deckert Leahy, 2000-2009; Director of Operations, Deckert & Associates, Inc., 1995-1999; Registered Principal, Securities America, Inc., 1999- 2001; Registered Representative, IFG Network Securities, 1994-1997; Registered Representative, Securities America, 1997-1999; Registered Representative, Edward D. Jones, 1994; Officer, US Army, 1974-1994</p> <p>John B. Clair, 07/11/1975, BS, Managing Partner, Leahy & Clair 2009; Director of Financial Planning and Investments, Deckert Leahy, 2008-2009; Financial Analyst, Genworth Financial,</p>
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Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 02/05/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Leahy & Clair Financial Management	IRS Empl. Ident. No.: 26-4173823
Item of Form (identify)	Answer
	2003-2008; Financial Analyst, Degussa Goldschmidt, 2003; Financial Analyst, General Electric Corp, 1997-2003
Part II, Page 4 (7A)	Thomas M. Leahy III, owns and operates a separate company, Campus Financial, which provides analyses of student financial aid eligibility and assist with college planning processes. Less than 5% of the Leahy's time is spent on the management of this company. Thomas M. Leahy III has passive interest as a silent partner in TRS Management, Gainesville, FL, which owns and manages rental property through the HUD program and also purchases and resells real estate. Less than 1% of Leahy's time is occupied by TRS Management. Thomas M. Leahy III, is founder and a director of Beacon Tree Foundation, a 501(c)(3) organization, which provides professional resources, assistance and funding to families with at-risk children. The foundation takes less than 5% of Leahy's time.
Part II, Page 4 (7B)	Leahy & Clair and its associated persons hold insurance licenses that allow the Corporation of Leahy & Clair to accept commissions for insurance products it recommends to clients. These products may fall in the areas of life, group health, long-term care, disability and Medicare supplements. Different carriers may be chosen for clients based on client needs, type of products, quality of product and financial rating of the carriers. Approximately 3% of the Advisor's time is spent on insurance consultation.
Part II, Page 5 (9)	<p>Leahy & Clair adopts the Association of Investment Management and Research (AIMR) Code of Ethics and Standards of Professional Conduct.</p> <p>The Code of Ethics:</p> <ol style="list-style-type: none"> Act with integrity, competence, dignity, and in an ethical manner when dealing with the public, clients, prospects, employers, employees, and fellow financial professionals. Practice and encourage others to practice in a professional and ethical manner that will reflect credit on financial advisors and their profession. Strive to maintain and improve their competence and the competence of others in the profession. Use reasonable care and exercise independent professional judgment. <p>It is the responsibility of the Firm's CCO to provide a copy of the Code of Ethics and Standards of Conduct to each employee and to conduct an annual review of the same with those employees.</p> <p>Although certain of officers and employees sometimes purchase or sell securities that we recommend to clients, such purchases and sales are effectuated in accordance with our Insider Trading Policy and Code of Ethics. In general, such policy provides that no employee can direct the purchase or sale of any security while it is being traded by us or deemed to be restricted by us. In addition, no employee trading is permitted while a security is being considered for inclusion in the list of securities currently being held in client accounts.</p> <p>Trading in other securities is permitted with prior approval, although certain transactions do not require prior approval, including on-going participation in an issuer's dividend or stock purchase plan, any transaction over which the employee did not have any direct or indirect influence or control, involuntary transactions, such as mergers, inheritances and gifts and transactions involving the purchase and sale of certain debt instruments and of open-end investment companies so long as we are not adviser or sub-adviser to such investment company. Employees are required to report all personal securities transactions to us, and we review such reports regularly. In order to ensure that each of our officers and employees strictly adheres to the highest standards of conduct and integrity</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 02/05/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Leahy & Clair Financial Management	IRS Empl. Ident. No.: 26-4173823
Item of Form (identify)	Answer
	<p>in conducting business on behalf of our clients, we have each officer and employee sign our Code of Ethics.</p> <p>Clients and prospective clients can obtain a copy of our Code of Ethics (which includes Insider Trading Policy) and compliance policies and procedures by making a request to our administrator (804) 201-8900, e-mail: services@leahyandclair.com.</p>
Part II, Page 5 (10)	The minimum account size required for any investment management program offered by Leahy & Clair is \$100,000. Exceptions may be made to this minimum upon request and fees charged per the reduced AUM schedule.
Part II, Page 6 (12A&B)	<p>Upon receiving written authorization from the client, the applicant's associated persons may manage client assets on a limited discretionary basis. When they do so, their discretionary authority is limited and prohibits them from withdrawing funds and/or securities from client accounts. In addition, discretionary trading authority is limited to no-load mutual funds, load funds at NAV and exchanges in variable annuity sub-accounts.</p> <p>Leahy & Clair pays all trading costs in its managed accounts, there should be no concern on the part of the client regarding Leahy & Clair's reasoning for choosing a certain broker with regard to best execution. The exception is the limited purchase of fixed income securities, for which we rely on the fixed income desk at TD Ameritrade Institutional, a division of TD Ameritrade, Inc., member FINRA/SIPC, for best execution. As such, the client may pay commissions higher than those obtainable from other brokers.</p>
Part II, Page 6 (12B)	Leahy & Clair participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional Services is a division of TD Ameritrade Inc. ("TD Ameritrade"), an FINRA/ SIPC member. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealers. TD Ameritrade offers services to independent investment advisers which include custody of securities, trade execution, clearance and settlement of transactions. Leahy & Clair receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 13.A. below.)
Part II, Page 6 (13A)	As disclosed under Item 12.B. above, Leahy & Clair participates in TD Ameritrade's institutional customer program and Leahy & Clair may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Leahy & Clair's participation in the program and the investment advice it gives to its clients, although Leahy & Clair receives economic benefits through its participation in the program. These benefits include: receipt of duplicate client confirmations; access to a trading desk serving Leahy & Clair 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, technology, and practice management products or services provided to Leahy & Clair by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Leahy & Clair's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Adviser but may not benefit its Client accounts. These products or services may assist Adviser in managing and administering Client accounts, including accounts not maintained at TD Ameritrade or Fidelity. Other services made available by TD Ameritrade are intended to help Leahy & Clair manage and further develop its business enterprise. The benefits received by Leahy & Clair or its personnel through participation in the program do not depend on the amount of

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 02/05/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Leahy & Clair Financial Management	IRS Empl. Ident. No.: 26-4173823
Item of Form (identify)	Answer
	<p>brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Leahy & Clair endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Leahy & Clair or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Leahy & Clair's choice of TD Ameritrade for custody and brokerage services.</p> <p>As part of its fiduciary duties to clients, Leahy & Clair endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Leahy & Clair [or its related persons] in and of itself creates a potential conflict of interest.</p> <p>Leahy & Clair accepts fees from various third party asset management companies, called solicitors fees, some deal primarily with institutional moneys. These managers are selected if they best serve the client needs. The fees paid to Leahy & Clair may range up to but not over 1.5% of the value of the assets managed for our clients by that firm. It is billed and paid to us on a quarterly basis.</p> <p>Associated persons of Leahy & Clair are licensed to sell insurance products and can receive sales commission from those sales.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 2/9/2009
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(for sponsors of wrap fee program)

Name of wrap fee program or programs described in attached brochure:

Leahy & Clair Financial Management Investment Mangement Program

1. **Applicability of Schedule.** This schedule must be completed by applicants that are compensated under a wrap fee program for sponsoring, or organizing, or administering the program, or for selecting, or providing advice to clients regarding the selection of, other investment advisers in the program (“sponsors”). A wrap fee program is any program under which a specified fee or fees not based directly upon transactions in a client’s account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and execution of client transactions.
2. **Use of Schedule.** This Schedule sets forth the information the sponsor must include in the wrap fee brochure it is required to deliver or offer to deliver to clients and prospective clients of its wrap fee programs under Rule 204-3 under the federal Advisers Act and similar rules of the jurisdictions. The wrap fee brochure prepared in response to this Schedule must be filed with the Commission and the jurisdictions as part of Form ADV by completing the identifying information on this Schedule and attaching the brochure. Brochures should be prepared separately, not on copies of this Schedule. Any wrap fee brochure filed with the Commission as part of an amendment to Form ADV shall contain in the upper right had corner of the cover page the sponsor’s registration number (801-).
3. **General Contents of Brochure.** Unlike Parts I and II of this form, this Schedule is not organized in “check-the-box” format. These instructions, including the requests for information in Item 7 below, should not be repeated in the brochure. Rather, this Schedule describes minimum disclosures that must be made in the brochure to satisfy the sponsor’s duty to disclose all material facts about the sponsor and its wrap fee programs. **Nothing in this Schedule relieves the sponsor from any obligation under any provision of the federal Advisers Act or rules thereunder, or other federal or state law to disclose information to its advisory clients or prospective advisory clients not specifically required by this Schedule.**
4. **Multiple Sponsors.** If two or more persons fall within the definition of “sponsor” in Item 1 above for a single wrap fee program, only one such sponsor need complete the Schedule. The sponsors may choose among themselves the sponsor that will complete the Schedule.
5. **Omission of Inapplicable Information.** Any information not specifically required by this Schedule that is included in the brochure should be applicable to clients and prospective clients of the sponsor’s wrap fee programs. If the sponsor is required to complete this Schedule with respect to more than one wrap fee program, the sponsor may omit from the brochure furnished to clients and prospective clients of any wrap fee program or programs information required by this Schedule that is not applicable to clients or prospective clients of that wrap fee program or programs. If a sponsor of more than one wrap fee program prepares separate wrap fee brochures for clients of different programs, each brochure prepared must be filed with the Commission and the jurisdictions attached to a separate copy of this Schedule. Each such brochure must state that the sponsor sponsors other wrap fee programs and state how brochures for those programs may be obtained.
6. **Updating.** Sponsors are required to file an amendment to the brochure promptly after any information in the brochure becomes materially inaccurate. Amendments may be made by use of a “sticker,” *i.e.*, a supplement affixed to the brochure that indicates what information is being added or updated and states the new or revised information, as long as the resulting brochure is readable. Stickers should be dated and should be incorporated into the text of the brochure when the brochure itself is revised.
7. **Contents of Brochure.** Include in the brochure prepared in response to this Schedule:
 - (a) on the cover page, the sponsor’s name, address, telephone number, and the following legend in bold type or some other prominent fashion:
This brochure provides clients with information about and the that should be considered before becoming a client of the . This information has not been approved or verified by any governmental authority.
 - (b) a table of contents reflecting the subject headings in the sponsor’s brochure;
 - (c) the amount of the wrap fee charged for each program or, if fees vary according to a schedule established by the sponsor, a table setting forth the fee schedule, whether such fees are negotiable, the portion of the total fee (or the range of such amounts) paid to persons providing advice to clients regarding the purchase or sale of specific securities under the program (“portfolio managers”), and the services provided under each program (including the types of portfolio management services);

Applicant: Leahy & Clair Financial Management	SEC File Number: 801-	Date: 2/9/2009
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- (d) a statement that the program may cost the client more or less than purchasing such services separately and a statement of the factors that bear upon the relative cost of the program (e.g., the cost of the services if provided separately and the trading activity in the client’s account);
- (e) if applicable, a statement that the person recommending the program to the client receives compensation as a result of the client’s participation in the program, that the amount of this compensation may be more than what the person would receive if the client participated in other programs of the sponsor or paid separately for investment advice, brokerage, and other services, and that the person may therefore have a financial incentive to recommend the wrap fee program over other programs or services;
- (f) a description of the nature of any fees that the client may pay in addition to the wrap fee and the circumstances under which these fees may be paid (including, if applicable, mutual fund expenses and mark-ups, mark-downs or spreads paid to market makers from whom securities were obtained by the wrap fee broker);
- (g) how the program’s portfolio managers are selected and reviewed, the basis upon which portfolio managers are recommended or chosen for particular clients, and the circumstances under which the sponsor will replace or recommend the replacement of the portfolio manager;
- (h)
 - (1) if applicable, a statement to the effect that portfolio manager performance information is not reviewed by the sponsor or a third party and/or that performance information is not calculated on a uniform and consistent basis,
 - (2) if performance information is reviewed to determine its accuracy, the name of the party who reviews the information and a brief description of the nature of the review,
 - (3) a reference to any standards (i.e., industry standards or standards used solely by the sponsor) under which performance information may be calculated;
- (i) a description of the information about the client that is communicated by the sponsor to the client’s portfolio manager, and how often or under what circumstances the sponsor provides updated information about the client to the portfolio manager;
- (j) any restrictions on the ability of clients to contact and consult with portfolio managers;
- (k) in narrative text, the information required by Items 7 and 8 of Part II of this form and , as applicable to clients of the wrap fee program, the information required by Items 2, 5, 6, 9A, and C, 10, 11, 13 and 14 of Part II;
- (l) if any practice or relationship disclosed in response to Item 7, 8, 9A, 9C and 13 of Part II presents a conflict between the interests of the sponsor and those of its clients, explain the nature of any such conflict of interest;
and
- (m) if the sponsor or its divisions or employees covered under the same investment adviser registration as the sponsor act as portfolio managers for a wrap fee program described in the brochure, a brief, general description of the investments and investment strategies utilized by those portfolio managers.

8. **Organization and Cross References.** Except for the cover page requirements in Item 7(a) above, information contained in the brochure need not follow the order of the items listed in Item 7. However, the brochure should not be organized in such a manner that important information called for by the form is obscured.

Set forth below the page(s) of the brochure on which the various disclosures required by Item 7 are provided.

	<i>Page(s)</i>		<i>Page(s)</i>		<i>Page(s)</i>
Item 7 (a)	cover	Item 7 (f)	2-3	Item 7 (j)	4
#7 (b)	cover	#7 (g)	4	#7 (k)	4-6
#7 (c)	2	#7 (h)	4	#7 (l)	N/A
#7 (d)	2	#7 (i)	4	#7 (m)	6-8
#7 (e)	N/A				

Leahy & Clair Financial Management
15521 Midlothian Turnpike, Suite 102, Midlothian, VA 23113
804 201-8900
Schedule H
Investment Management - Wrap Program

This brochure provides clients with information about Leahy & Clair Financial Management (subsequently referred to as Leahy & Clair) and the Wrap Fee Program offered that should be considered before becoming a client of Leahy & Clair. This information has not been approved or verified by any governmental authority.

Table of contents:

1. Description of Investment Program
2. Management Fees
3. Termination of Agreement
4. Fund/Manager Selection
5. Performance Review
6. Personal Information
7. Restrictions
8. Investment Advisors
9. Other Service/Business
10. Client Communication
11. Disclosures
12. Investment Management

1. Description of Investment Program:

Leahy & Clair provides an asset management program, which is considered a Wrap Fee Program, because the client pays a single fee, absent any commissions or trading charges. Various investment strategies are used in the management of these portfolios as determined by the stated investment objectives of the Client (i.e. maximum capital appreciation, growth, income, or growth and income). Leahy & Clair provides clients with asset allocation models at no charge as a part of this process.

Leahy & Clair does not have custody of clients' assets. Leahy & Clair will use a variety of custodians dependent on the needs and goals of the client and the nature of their assets. Currently Leahy & Clair has assets with various custodians, including TD Ameritrade Institutional Services. Custodians may be added in the course of doing business.

Leahy & Clair's authority for trading is limited to transactions necessary for the transfer, exchange, liquidation or purchase of securities to meet the goals, objectives and commitments of the client as stipulated in the executed Policies and Objectives Statement. The Advisor does not trade in options, futures or derivatives unless specifically requested in writing by the client and accepted by the applicable Custodian.

Trading Charges are waived in the account and Leahy & Clair pays all trading costs. The assumption of ticket charge costs on the part of the Leahy & Clair is irrelevant to the investment decisions made on behalf of the client. The selection of securities is based solely on the merits of the investment and its appropriateness for the client. The minimum account size required for any investment management program offered by Leahy & Clair is \$100,000. Exceptions may be made to this minimum upon request and fees charged per the reduced AUM schedule.

2. Management Fees:

Management fees may be calculated at the beginning of each period (monthly or quarterly). Monthly management fees will be billed in advance and based on the Average Daily Balance (ADB) of the client's Account assets under management for the previous period. The ADB does not take into account un-priced securities nor does it count days when the Account has a zero balance. At the beginning of each period, Leahy & Clair will send the client a Management Fee Notification showing the ADB computed fee, any adjustment to fee, explanation of adjustment, and net fee to be deducted later in the period from client's money market mutual fund within the Account. Management fees will be automatically deducted. A client account that is opened mid-period will be charged an initial management fee that includes a portion of the fee that is pro-rated for the number of days that the Account is open in the first period.

Management fees for accounts for which average daily balances cannot be calculated will be based on the balance of the client's account as of the last business weekday of the billing period. The account balance does not take into account any un-priced securities nor does it take into account any account whose balance is zero. At the beginning of each period, Leahy & Clair will send the clients a Fee Notification if the fee is billed into an account. Where the client is being billed directly, the notification will be the actual invoice. This notification will show the balance on which the account is being billed the computed fee, any adjustment to the fee, explanation of the adjustment, and net fee billed.

Clients may incur certain fees and charges imposed by third parties other than Leahy & Clair and its associated persons in connection with an investment placed, including but not limited to 12(b)1 distribution fees, IRA and Qualified Retirement Plan fees. Load mutual funds may be purchased on an exception basis only at the direction of the client. In such instances, and the client will be asked to sign a Fee Acknowledgment Statement acknowledging that they will pay a load fee in addition to the wrap fee on the account.

Because it is internal to the pricing process of trading in fixed income securities, Leahy & Clair cannot determine or control the cost of buying or selling such securities and therefore cannot assume financial responsibility. Leahy & Clair will, however, attempt to ensure best price execution.

Advisory fees charges include such costs as bookkeeping, record keeping, account set-up procedures and maintenance, computer monitoring of funds and sales expenses. These fees are separate and distinct from fees and expenses charged internally by mutual funds and variable annuities, which may be recommended to clients. A description of these fees

and expenses is in each funds' prospectus.

If Leahy & Clair is going to increase its fee, Leahy & Clair must notify the client in writing sixty (60) days in advance of the scheduled implementation of the fee increase.

Accounts can be placed under any of the following six grids determined by agreement with clients.

Schedule Number	Reduced AUM)					
	\$25,000 to \$99,000	\$100,000 to \$249,000	\$250,000 to \$499,999	\$500,000 to \$999,999	\$1,000,000 to \$2,999,999	\$3,000,000 to and above
1	2.00%	1.85%	1.70%	1.55%	1.30%	1.15%
2	1.80%	1.65%	1.50%	1.35%	1.10%	0.95%
3	1.60%	1.45%	1.30%	1.15%	0.90%	0.75%
4	1.40%	1.25%	1.10%	0.95%	0.70%	0.55%
5	1.20%	1.05%	0.90%	0.75%	0.50%	0.35%

In order to offer management services to clients with smaller account sizes, Leahy & Clair require a minimum annual fee of \$1,200.00 to cover the cost of providing the initial planning work needed to determine the structure of the client's portfolio and other associated service work. This fee would be inclusive of the account management fee and reconciled monthly. For example, an account of Leahy & Clair Financial Management (subsequently referred to as Leahy & Clair) provides an asset management program. Various investment strategies are used in the management of accounts as determined by the stated investment objectives of the Client (i.e. maximum capital appreciation, growth, income, or growth and income). Leahy & Clair provides clients with asset allocation models at no charge as a part of this process.

Leahy & Clair does not vote Proxies on behalf of their clients, but upon request, will provide advice to clients regarding issues up for shareholder vote.

Leahy & Clair provides quarterly management reports.

Leahy & Clair does not have custody of clients' assets. Leahy & Clair will use a variety of custodians dependent on the needs and goals of the client and the nature of their assets.

Leahy & Clair's authority for trading is limited to transactions necessary for the transfer, exchange, liquidation or purchase of securities to meet the goals, objectives and commitments of the client as stipulated in the executed Policies and Objectives Statement. Leahy & Clair does not trade in options, futures or derivatives unless specifically requested in writing by the client and accepted by the applicable custodian.

The assumption of ticket charge costs on the part of the Leahy & Clair is irrelevant to the investment decisions made on behalf of the client. The selection of securities is based solely on the merits of the investment and its appropriateness for the client.

Trading charges for equities and mutual funds are waived in the account. However, transaction ticket charges (the actual cost of each trade, typically \$20 to \$35, plus exchange fees) may be passed on to a client at Leahy & Clair's discretion. Fees and charges will be noted on the client's statements and confirmations. Clients may incur certain charges imposed by third parties other than Leahy & Clair in connection with investments including, but not limited to, mutual funds sales loads (if applicable), 12(b)-1 fees and surrender charges; variable annuity commissions and surrender charges; and IRA and qualified retirement plan fees.

Managed account agreements may be terminated at any time by the client given thirty (30) days written notification of such to Leahy & Clair by certified mail. Managed account agreements shall be automatically renewed on an annual basis unless terminated by the client. If deposited assets are subsequently withdrawn prior to the end of the initial billing period and notification is received, the fee chargeable is the full period fee given that it is less than or equal to \$100.00, or pro-rated based on the number of days assets were under management given that the full period fee is more than \$100.00. If assets are withdrawn without client notification, the full period fee will be retained. Leahy & Clair reserves the right to waive these fees if the situation warrants it.

The managed account agreement may be canceled in writing within five (5) business days of the date of the contract without penalty. All deposits then received will be refunded in full; otherwise all terms and conditions as stated are binding.

Management fees charged by Leahy & Clair are separate and distinct from the fees and expenses charged by mutual funds and variable annuities, which may be recommended to clients. A description of these fees and expenses are available in each fund and annuity prospectus.

3. Termination of Agreement:

Management agreements may be terminated at any time by the client given thirty (30) days, written notification of such to Leahy & Clair by certified mail. Management agreements shall be automatically renewed on an annual basis unless terminated by the client. If a management agreement is terminated or assets are withdrawn prior to the end of the management period, the fee chargeable with respect to such assets will be prorated based on the number of days management services were provided or assets were held in the account during that period. If the account is withdrawn from management during the, first year, \$100.00 of the original fee is retained as a direct cost of establishing the account and is not refundable. This cost will be reduced to \$75.00 if the account is terminated during second year of management, and \$50.00 if terminated during the third year of management. The Advisor reserves the right to waive these fees if the situation warrants it.

A management agreement may be canceled in writing within five (5) business days of the date of the contract without penalty. All deposits then received will be refunded in full; otherwise all terms and conditions as stated are binding.

This program may cost more or less than purchasing such services separately, depending on the relative cost the particular fee-based program, as opposed to the cost of those services if purchased separately and/or the volume of trading activity and associated trading costs.

4. Fund/manager Selection:

Fund/Manager selection is based on several factors., including annualized rolling 3/5 year performance, actual performance and peer ranking, MPT statistics, manager credentials, tenure and turnover, demonstrable fundamental or quantitative investment process and adherence to style, cap or sector methodology. Fund/Managers are reviewed on a recurring basis, normally quarterly.

The fund/manager could potentially be replaced given a negative trend in any of the areas of review or changing needs of the client.

5. Performance Review:

For portfolios managed in-house, performance is measured for client reviews using dbCAMS generating an IRR calculation for a given period of time. Third party managers' performance is not formally reviewed or presented, but during client meetings an informal rate of return is calculated using period statements.

6. Client Personal Information:

Client personal information provided to custodians is limited to that which is necessary for the purpose of opening accounts and providing ongoing account administration. In turn, Leahy & Clair has access to client account information via custodial web site arrangements.

7. Client Restrictions:

There are no restrictions on clients' ability to contact or consult with custodians.

8. Investment Advisors:

Advisors are required to have a minimum of a Bachelors degree from an accredited university. Deckert Leahy requires its advisors to demonstrate technical competency by achieving industry recognized licensing and experience.

You may request a copy of Schedule D, not attached, for complete education and business background of Thomas M. Leahy III and John B. Clair, Managing Partners.

Thomas M. Leahy, III, 03/06/52, BFA, MA, Leahy & Clair, 2009; Deckert Leahy, 2000-2009; Deckert & Associates, Inc., 1995-1999; US Army Officer, Retired, 1974-1994; Broker Dealer, Edward D. Jones, 1994; IFG Network Securities, 1994-1997; Securities America, 1997-1999 as a registered rep; Securities America, Inc., 1999- 2001 as a registered principal

John B. Clair, 07/11/1975, BS, Leahy & Clair 2009; Deckert Leahy, 2008-2009; Genworth Financial, 2003-2008; Degussa Goldschmidt, 2003; General Electric Corp, 1997-2003

9. Other Services/Business:

Thomas Leahy owns, Campus Financial, which provides analyses of student financial aid eligibility and assist with college planning processes. Less than 1% of his income originates from this service representing less than 5% of the advisor's time.

Leahy & Clair and its associated persons hold insurance licenses that allow the Corporation of Leahy & Clair to accept commissions for insurance products it recommends to clients. These products may fall in the areas of life, group health, long-term care, disability and Medicare supplements. Different carriers may be chosen for clients based on client needs, type of products, quality of product and financial rating of the carriers. Approximately 10% of the associated persons time is expended in this endeavor.

Leahy & Clair associated persons are registered investment adviser representatives of the RIA. As such trading for clients' accounts can be directed to any broker/dealer.

Leahy & Clair and its associated persons are also independently licensed to sell insurance products through various insurance companies. When acting in this capacity, they will receive commissions for selling these products.

10. Client Communication:

Client reviews are performed periodically and quarterly summary statements are provided by Leahy & Clair. If a client wishes a review they are done at the time. Accounts are reviewed no less than quarterly by the principles of the firm.

Reviewers are Thomas M. Leahy, III and John B. Clair, Managing Partners registered investment advisor representatives of the firm.

All clients receive monthly account statements from the custodian reporting transactions and invested positions. Clarification or interpretations of statements may be provided by the Leahy & Clair to assist the clients.

11. Disclosures:

As part of its fiduciary duties to clients, Leahy & Clair endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Leahy & Clair [or its related persons] in and of itself creates a potential conflict of interest.

Leahy & Clair accepts fees from various accounts. Leahy & Clair participates in TD Ameritrade's institutional customer program and Leahy & Clair may recommend TD Ameritrade to clients for custody and brokerage services.

There is no direct link between Leahy & Clair's participation in the program and the investment advice it gives to its clients, although Leahy & Clair receives economic benefits through its participation in the program. These benefits include: receipt of duplicate client confirmations; 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, technology, and practice management products or services provided to Leahy & Clair by third party vendors. The benefits received by Leahy & Clair [or its related persons] do not depend on the amount of brokerage transactions directed to TD Ameritrade.

Leahy & Clair accepts fees from various third party asset management companies, called solicitors fees, some deal primarily with institutional moneys. These managers are selected if they best serve the client needs. The fees paid to Leahy & Clair may range up to but not over 1.5% of the value of the assets managed for our clients by that firm. It is billed and paid to us on a quarterly basis.

12. Investment Management:

Leahy & Clair specializes in fiduciary portfolios, suitable for individual investors and fiduciaries of trusts and pension plans.

A fiduciary portfolio is one which would be considered "prudent" in the eyes of the law. The relative nature of what is prudent can differ between clients. The 80-year-old dependent upon his assets to live should not be as an aggressive investor, perhaps, as the more youthful investor who has a much longer investment horizon.

At Leahy & Clair our goal is to design a portfolio suitable to the individual's needs, goals and risk tolerances. Once designed and implemented that portfolio must be monitored and managed. Given a moving market environment, assets will gain and shrink in value, changing the percentages they represent in a given portfolio. This changing relationship between investments in the portfolio affects the initial risk levels. Further, fundamental change can occur within the asset itself also causing change in risk for the client. Finally, investment planning, itself, is a dynamic process. The client's objectives change over time as income and taxes change, or withdrawals are needed, forcing the portfolio to be adjusted.

There are no cookie cutter portfolios or a set investment formula at Leahy & Clair. Every client's portfolio is designed individually and is managed based on an established Investment Policy Statement (IPS). The IPS provides the guidelines manage the asset class model, monitor risk levels, preclude or ensure certain investments and establish income requirements. Investment management is accomplished at the client's direction, the client cannot abandon their portfolio. It is a partnership between advisor and client, the advisor adhering to the client's direction and the client heeding the advisor's guidance. The IPS puts this relationship in writing.

While securities are bought and sold daily for our clients, "timing the market" is not practiced. Evidence is convincing that a consistent well-managed, long-term investment program will serve clients better. Studies have shown that if market-timers "miss" the market on any number of positive market days, the resulting portfolio rate of return will suffer dramatically. William Sharp, the 1990 Nobel Prize Laureate, expressed this best in his work, "The Efficient Market Theory."

Accounts managed in-house are implemented with stocks, bonds and mutual funds utilizing an asset allocation approach as described below.

Simply stated, asset allocation is the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk. Risk tolerance is essentially the percentage of an investment portfolio that an investor is willing to risk in order to achieve a specific rate of return. It is no longer a one-dimensional process of selecting the right stock, bond or property to place in a portfolio.

Modern Portfolio Theory methods have, as their foundation, four basic premises. First, that investors are inherently risk-averse. Investors are not willing to accept risk except where the level of return generated will fairly compensate for that risk. It is probably reasonable to assume that investors are more concerned with risk than they are with rewards.

The problem in the past has been to quantify risk and its relation to return.

The second premise to Modern Portfolio Theory is that the markets are basically efficient. As discussed above, most studies support this concept. With the advance in information technology and more sophisticated investors, the markets are likely to become even more efficient.

The third premise is that the focus of attention should be shifted away from individual securities analysis to consideration of portfolios as a whole, predicted on explicit risk-reward parameters and on the identification and quantification of portfolio objectives. Today, it is more likely that the efficient allocation of capital to specific asset classes will be far more important than selecting the “right” components of the asset class. A study by Merrill Lynch in 1979 showed that in a typical, diversified investment portfolio, diversification eliminates so much of the specific risk that roughly 90 percent of all the portfolio risk is market risk and only 5 to 7 percents is specific risk. Specific risk being the risk associated with a specific issue (stock, bond or property). In another study by three leading financial analysts it was determined that on average 93.7% of the variability in the risk and return of a portfolio could be explained by the asset allocation policy.

These studies have dramatically supported the concept that asset allocation is the primary determinant of portfolio performance, with market timing and security selection playing minor roles.

The fourth premise for Modern Portfolio Theory is the optimality of portfolio return vis-à-vis portfolio risk. In other words, for any level of risk that one is willing to accept, there is a rate of return that should be achieved. Quantitative methods are used for measuring risk and diversification, making it possible to create efficient and theoretically optimal portfolios. Portfolio diversification is not so much a function of how many issues are involved, as it is of the relationships of each asset to each other asset and the proportionality of those assets in the portfolio. In other words, investors should search for those assets, which tend to have negative relationship to each other and should include assets, which go up in value as the value of other assets declines.

The extent to which knowledge of one asset return provides information regarding the behavior of another asset is measured by the correlation of returns. Are they moving the same or opposite directions at the same time? If they are moving in the same direction at the same time, it is said that they have a positive correlation. A perfectly positive correlation between two variables would represent a perfectly positive linear relationship and would be represented by a correlation of +1.0. The perfectly negative relationship between two variables would be described by a correlation of -1.0.

Measurement of the risk and return characteristics of individual investments are inadequate in explaining what happens when investment are combined in portfolios. The true measurement of diversification between assets is called the covariance of the assets. Covariance measures the timing, direction and momentum of the movement of two variables. Are they moving in the same direction at the same time, and what is the volatility of the movement of each variable? By calculating the covariance's and expected returns for all assets in any given portfolio it is possible to calculate the optimal portfolio mix for any degree of risk. Each portfolio on this “efficient frontier” will generate the highest possible rate of return for any specific level of risk, with risk being measured by the standard deviation (variance) of returns. Any other portfolio, which exhibits the same standard deviation, will generate lower returns and will therefore be considered inefficient.

The number of assets in the portfolio is less important the relationship of those assets. Therefore having many assets in a portfolio will not reduce the systematic risk in the portfolio as much as having negatively correlated assets. Further, it is a misconception, albeit a widely held one, that investors must accept higher levels of risk to achieve higher returns. By using asset allocation methodologies, investors may achieve higher returns with less risk.

The process of assets allocation may include one or all of the following approaches:

STRATEGIC ASSET ALLOCAITON- uses historical data (mean rates of return, standard deviation and covariance's) in an attempt to understand how the asset has performed and is likely to perform over long periods of time. The goal is not to "beat" the market, but to establish a long-term investment strategy using a core mix of assets.

TACTICAL ASSET ALLOCATION – uses periodic assumptions regarding the performance and characteristics of the assets and/or the economy. This approach attempts to improve portfolio performance by making "mid-course" changes in the long-term strategy based on near-term expectations.

DYNAMIC ASSET ALLOCATION- involves changes in investment circumstances, which may lead to the modification of policies, objectives, and/or risk tolerances. Resulting changes are intended to maintain equilibrium between the investor's policies and objectives and the asset allocation process.

The economic environment and investment alternatives today are substantially different from those of the past. We believe that investors can no longer be myopic in their view of investments in so far as they restrict their analysis to domestic markets or investment vehicles. The traditionally domestic portfolio is clearly inadequate in today's internationally based economic and investment environment. Further, the complexity and volatility of today's investment world requires access to, and proficiency with superior analytical tools and databases. We fully recognize that developing successful investment strategies and competing for investment capital depends on our ability to employ the most sophisticated analytical techniques.

Successful investors require the development of long-term plans arrived at in an objective and dispassionate manner. Too often, investment decisions are based on isolated, short-term considerations, without regard to the portfolio or the inter-relationships of the assets used. Our approach to money management ignores the narrow approach of attempting to beat the performance of individual markets and applies a much broader method of devising strategies which will achieve investor's long term policies and objectives within specified risk parameters. If 90% of future portfolio performance is determined by asset allocation policies, then it should be at the asset allocation and investment policy level that investors address issues of risk and return. To provide the services that our clients require today, we utilize integrated investment systems, which include all of the computer models, and ancillary services required for developing and managing your portfolio in a sophisticated asset allocation program.