

FORM ADV
Part II – Page 1 **Uniform Application for Investment Adviser Registration**

Name of Investment Adviser:					
Hotchkiss Associates LLC					
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number
303 W. Madison	Street, Suite 1050	Chicago	IL	60606	(312) 368-4633

**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 governmental 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.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number

Applicant: Hotchkiss Associates LLC	SEC File Number: 801-60440	Date 09/2008
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1. A. Advisory Services and Fees. (check the applicable boxes) For each type of services provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | |
|---|-----|
| <input checked="" type="checkbox"/> (1) Provides supervisory services..... | 94% |
| <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..... | 6% |
| <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..... | 0% |
| <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 applicant call any of the services it checked above financial planning or some similar term?..... Yes No

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) Percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input 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 services 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 | |

- 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 | | I. Options contracts on: |
| <input checked="" type="checkbox"/> | (2) securities traded over-the-counter | <input checked="" type="checkbox"/> | (1) securities |
| | (3) foreign issuers | <input type="checkbox"/> | (2) commodities |
| <input checked="" type="checkbox"/> | B. Warrants | | J. Futures contracts on: |
| <input checked="" type="checkbox"/> | C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> | (1) tangibles |
| <input checked="" type="checkbox"/> | D. Commercial Paper | <input type="checkbox"/> | (2) intangibles |
| <input checked="" type="checkbox"/> | E. Certificates of deposit | | K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> | F. Municipal securities | <input checked="" type="checkbox"/> | (1) real estate |
| | G. Investment company securities | <input type="checkbox"/> | (2) oil and gas interests |
| <input type="checkbox"/> | (1) variable life insurance | <input type="checkbox"/> | (3) other (explain on Schedule F) |
| <input type="checkbox"/> | (2) variable annuities | <input checked="" 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 type="checkbox"/> | Other (explain on Schedule F) |
| (3) <input 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 type="checkbox"/> | Timing services |
| (2) <input checked="" 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 type="checkbox"/> | Other (explain on Schedule F) |

C. The investment strategies use 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 checked="" type="checkbox"/> | Option writing, including covered options, uncovered options, or spreading strategies |
| (3) <input type="checkbox"/> | Trading (securities sold within 30 days) | (7) <input type="checkbox"/> | Other (explain on Schedule F) |
| (4) <input type="checkbox"/> | Short sales | | |

5. Education and Business Standards.

Are there any general standards of education or business experiences 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.)

Applicant: Hotchkiss Associates LLC	SEC File Number: 801-60440	Date 09/2008
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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. Condition 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 those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and/or its Associated Persons. All clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or telephonically) are encouraged to review investment objectives and account performance with the Registrant on an annual basis.

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

Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for the client accounts. Those clients to whom Registrant provides investment supervisory services will also receive a quarterly report from the Registrant summarizing account activity.

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 | No |
| | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) | amount of the securities to be bought or sold..... | Yes | No |
| | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) | broker or dealer to be used?..... | Yes | No |
| | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) | commission rates paid?..... | Yes | No |
| | | <input checked="" type="checkbox"/> | <input 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: Hotchkiss Associates LLC	SEC File Number: 801- 60440	Date: 09/2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Hotchkiss Associates LLC	IRS Empl. Ident. No.:
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Item of Form (identify)	Answer				
Item 1.D.	<p>As discussed below in this disclosure statement, the Registrant primarily provides its clients (i.e. individuals, trusts, Pension and profit sharing plans, and business entities) with discretionary investment management services. The Registrant does not provide financial planning, estate planning or insurance planning services.</p> <p>INVESTMENT MANAGEMENT</p> <p>The firm provides investment supervisory services on a continuous basis to clients regarding investment in marketable securities. This service is provided on a highly personalized basis with investment programs reflecting the individual circumstances and objectives of each client. Fees for this service are normally based on the market value of the assets under management on the last business day of the previous quarter and are normally based on the following fee schedule. In addition to the schedule of fees set forth below, there are in effect historical fee schedules which differ from those applicable to new client accounts.</p> <table style="margin-left: 40px;"> <tr> <td>On amounts up to \$3,000,000</td> <td>1% per annum</td> </tr> <tr> <td>On amounts over \$3,000,000</td> <td>0.75 of 1% per annum</td> </tr> </table> <p>The fee for charitable and educational institutions is reduced by 25%.</p> <p>The minimum annual fee is \$30,000, although the firm reserves the right to waive this minimum in certain circumstances, such as where a new account is expected to grow rapidly in size or where a relationship exists with a present account. The firm retains the right to negotiate fees in special circumstances.</p> <p>Fees are payable quarterly in advance and will be refunded in full if the contract is terminated by the client within five days from its execution. Otherwise, fees paid in advance may be refunded at the firm's option if services are terminated by mutual consent. The contract may be terminated at the end of any quarterly inventory period on 30 days' written notice by either party.</p> <p>The firm also provides consulting services to institutions and to individuals who either have their own staffs to provide investment management services or who employ other outside counsel. This consulting service is provided on a continuing basis and includes review and advice on general economic conditions, the bond market, the stock market, and the relative attraction of industry sectors. Fees for these services are negotiated with clients and reflect the character of the specific counseling services agreed upon and anticipated time demands. Fees for consulting services are payable monthly and are not subject to refund.</p> <p>From time to time, but on more than an occasional basis, the firm may furnish advice to clients on matters not involving securities. This advice may cover review of real estate holdings, estate planning, corporate organization or other matters. The firm charges no fees for such advice.</p> <p>MISCELLANEOUS</p> <p>In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. The client is free to accept or reject any recommendation made by the Registrant. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.</p> <p>Neither the Registrant nor the client may assign the <i>Investment Advisory Agreement</i> without the prior written consent of the other party. Transactions that do not result in a change of actual control or management of the Registrant shall not be considered an assignment.</p>	On amounts up to \$3,000,000	1% per annum	On amounts over \$3,000,000	0.75 of 1% per annum
On amounts up to \$3,000,000	1% per annum				
On amounts over \$3,000,000	0.75 of 1% per annum				

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:	SEC File Number:	Date:
Hotchkiss Associates LLC	801- 60440	09/2008

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Hotchkiss Associates LLC	IRS Empl. Ident. No.:
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Item of Form (identify)	Answer
Item 3.L.	A copy of Registrant's written disclosure statement as set forth on Part II of Form ADV shall be provided to each client prior to or contemporaneously with the execution of the <i>Investment Advisory Agreement</i> . Any client who has not received a copy of Registrant's written disclosure statement at least forty-eight (48) hours prior to executing the <i>Investment Advisory Agreement</i> shall have five (5) business days subsequent to executing the agreement to terminate the Registrant's services without penalty.
Item 5.	The Registrant also provides non-discretionary investment-related consulting services for certain institutional clients relative to their engagement of independent investment managers.
Item 6.	<p>The firm believes that persons involved in the decision-making and account management functions should have experience and formal education in the field. To this end, it has sought experienced individuals with graduate-level training or comparable experience. The firm also encourages its staff involved in the decision-making process to obtain professional recognition through completion of the Chartered Financial Analyst Program (C.F.A.) or the Chartered Investment Counselor Program (C.I.C.)</p> <p>The Investment Policy Committee and the Issue Review Committee consist of the following individuals with either a voting or a non-voting status:</p> <p>John Francis Cregan – President and Chief Executive Officer 1954 B.A. Dickinson College Has been with Hotchkiss Associates, LLC since 2001.</p> <p>Karen Lou Brethauer, C.F.A., C.I.C. – Vice President 1957 B.S. University of Illinois M.M. Kellogg School of Management, Northwestern University Has been with Hotchkiss Associates, Inc. (the predecessor to Hotchkiss Associates LLC) since 1979.</p> <p>Jakob William Marringa, C.F.A. – Vice President 1966 B.A. Northwestern University University of Stendhal M.B.A. University of Chicago Has been with Hotchkiss Associates, Inc. (the predecessor to Hotchkiss Associates LLC) since 1990.</p> <p>John Babson Merritt, C.F.A. – Director 1957 B.A. Kenyon College M.B.A. University of Chicago Associated with Hotchkiss Associates, Inc. and LLC since 1987. Retired as an active employee June 2002; continues to serve on Board of Directors and Investment Committees of Hotchkiss Associates LLC.</p> <p>Gail Lynn Thomas – Vice President 1959 B.A. University of Illinois Has been with Hotchkiss Associates, Inc. (the predecessor to Hotchkiss Associates LLC) since 1980.</p> <p>Nathaniel J. Klein - Analyst 1983 B.A. Williams College Analyst, Lazard Ltd. Has been with Hotchkiss Associates, LLC since November 2007.</p>

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Hotchkiss Associates LLC	801- 60440	09/2008

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident. No.:
Hotchkiss Associates LLC		
Item of Form (identify)	Answer	
Item 9.E.	<p>As discussed below, Registrant has implemented an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics which serves to establish a standard of business conduct for all of Registrant's Associated Persons that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.</p> <p><u>Investment Policy</u></p> <p>No employee of Registrant may effect for himself or herself or for his or her immediate family (i.e. spouse, minor children) (collectively "Covered Persons") any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Registrant's clients, unless in accordance with the following Firm Procedures.</p> <p><u>Firm Procedures</u></p> <p>In order to implement Registrant's Investment Policy, the following procedures have been put into place with respect to Registrant and its Covered Persons:</p> <ol style="list-style-type: none"> (1) If Registrant is purchasing or considering for purchase any security on behalf of Registrant's client, no Covered Persons may transact in that security prior to the client purchase having been completed by Registrant, or until a decision has been made not to purchase the security on behalf of the client; and (2) If Registrant is selling or considering the sale of any security on behalf of Registrant's client, no Covered Persons may transact in that security prior to the sale on behalf of the client having been completed by Registrant, or until a decision has been made not to sell the security on behalf of the client. <p><u>Exceptions</u></p> <ol style="list-style-type: none"> (1) This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of Registrant's clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of the securities. Under certain circumstances exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with Registrant's records in the manner set forth above. (2) Open-end mutual funds and/or the investment subdivisions which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or variable insurance products by Covered Persons are not likely to have an impact on the prices of the fund shares in which clients invest, and are therefore not prohibited by Registrant's Investment Policy and Procedures. <p>In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.</p>	
Item 10.	<p>The Registrant generally requires that assets under management be at least \$3,000,000 at the time work begins with a client or shortly thereafter, resulting in an annual minimum fee of \$30,000. Registrant, in its sole discretion, may waive its assets under management minimum charge and/or charge a lesser management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).</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:	SEC File Number:	Date:
Hotchkiss Associates LLC	801- 60440	09/2008

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Hotchkiss Associates LLC	IRS Empl. Ident. No.:
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Item of Form (identify)	Answer
Items 12.A. and 12.B.	<p>The Registrant's general policies relative to the execution of client securities brokerage transactions are as follows:</p> <p><u>Execution of Brokerage Transactions (when applicable)</u>. If requested, Registrant will arrange for the execution of securities brokerage transactions for the account through broker-dealers that Registrant reasonably believes will provide "best execution". In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.</p> <p>Consistent with obtaining best execution, transactions for a client's account may be effected through broker-dealers in return for research products and/or services which assist Registrant in its investment decision making process. Such research generally will be used to service all of Registrant's clients (including accounts that may not generate commissions used to pay for investment research), but brokerage commissions paid by client may be used to pay for research that is not used in managing the client's account. The account may pay to a broker-dealer a commission greater than another qualified broker-dealer might charge to effect the same transaction where Registrant determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received.</p> <p>Transactions for each client account generally will be effected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Registrant's clients in proportion to the purchase and sale orders placed for each client account on any given day. To the extent that the Registrant determines to aggregate client orders for the purchase or sale of securities, including securities in which Registrant's principal(s) and/or associated person(s) may invest, the Registrant shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, <i>SMC Capital, Inc.</i> The Registrant shall not receive any additional compensation or remuneration as a result of the aggregation.</p> <p>The client may direct Registrant to use a particular broker-dealer (subject to the Registrant's right to decline and/or terminate the engagement) to execute some or all transactions for the client's account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and the Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In the event that transactions for client accounts are effected through a broker-dealer that refers investment management clients to the Registrant, the potential for conflict of interest may arise.</p>
Item 13.A.	<p>Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant may receive from a particular broker-dealer/custodian, without cost (and/or at a discount) support services and/or products, which assist Registrant to better monitor and service client accounts maintained at a particular broker-dealer/custodian.</p>

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident. No.:
Hotchkiss Associates LLC		
Item of Form (identify)	Answer	
Item 13.B.	<p>Registrant has an arrangement with the firm Rich & Company, Inc. for business referrals. In exchange for such referrals, Registrant will pay said referral source a percentage management fee attributable to such referred clients.</p> <p>Proxy Voting Policy. Unless the client directs otherwise, in writing, the Registrant does not vote client proxies. Therefore, although the Registrant may provide investment advisory services relative to client investment assets, the Registrant's 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. The Registrant and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. In the limited event that the Registrant does vote proxies, the Registrant shall be responsible 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 assets. The Registrant and/or the client shall correspondingly instruct each custodian of the assets to forward to the Registrant copies of all proxies and shareholder communications relating to the assets. Absent mitigating circumstances and/or conflicts of interest (to the extent any such circumstance or conflict is presented, if ever, information pertaining to how the Registrant addressed any such circumstance or conflict shall be maintained by the Registrant), it is the Registrant's general policy to vote proxies consistent with the recommendation of the senior management of the issuer. The Registrant shall monitor corporate actions of individual issuers and investment companies consistent with the Registrant's fiduciary duty to vote proxies in the best interests of its clients. With respect to individual issuers, the Registrant may be solicited to vote on matters including corporate governance, adoption or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. With respect to investment companies (e.g., mutual funds), the Registrant may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers.</p> <p>In the event that the Registrant does vote proxies, it shall generally engage a third party provider (currently EC Proxy Voting Services, Inc.) to make proxy voting recommendations and/or to vote client proxies. To the extent that the Registrant engages (or continues to engage) a third party provider to make proxy voting recommendations and/or to vote client proxies, the Registrant shall determine that the third party: (1) has the capacity and competency to adequately analyze proxy issues; and (2) can make proxy voting recommendations and/or decisions in an impartial manner, without conflict of interest, and in the best interest of the Registrant's clients.</p> <p>The Registrant shall maintain records pertaining to proxy voting as required pursuant to Rule 204-2 (c)(2) under the Advisers Act. Copies of Rules 206(4)-6 and 204-2(c)(2) are available upon written request. In addition, information pertaining to how the Registrant voted on any specific proxy issue is also available upon written request.</p> <p>Securities Class Actions and Proofs of Claim. The Registrant is not obligated to file nor will it act in any legal capacity with respect to class action settlements or related proofs of claim. If requested by the client, the Registrant will do its best to provide the client with the required documentation if available.</p>	