

FORM ADV

Uniform Application for Investment Adviser Registration

Part II - Page 1

OMB APPROVAL	
OMB Number:	3235-0049
Expires:	February 28, 2011
Estimated average burden hours per response:	4.07

Name of Investment Adviser: Caldwell Securities, Incorporated						
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code:	Telephone number:	
30 Liberty Ship Way #3200	Sausalito	CA	94965-1757	( 415 )	962-2526	

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.

**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 .....  | _____ | 100 % |
| <input type="checkbox"/>            | (2) Manages investment advisory accounts not involving investment supervisory services .....  | _____ | %     |
| <input type="checkbox"/>            | (3) Furnishes investment advice through consultations not included in either service described above ....   | _____ | %     |
| <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 type="checkbox"/>            | (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities .....   | _____ | %     |
| <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) A percentage of assets under management      | <input type="checkbox"/> | (4) Subscription fees |
| <input type="checkbox"/>            | (2) Hourly charges                               | <input type="checkbox"/> | (5) Commissions       |
| <input 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 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 type="checkbox"/>            | D. Pension and profit sharing plans |                                     |  |

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

- |  |   |
|--|---|
| <input type="checkbox"/> A. Equity securities  | <input type="checkbox"/> H. United States government securities     |
| <input checked="" type="checkbox"/> (1) exchange-listed securities                             | <input type="checkbox"/> I. Options contracts on:                   |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter                     | <input type="checkbox"/> (1) securities                             |
| <input type="checkbox"/> (3) foreign issuers   | <input type="checkbox"/> (2) commodities                            |
| <input type="checkbox"/> B. Warrants   | <input type="checkbox"/> J. Futures contracts on:                   |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles                              |
| <input type="checkbox"/> D. Commercial paper   | <input type="checkbox"/> (2) intangibles                            |
| <input type="checkbox"/> E. Certificates of deposit  | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input type="checkbox"/> F. Municipal securities   | <input type="checkbox"/> (1) real estate                            |
| <input type="checkbox"/> 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 type="checkbox"/> L. Other (explain on Schedule F)           |
| <input 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 type="checkbox"/> Corporate rating services                        | (8) <input 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<br>(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions  |
| (2) <input type="checkbox"/> Short term purchases<br>(securities sold within a year)             | (6) <input type="checkbox"/> Option writing, including covered options,<br>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 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
- year of birth
- formal education after high school
- 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:
  - (1) broker-dealer
  - (2) investment company
  - (3) other investment adviser
  - (4) financial planning firm
  - (5) commodity pool operator, commodity trading adviser or futures commission merchant
  - (6) banking or thrift institution
  - (7) accounting firm
  - (8) law firm
  - (9) insurance company or agency
  - (10) pension consultant
  - (11) real estate broker or dealer
  - (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.)

**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.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- |  |  |                                |
|--|--|--------------------------------|
| <b>10. Conditions for Managing Accounts.</b> Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services <i>and</i> impose a minimum dollar value of assets or other conditions for starting or maintaining an account? | Yes<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/> |
|--|--|--------------------------------|

(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.

Reviews are security, not account, oriented. Account investments are concentrated in a limited number of securities, which are reviewed frequently and in depth. Applicant relies on cross-reference files to relate securities to the accounts holding them.

Applicant's principal officers review accounts assigned to their respective offices. John Helmer reviews accounts with a JO00 and JO11 prefix. Joe Helmer reviews accounts with a JO22 and JO33 prefix.

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

Applicant relies on periodic statements from Wedbush Morgan Securities, Inc., Applicant's clearing broker, furnished quarterly and any other month when the account is active. Statements provide the individual and aggregate market value of all securities, the rates and amounts of interest charged or credited, and, in the case of margin accounts, the debit balance and equity. Annual totals of dividends and interest credited or charged are also furnished at the end of the year. Schedules of realized and unrealized gains and losses are not provided.

Applicant:  
Caldwell Securities, Incorporated

SEC File Number:  
801- 66098

Date:  
07-21-2009

**12. Investment or Brokerage Discretion.**

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

- B. Does applicant or a related person suggest brokers to clients? .....
- |  |                |     |                          |                          |
|--|----------------|-----|--------------------------|--------------------------|
|  | See Schedule F | N/A | Yes                      | No                       |
|  |                |     | <input type="checkbox"/> | <input type="checkbox"/> |

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 product 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                                  |
|   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                      | No                                  |
|   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

(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 (unless applicant is registered or registering only with the Securities and Exchange Commission); 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                                  |
|  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

Applicant:	SEC File Number:	Date:
Caldwell Securities, Incorporated	801- 66098	07-21-2009

(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:		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
1	Advisory Services and Fees	
C(1)	Applicant charges 3/8 of 1% quarterly (1 1/2% annually) of gross assets, including cash pending investment, payable in advance, non-refundable and non-negotiable. The minimum quarterly fee is \$375 (\$1,500 annually).	
6	Education and Business Background	
	<p>John C. Helmer is chairman and, with his wife, Mary Dolores Helmer, co-owners of Applicant. Born in 1939, he graduated from Santa Clara University in 1961 with a BA degree in History. Prior to forming Applicant in 1982, he was a registered representative of Paine Webber in San Francisco, 1965-1982. He received his CFA charter in 1990. He is a board member of the San Francisco Bond Club and the National Smokejumper Association. John and Mary Helmer are the parents of Joseph Helmer.</p> <p>Joseph F. Helmer is president and co-owner of Applicant. Born in 1973, he graduated from Santa Clara University in 1995 with a BA degree in History. Prior to joining Applicant in 2004, he was on the options floor of the Pacific Exchange in San Francisco, 1995-2004, starting with Casey Securities, floor brokers. In 1996 he became a proprietary trader, initially with Cole Roesler, and then moving in 2001 to Headwaters Capital. He is a 2009 Level III CFA candidate. Joseph Helmer is the son of John and Mary Helmer.</p>	
8	Other Financial Industry Activities	
	Applicant has a clearing relationship with Wedbush Morgan Securities, Inc. ("Wedbush"), which carries most of Applicant's accounts on a fully disclosed basis.	
9	Participation in Client Transactions	
	<p>All client transactions are handled by Applicant acting as broker or dealer.</p> <p>Applicant attempts to resolve conflicts of interest by handling client transactions "at cost," defined as charging, in the case of agency transactions, only the marginal, out-of-pocket costs of processing the transactions, such as Wedbush ticket charges and ECN charges, and, in the case of principal transactions, the average net cost or proceeds of securities purchased or sold, plus processing charges. Transactions are handled whenever possible on an agency basis.</p> <p>Applicant may, as principal for its own account, or as agent for parties other than clients, sell securities to or buy securities from clients, if it can be done on equal or better terms than available elsewhere.</p> <p>Applicant and/or related accounts customarily invest in the same securities that it is recommending to clients. In cases where transactions for clients and Applicant (and/or related accounts) occur in the same security on the same day at different prices, the better prices will be assigned to client transactions. Applicant also has a Code of Ethics that must be followed when performing its functions. This includes advisers following all applicable rules and laws, and disclosing its holdings and transactions to determine if conflicts of interests exist. A copy of the Code of Ethics will be furnished to any client or prospective client upon request.</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:
Caldwell Securities, Incorporated	801- 66098	07-21-2009

(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:		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
10	<p>Conditions for Managing Accounts</p> <p>Although no minimum dollar value of assets is required for starting or maintaining an account, the minimum quarterly fee of \$375 (\$1,500 annually) requires that accounts whose gross assets are less than \$100,000 pay proportionally more than larger accounts.</p>	
12	<p>Investment or Brokerage Discretion</p> <p>Applicant is registered as a securities broker-dealer. Applicant or its clearing broker perform all brokerage services used by its clients.</p>	

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