

Uniform Application for Investment Adviser Registration

OMB APPROVAL

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Name of Investment Adviser:

Beacon Capital Management, Inc.

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code: Telephone number:

323 Regency Ridge

Dayton

OH

45459

(937) 439-9093

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, and D, 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 instructions below.)

Applicant:

<input checked="" type="checkbox"/>	(1)	Provides investment supervisory services	97 %
<input checked="" type="checkbox"/>	(2)	Manages investment advisory accounts not involving investment supervisory services	1 %
<input checked="" type="checkbox"/>	(3)	Furnishes investment advice through consultations not included in either service described above	1 %
<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	1 %
<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 checked="" 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 checked="" type="checkbox"/>	F.	Corporations or business entities other than those listed above
<input type="checkbox"/>	C.	Investment companies	<input checked="" 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 type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> (1) securities |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input type="checkbox"/> (2) commodities |
| <input checked="" 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 checked="" 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 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 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 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 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 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).

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 checked="" type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading advisor 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 in 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).

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.

- 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.

Please refer to Schedule F, Item 11.A.

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

Please refer to Schedule F, Item 11.B.

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

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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Yes | No |
| (2) amount of the securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Yes | No |
| (3) broker or dealer to be used? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Yes | No |
| (4) commission rates paid? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients?	Yes	No
	<input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Yes | No |
| B. directly or indirectly compensates any person for client referrals? | <input checked="" type="checkbox"/> | <input 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); 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"/>

Answer all items. 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:

Beacon Capital Management, Inc.

SEC File Number:

801- 61249

Date:

02/26/2009

(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: Beacon Capital Management, Inc.		IRS Empl. Ident. No.: 31-1720376
Item of Form (identify)	Answer	

1.D.

This brochure provides information about the qualifications and business practices of Beacon Capital Management, Inc. (hereinafter "BCM"). Please contact Christopher Cook, President and Chief Compliance Officer, if you have any questions about the contents of this brochure. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State securities authority.

Additional information about BCM is available on the Internet at the following website:
http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_OrgSearch.aspx. You can search this site by a unique identifying number, known as a CRD number. The CRD number for BCM is 120641.

INVESTMENT MANAGEMENT SERVICES

BCM offers a combination of the following advisory services, where appropriate, to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates or charitable organizations and corporations or other business entities.

BCM offers investment management services for clients who wish to utilize our individualized services. Each investment service provides continuous investment advice based on your individual objectives, needs, risk tolerance, and style of desired management, utilizing various security products, usually mutual funds. Such services are provided on either a discretionary or non-discretionary basis as specified in the Investment Management Client Agreement.

ASSET ALLOCATION SERVICE

BCM is a leading consultant to financial advisors and institutional investors in developing globally diversified portfolios to optimize long-term performance and risk. BCM believes the challenges confronted by today's long-term investors are best met by highly diversified, indexed, target risk portfolios.

Central to the BCM approach, risk is managed through broad, global diversification while attractive rates of risk-adjusted return are optimized through selective asset allocation strategies. BCM endeavors to:

- **Develop globally diversified portfolios** to optimize long-term performance and pursue reduced risk.
- **Maintain a consistent philosophy** We focus on an investing approach intended to serve well through all types of markets. We don't change our investment philosophy just to capitalize on short-term market trends.
- **Maintain an independent focus** This affects how we make decisions and how we manage money. Independence is a trait we value and foster throughout our firm and has served our clients well.

BCM manages investment advisory accounts not involving Investment Supervisory Services. BCM has designed two series of target risk funds, each series comprising 10 model portfolios with strategies ranging from conservative to aggressive. A target risk fund is one that attempts to offer its investors an optimal rate of risk-adjusted return, based upon a client's specific level of comfort with market volatility. Each portfolio is designed to meet a particular investment goal which BCM has determined is suitable to the client's circumstances. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income).

The process begins when you fill out a confidential, in-depth "Personal Investor Profile". This benchmarking tool will help you to clarify your financial objectives and goals, establish your tolerance to risk, and identify your most comfortable style of management. The Personal Investor Profile is used by BCM as the primary reference for managing your portfolio.

Based on an analysis of your Personal Investor Profile, BCM will assist you in completing an Individual Account Application that clarifies your specific circumstances and shows a target stock-to-bond ratio for

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**Schedule F of
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SEC File Number:

801- 61249

Date:

02/26/2009

(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:

Beacon Capital Management, Inc.

IRS Empl. Ident. No.:

31-1720376Item of Form
(identify)

Answer

your portfolio suited to your individual risk tolerance, goals, and management style. Once the appropriate portfolio has been determined, the portfolio will be continuously managed based on the portfolio's goal, rather than on each client's individual needs. However, each client will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

As BCM manages your account, your actual stock-to-bond ratio will evolve around your target stock-to-bond ratio. Although your target stock-to-bond ratio will be maintained, BCM may change your specific mutual funds or other investments based on economic research and asset class risk factors in order to help you meet your objectives.

For these accounts, BCM will ensure that the following conditions are met and maintained:

- 1) BCM will manage each client's account on the basis of the client's financial situation and investment objectives and any reasonable investment restrictions the client may impose;
- 2) BCM will obtain sufficient client information to be able to provide individualized investment advice to the client. At least annually, BCM will contact the client to determine whether there have been any changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions. BCM is not responsible for accurate reporting if you fail to provide us accurate information. You must promptly submit to BCM in writing any changes to the Personal Investment Profile, Individual Account Application, or any changes to any information you provide us regarding the management of your account.
- 3) On a quarterly basis BCM will notify the client in writing to notify BCM if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions. These quarterly notifications will include the means through which contact shall be made to BCM;
- 4) BCM will be reasonably available to consult with the client;
- 5) Each client is able to impose reasonable investment restrictions on the management of the account;
- 6) Each client will receive a quarterly statement with a description of all account activity; and,
- 7) Each client will retain certain indicia of ownership of the securities and funds in the account, e.g., the ability to withdraw securities, vote securities, among others.

BCM offers the investment management services identified below. Clients are instructed to review each description to ensure you are comfortable with the style of management you select.

1. Beacon Capital Management Portfolios

One of the most important steps toward investment success is developing and sticking to a disciplined asset allocation plan. Beacon's approach provides a choice among three asset management programs to make it easy for you and your advisor to construct a portfolio that reflects your financial objectives – and keeps your portfolio on target.

Beacon Core Portfolios, designed for those who prefer to stay within these traditional and familiar investments: stocks, bonds and money market vehicles. Beacon turns to these two sub-advisors for its core portfolio offering: Dimensional Fund Advisors (DFA), which develops and maintains the strictest value portfolios in markets throughout the world; Lehman Brothers, which is an innovator in bond investing and global finance since its founding in 1850.

Beacon Core Plus Portfolios, which include intelligent indexes and alternative investments that will

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**Schedule F of
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801- 61249

Date:

02/26/2009

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Answer

permit some exploration of the limits of the efficient frontier. The strategy utilizes including Dynamic Intellidex Indexes, which use rules-based quantitative analysis to evaluate index composition on fundamental growth, valuation, and risk factors. For alternative investments, BCM utilizes Wilshire Associates, a leading global investment technology, investment consulting and management firm; Deutsche Bank, a leading global investment bank with a strong and profitable franchise investing in commodities and currency; BlackRock®, a premier provider of global investment management, risk and advisory services to institutional and retail clients around the world.

Beacon Flexible Strategies allows advisors and investors to build their own portfolio from Beacon's investment building blocks, derived from Beacon Core Portfolios and Beacon Core Plus Portfolios.

BCM utilizes a value-oriented asset allocation strategy. This strategy is based on the following core beliefs.

- Global Diversification – holding a diversified portfolio of assets, including large and small companies, as well as, domestic and international companies, can reduce the risk of a portfolio and in some cases improve returns.
- Value-Oriented Approach – value investors are systematically rewarded by the “market” with higher returns versus a growth-oriented strategy. This phenomenon has been found true in domestic and international markets.
- Unwavering Discipline – chasing the “hot” style or fad does not deliver consistent returns over time. Consistently applying a value-oriented style through the ups and downs of the market provides better returns with less risk historically.
- Investment Manager Specialization – managers that focus all of their time and resources toward a specific area, such as value-oriented stocks, will provide superior results compared to generalists.
- Risk Calibrated Portfolios – every investor is entitled to a portfolio that is matched to his or her specific risk capacity. The proportion of stocks to bonds is the number one determinant of long-term returns and risk.

The BCM Portfolio service typically invests in funds purchased at Net Asset Value (“NAV”). Although front-end sales loads are avoided with this service, your custodian may charge a transaction fee for specific funds.

The minimum account size for the BCM portfolio service is \$50,000.

2. Value-Oriented Asset Allocation

The Value-Oriented Asset Allocation service utilizes a similar strategy as the Beacon DFA Portfolio service and is based on the same core beliefs. However, the Value-Oriented Asset Allocation service is designed specifically for those accounts that do not meet the \$50,000 minimum required of the Beacon DFA Portfolio service or those accounts that are looking to minimize transaction costs by the custodian.

The Value-Oriented Asset Allocation service typically invests in two highly diversified mutual funds – one stock fund and one bond fund. Similar to the STAR service these funds are purchased at NAV, however your custodian may charge a transaction fee for specific funds.

The minimum account size for the Value-Oriented Asset Allocation service is \$25,000.

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

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

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(identify)

Answer

The Fund Allocation service is also an asset allocation strategy similar to the Beacon DFA Portfolio service and based on the same core beliefs with one exception – the Fund Allocation service is not style specific. In other words, the Fund Allocation service actively invests in both value- and growth-oriented investment styles.

The specific asset allocations for the Fund Allocation service are generally static; however changes may be made at any time based on economic research concerning the correlation between various asset classes.

There is no minimum account size for the Fund Allocation service.

INVESTMENT SUPERVISORY SERVICES

BCM provides continuous advice to a client regarding investment of client funds based on the individual needs of the client (hereinafter, "ISS Accounts"). Through personal discussions in which goals and objectives based on a client's particular circumstances are established, BCM develops a client's personal investment policy and creates and manages a portfolio based on that policy. BCM will manage advisory accounts on a discretionary basis. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income).

BCM will create a portfolio consisting of one or all of the following: individual equities, bonds, other investment products, and no-load, load-waived, and front-load mutual funds. BCM will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. The mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf. Clients will retain individual ownership of all securities.

Clients pay an annual percentage fee for any of the aforementioned Investment Management Services charged on a monthly basis in arrears based upon the average daily account balance of the account at the end of the previous billing period. The fees will be debited directly from accounts. The standard fee schedule for all of our Investment Management Services is:

Average Daily Value of Client Account	Annual Fee (%)
First \$500,000*	1.80%*
For the next \$500,000	1.40%
For the next \$1,000,000	1.30%
For assets over \$2,000,000	1.10%

Minimum Annual Fee Charged **\$400.00**

BCM's annual investment management fee and its billing frequency (i.e. monthly, quarterly, annually) is negotiable and varies depending upon the scope of and type of services to be provided (i.e., fixed income, equity, whether a sub-advisor is engaged to directly provide active discretionary management for all or a portion of the client's assets (see below), or whether BCM will directly provide active management for all or a portion of the assets, etc.), the client's selected portfolio manager and the market value of the assets placed under BCM's management. The specific billing terms and fees will be stipulated in the Investment Management Client Agreement.

UNSUPERVISED ASSETS**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

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Beacon Capital Management, Inc.		IRS Empl. Ident. No.: 31-1720376
Item of Form (identify)	Answer	

From time to time, advisory clients may have pre-existing investments that they do not want actively managed by BCM. These clients may request that BCM incorporate these holdings into a single account to facilitate future management and reporting. BCM will initially consolidate these unsupervised assets into a single account within the client's existing portfolio. These assets will not be actively managed by BCM although they will be incorporated into the client's quarterly summary reports prepared by BCM.

FEES

For these assets, BCM will charge a minimal administrative fee of 0.1% annually. However, once these unsupervised assets are sold they will be reclassified as managed assets and fees will be charged in accordance with BCM's stated Portfolio Management fees.

THIRD PARTY MANAGER SELECTION SERVICES

In addition to its own Portfolio Management Services, BCM also provides access to investment service programs in which client accounts are managed by independent third party investment advisers. These programs provide additional investment opportunities among mutual funds, stocks, bonds, and additional securities.

Based on a client's individual circumstances and needs, BCM will recommend an appropriate investment program to the client. Factors considered in making this recommendation include account size, risk tolerance, the opinion of each client and the investment philosophy of the third party independent adviser. BCM will assist the client in reviewing the client's income and expenditures, investment objectives, risk tolerance, liquidity requirements, investment restrictions and other relevant factors. BCM will provide this information to program sponsors selected by the client.

BCM will meet with the client on a regular basis, or as determined by the client, to review the account. BCM will contact the client on at least an annual basis to review the client's investments. BCM will also provide updated information about clients' financial circumstances as necessary to program sponsors.

During regular account reviews, if BCM believes a different program becomes more suitable for a client's particular needs, then BCM may suggest that the client contract with a different program sponsor. Under this scenario, BCM will assist the client in selecting a new program. However, any move to a new program is solely at the discretion of the client.

Clients will receive separate disclosure documents for any particular program recommended. Clients are encouraged to review each disclosure document regarding the particular characteristics of any program and managers recommended.

FEES

BCM typically receives fees ranging up to 80% of the management fee received by the Third Party Manager. The portion of the advisory fee paid to BCM does not increase the client's ultimate advisory fee paid to the selected independent investment adviser. The exact fee received by BCM for its services will be disclosed to the client either in a separate Solicitor's Disclosure Document provided to the client, or in the investment management agreement between the client and the third party investment adviser. Program sponsor disclosure documents will further describe billing arrangements (e.g., collection of fees in advance or arrears) and service termination provisions. BCM does not control the billing features of any third party programs.

PENSION CONSULTING SERVICES

BCM provides several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, BCM will also offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

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

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Continuation Sheet for Form ADV Part II

Applicant:

Beacon Capital Management, Inc.

SEC File Number:

801- 61249

Date:

02/26/2009

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(identify)

Answer

INVESTMENT POLICY STATEMENT PREPARATION (HEREINAFTER REFERRED TO AS "IPS")

BCM will meet with the client (in person or over the telephone) to determine the client's investment needs and goals. BCM will then prepare a written IPS stating those needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.

SELECTION OF INVESTMENT VEHICLES

BCM will review various investments, consisting exclusively of mutual funds (both index and managed) to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the Investment Policy Statement.

MONITORING OF INVESTMENT PERFORMANCE

Client investments will be monitored continuously based on the procedures and timing intervals delineated in the Investment Policy Statement. Although BCM will not be involved in any way in the purchase or sale of these investments, BCM will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

EMPLOYEE COMMUNICATIONS

For pension, profit sharing and 401(k) plan clients wherein there are individual accounts with participants exercising control over assets in their own account ("self-directed plans"), BCM also provides quarterly educational support and investment workshops designed for the Plan participants. The nature of the topics to be covered will be determined by BCM and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide Plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

FEES

BCM offers the following fee options for clients receiving only Pension Consulting services and for clients receiving Pension Consulting services combined with Asset Allocation services.

1) For Pension Consulting Services that include on-going monitoring, the annual fee may range from 0.10% to 1.00% of plan assets under advisement, depending upon the services requested and the size of the plan.

2) For Pension Consulting Services that include Asset Allocation Services, the annual fee may range from 0.85% to 1.80% of plan assets under management, depending on the services requested and the size of the plan. BCM will quote an exact percentage to each client based on both the nature and total dollar value of that account. The billing terms and fees will be stipulated in the Investment Management Client Agreement.

ERISA FEE DISCLOSURE

BCM is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, BCM is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, BCM may only charge fees for investment advice about products for which BCM and/or its related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which BCM and/or its related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset BCM's advisory fees.

INVESTMENT ADVICE THROUGH CONSULTATION

BCM offer investment research, economic analysis and portfolio design based on our model allocations. Allocations are based on risk tolerance and stock-to-bond ratios. These services are available to other

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persons or entities for a negotiable fee.

FEES

Fees typically start at 55 basis points (0.55%) but may be higher or lower depending on levels of assets under management.

GENERAL INFORMATION**GRANDFATHERED FEES/MINIMUMS**

Pre-existing advisory clients are subject to BCM's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, BCM's minimum account requirements and advisory fees may differ among clients.

BCM retains the discretion to reduce or waive account minimums, and/or advisory fees. Circumstances may include but are not necessarily limited to, the composition of the client's holdings and/or complexity of a client's circumstances. Clients may request that related accounts be combined in order to meet fee break points and reduce the percentage fee charged.

DISCOUNTED FEES

Advisory services may be provided to family members and friends of BCM at a discounted rate. BCM also reserves the right to waive the fee on employee accounts and personal accounts of individual solicitors. This rate is not available to all of BCM's advisory clients.

FEE CALCULATION

The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Advisers Act). Securities or monies may be added to your account at any time and may be withdrawn from the account by giving prior notice to BCM. This prior notice alerts BCM to make sure the appropriate securities or monies are available for withdraw at the appropriate time.

MUTUAL FUND FEES

The advisory fees paid to BCM represent fees for management of your account and are separate from any other fees and expenses charged by other parties; therefore, the fees shown in this ADV represent only the fees paid to us and do not reflect operating expenses and other costs charged by mutual funds or other investments and it is important you understand that these fees and expenses are ultimately borne by you, as the shareholder. Mutual funds and other investments may charge contingent deferred sales charges ("CDSC") or short-term redemption fees on withdrawals or redemptions. BCM is not responsible for any CDSC or short-term redemption fee charges incurred through the management of your account. A complete description of all fees and expenses are in the relevant prospectuses. BCM is also not responsible for any transaction costs incurred while managing your account. In addition, BCM advises you to carefully review your custody agreement between you and your custodian as there may be custodial fees charged to you for various services.

A client could invest in a mutual fund directly, without the services of BCM. In that case, the client would not receive the services provided by BCM which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by BCM to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

ADVISORY FEES IN GENERAL:

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

CLASS ACTIONS, BANKRUPTCIES AND OTHER LEGAL PROCEEDINGS**Complete amended pages in full, circle amended items and file with execution page (page 1).**

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	<p>BCM will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct BCM to transmit copies of class action notices to the client or a third party. Upon such direction, BCM will make commercially reasonable efforts to forward such notices in a timely manner.</p> <p><u>TERMINATION</u></p> <p>BCM may terminate the agreement with you at any time by providing you with written notice. Likewise, you may terminate the agreement at any time by providing BCM with written notice. If the agreement is terminated within five (5) business days from the date of inception, all fees paid in advance will be refunded to you promptly. Should the agreement be terminated at any other time, you will receive a pro-rata refund of any prepaid fees. If you are billed in arrears for BCM's services, any outstanding amounts owed to BCM shall become immediately due and payable upon termination.</p> <p>Upon termination of BCM's investment management services, BCM will have no obligation or authority to recommend or take any action with regard to the previously managed account. You are instructed not to send liquidation instructions along with your termination requests. You bear the sole responsibility for proper liquidation of your assets. If BCM receives a liquidation instruction along with a termination request, BCM will treat it solely as termination and you shall remain responsible for proper liquidation.</p> <p><u>NOTICE TO CLIENTS</u></p> <p>Clients should know that it is impossible to predict the future; there is no assurance that BCM will attain their objectives or that any investment recommendation will be profitable. Selecting one of the investment services described above may result in different performance results than what otherwise might have been achieved had you selected one of the other services. In addition, clients in the same investment service may have differing performance depending upon the individual investment objectives and risk tolerance of each client. Should you wish to change investment services, you must notify us in writing. Maintaining proper records and documentation regarding your account is important to BCM. As an advisory client of BCM, you will be able to access our web site at www.beaconinvesting.com and view your current account information. General information regarding how to obtain secured web access to your account is given to you after BCM accepts your account.</p> <p><u>PROXY POLICY</u></p> <p>BCM does not receive proxies for securities held in your accounts. It is BCM's policy not to vote, nor give any advice how to vote, proxies for securities held in your accounts. Proxies for securities held in your accounts will be received by you directly from the custodian of your assets, or will be handled as otherwise agreed between you and the custodian.</p> <p><u>TYPES OF CLIENTS</u></p> <p>BCM may provide advice to other persons or entities including other investment advisers and broker/dealers.</p> <p><u>OTHER SOURCES OF INFORMATION</u></p> <p>BCM may utilize investment research, portfolio models or investment advice from unaffiliated third parties. All expenses incurred from these third parties shall be paid by BCM.</p> <p><u>INVESTMENT STRATEGIES</u></p> <p>BCM's investment strategies seek to remain fully invested at all times based on a target stock-to-bond ratio. Our portfolios are rebalanced when the actual asset allocation has deviated sufficiently from the target ratios. BCM does not make asset allocation decisions based on conditions of the economy or market, but rather on economic research related to the manner in which various asset classes have performed and the correlation of their performance over time.</p> <p><u>EDUCATION AND BUSINESS STANDARDS</u></p> <p>BCM believes that providing investment advice is a very complex and specialized field and therefore</p>
2.G.	
4.B.8.	
4.C.7.	
5.	

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6.

BCM expects those individuals who determine or give investment advice for us to meet certain minimum educational requirements. BCM requires our investment committee members to have earned a college degree and have had previous experience in securities analysis.

EDUCATION AND BUSINESS BACKGROUND**James Christopher Cook, President**Year of Birth: 1971**Formal Education After High School:**

Bowling Green State University - B.S. Finance and Marketing

Registrations and Licenses:

Registered Representative (Series 7)

Registered Investment Advisor (Series 65)

General Securities Principal (Series 24)

Registered Municipal Bond Principal (Series 53)

Registered Options Principal (Series 4)

Life, Health & Variable Annuity License

Five Year Business Background:

President of Beacon Capital Management, Inc. from 07/99 to present;

Registered Representative of The Tavenner Company, Inc. from 10/01 to 03/08;

Steve J. Persons, Portfolio ManagerYear of Birth: 1947**Formal Education After High School:**

Bowling Green State University: 3 years

Kent State University: B.B.A. in Accounting

Registrations and Licenses:

Registered Representative (Series 7)

General Securities Principal (Series 24)

Certified Public Accountant

Enrolled Actuary

Member, American Society of Pension Actuaries

Member, American Academy of Actuaries

Life, Health & Variable Annuity License

Five Year Business Background:

Portfolio Manager of Beacon Capital Management, Inc. from 07/02 to present;

Registered Representative of Fortune Financial Services, Inc. from 02/05 to present;

Registered Representative of The Tavenner Company, Inc. from 07/02 to 02/05;

President of Creative Benefit Strategies, Inc. from 12/95 to present.

Marylís A. Wozniacki, Portfolio ManagerYear of Birth: 1952**Formal Education After High School:**

State University of New York: 1 year

Oakland University: B.S. in Business Management and Accounting

Registrations and Licenses:

Registered Representative (Series 6)

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7.C.,9.B.,9.D.

Registered Investment Advisor (Series 66)
Member, American Society of Pension Actuaries
Qualified Pension Administrator
Life, Health & Variable Annuity License

Five Year Business Background:

Portfolio Manager of Beacon Capital Management, Inc. from 07/02 to present;
Registered Representative of Fortune Financial Services, Inc. from 02/05 to present;
Registered Representative of The Tavenner Company, Inc. from 07/02 to 02/05;
Vice President of Creative Benefit Strategies, Inc. from 11/95 to present.

Martin A. Jaras, CPA, Portfolio Manager**Year of Birth:** 1960**Formal Education After High School:**

Akron University: 1 year

Youngstown State University: B.S. in Business Administration (Accounting and Finance)

Registrations and Licenses:

Registered Representative (Series 7)
Qualified Pension Administrator
Certified Public Accountant
Member, Ohio Society of CPAs
Life, Health & Variable Annuity License

Five Year Business Background:

Portfolio Manager of Beacon Capital Management, Inc. from 07/02 to present;
Registered Representative of The Tavenner Company, Inc. from 07/02 to present;
President of Jaras Financial Services, Inc. from 01/92 to present.

OTHER BUSINESS ACTIVITIES

BCM is a SEC registered investment adviser. Certain employees are separately licensed as registered representatives of The Tavenner Company, Inc. ("TCI"), a NASD registered broker dealer. Certain other employees of BCM are separately licensed as registered representatives of Fortune Financial Services, Inc. ("FFS"), a NASD registered broker dealer. In addition, associated persons of BCM are insurance agents or brokers for one or more insurance companies. As such, these individuals, in their separate capacities as registered representatives and/or insurance agents or brokers, will be able to effect securities transactions and/or purchase investment products (insurance) for clients, for which they will receive separate, yet customary compensation. These products and/or services include but are not limited to life insurance, long-term care insurance, mutual funds, annuities, tax preparation, and third party administration. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Mr. Jaras, a BCM portfolio manager, is the President of Jaras Financial Services, Inc. ("JFS"). JFS specializes in pension plan consulting and administration, as well as general business consulting. The consulting services provided by Mr. Jaras through JFS are provided for separate, yet customary compensation, and are entirely separate and distinct from the advisory services provided by BCM.

Furthermore, Mr. Jaras is a licensed, practicing certified public accountant and maintains a private accounting practice. Accounting and tax preparation services provided by Mr. Jaras are separate and distinct from the advisory services provided by BCM, and are provided for separate and typical compensation. No BCM client is obligated to use Mr. Jaras for any accounting and/or tax preparation services, and no accounting/tax client of Mr. Jaras is obligated to utilize the advisory services of BCM.

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8.C.(10)

Mr. Jaras is also the co-owner of a corporation d/b/a Handel Davies Sales Company ("HDSC"). HDSC is a wholesale distributor of specialty mats and cables in addition to pipe connectors used by electrical contractors. Mr. Jaras spends approximately five percent of his time engaged in activities on behalf of HDSC.

PENSION CONSULTANT

Steve J. Persons and Marylis A. Wozniacki are principals of Creative Benefit Strategies, Inc. located at 10155 Broadview Road, Suite 6, Broadview Heights, Ohio 44147. Creative Benefits Strategies, Inc. ("CBS") is a third party administrator (TPA) and pension consultant, providing actuarial, recordkeeping, compliance and nondiscrimination testing and statutory forms, among other services. Creative Benefit Strategies is compensated directly in the form of fees. CBS may recommend BCM to TPA clients in need of advisory services. BCM may recommend CBS to advisory clients in need of TPA services. TPA services provided by CBS are separate and distinct from the advisory services of BCM, and are provided for separate and typical compensation. BCM is not compensated for these services. Furthermore, there are no referral fee arrangements between BCM and CBS for these recommendations. No BCM client is obligated to use CBS for any TPA services.

While these individuals endeavor at all times to put the interest of the clients first as part of BCM's fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

9.E**CODE OF ETHICS**

BCM has adopted a Code of Ethics that sets forth high ethical standards of business conduct that BCM requires of its employees, including compliance with applicable federal securities laws. Our Code of Ethics also includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by BCM's covered persons. Among other things, BCM's Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also includes oversight, enforcement and recordkeeping provisions. A copy of BCM's Code of Ethics is available to BCM's advisory clients upon request to the Chief Compliance Officer at BCM's principal office address.

10.**CONDITIONS FOR MANAGING ACCOUNTS****INVESTMENT MANAGEMENT SERVICES**

BCM requires a minimum account of \$50,000 for Beacon DFA Portfolio Service, and a minimum account size of \$25,000 for participation in the Value-Oriented Asset Allocation program. These minimum account requirements may be negotiable at BCM's discretion based on the client's individual circumstances. BCM may group certain related client accounts for the purposes of achieving the minimum account size.

There is no minimum account requirement for the Fund Allocation service.

Please refer to Item 1.D. of this Schedule F narrative for complete detail.

THIRD PARTY MONEY MANAGERS

Clients should refer to the independent investment adviser's disclosure document for information on minimum account size requirements or any other conditions for managing an account.

PENSION CONSULTING SERVICES

There is no account or net worth minimums for Pension Consulting Services clients.

11.A. and 11.B.**REVIEWS AND REPORTS OF ACCOUNTS**

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INVESTMENT MANAGEMENT SERVICES

REVIEWS: A designated portfolio manager reviews information submitted by each new prospective client prior to initial trading, for the appropriateness and suitability of our recommendations.

The underlying securities within Portfolio Management Services accounts are continuously monitored. The portfolio managers monitor the stock-to-bond ratios and the allocations of each holding within each account. When the stock-to-bond ratio and/or the individual holdings have deviated sufficiently to alter the risk of the account, the portfolio managers are responsible for rebalancing the account back to its stated targets. In addition, should the investment committee decide to make any fund or manager changes, the portfolio managers are responsible for making those changes within each account. Additional reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

At least annually, individual clients are asked to meet with their Financial Advisor. Together, the client and the Financial Advisor determine whether a change in their objectives warrants a change in the criteria used to manage their account.

REPORTS: Client Quarterly Performance Evaluations (Statements): BCM will provide investment management clients with a comprehensive quarterly statement that will include the beginning period balance, the current market value, and performance data since the inception of the account. In some circumstances, this quarterly statement may be provided to you by a third party under contract with us to provide statements to our clients. In addition you may receive quarterly (or more frequently) reports directly from your custodian.

THIRD PARTY MONEY MANAGERS

REVIEWS: These client accounts should refer to the independent registered investment adviser's disclosure document for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

BCM will provide reviews as contracted for at the inception of the advisory relationship. At least annually, individual clients are asked to meet with their Financial Advisor. Together, the client and the Financial Advisor determine whether a change in their objectives warrants a change in the criteria used to manage their account.

REPORTS: These client accounts should refer to the independent registered investment adviser's disclosure document for information regarding the nature and frequency of reports provided by that independent registered investment adviser.

BCM will not typically provide these client accounts with reports unless otherwise contracted for at the inception of the advisory relationship.

PENSION CONSULTING SERVICES

REVIEWS: BCM will review client investment policy statements whenever clients indicate a change in circumstances regarding the needs of the plan. BCM will also review the investment options of the plan according to the agreed upon time intervals established in the investment policy statement. Such reviews will generally occur quarterly. Reviews will be conducted by the account representative for each client.

REPORTS: These client accounts will receive reports from the plan's Third-Party Administration (TPA). BCM will not typically provide these client accounts with additional reports unless otherwise contracted for at the inception of the advisory relationship.

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12.A.(1) and 12.A.(2)**INVESTMENT DISCRETION**

For discretionary clients, BCM requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold.

Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. This discretionary authority in no way restricts you from establishing special limitations on the types of investments BCM may recommend or make on your behalf and you may instruct BCM not to purchase specific securities or types of securities which you desire not to own for any reason. Clients are advised that imposing such restrictions may result in different performance results than those achieved by advisory clients who do not impose such restrictions.

Non-Discretionary Clients: An advisory client electing not to grant investment discretionary authority to BCM is advised that trades in his/her account may be executed subsequent to trades affected in discretionary accounts due to the additional time involved in obtaining the required client approval prior to executing any trade in such client's account. Consequently, there may a difference in the price per share of a given security and the commission rates paid.

12.B.**DIRECTED BROKERAGE - BROKERAGE RECOMMENDATIONS****PORTFOLIO MANAGEMENT**

As BCM does not have the discretionary authority to determine the broker dealer to be used or the commission rates to be paid, clients must direct BCM as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that BCM will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, BCM may recommend the use of one of several broker dealers, provided BCM can meet its fiduciary obligation of best execution. BCM clients must evaluate these brokers before opening an account. The factors considered by BCM when making this recommendation are the broker's ability to provide professional services, BCM's experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to effect trades through any recommended broker.

BCM participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Charles Schwab & Company, Inc. ('Schwab'), the TD Ameritrade services program sponsored by TD Ameritrade Institutional Services, a division of TD Ameritrade, Inc. ('TD Ameritrade'), as well as the FISERV ISS program sponsored by FISERV Trust Company, a division of FISERV, Inc. ('FISERV'). Schwab and TD Waterhouse are NASD registered broker dealers. As part of these programs, BCM receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 13.A. of this Schedule F narrative).

Clients directing us to manage accounts with a specific broker/dealer and their affiliated custodian, including those recommended by us, have the sole responsibility for negotiating commission rates and other transaction costs with the broker/dealer and/or custodian. Clients may be able to obtain lower transaction fee and/or charges with broker/dealers and custodians other than those selected by us.

As previously disclosed, the principal executive officer and other associated persons of BCM are separately registered as representatives of The Tavenner Company, Inc. ("TCI"), a broker dealer and NASD member firm. Another related person of BCM is separately licensed as a registered representative of Fortune Financial Services, Inc. ("FFS"), also a NASD registered broker dealer. Broker dealers are

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13.A.	<p>required to supervise the securities trading activities of its representatives. Clients may request that brokerage transactions be directed to a particular broker or dealer. However, if either TCI or FFS believes that the use of the client's selected broker dealer would hinder the firm meeting its supervisory obligations, BCM will not be able to accept the account. Furthermore, if BCM believes that the use of that broker dealer would hinder BCM in meeting its fiduciary obligations, BCM will not be able to accept the account.</p> <p><u>THIRD PARTY MONEY MANAGERS</u> Clients should refer to the disclosure document(s) of recommended advisers for information on the brokerage recommendations and practices of those entities. Certain recommended independent registered investment advisers may also be registered broker dealers. In addition to satisfying himself/herself that such an adviser is appropriate, clients should also independently evaluate any brokerage services offered.</p> <p><u>PENSION CONSULTING SERVICES</u> BCM does not arrange for the execution of securities transactions for pension plans as a part of this service. The client is responsible for the implementation of securities transactions for these accounts.</p> <p>With respect to advisory clients that are accounts regulated under the Employee Retirement Income and Security Act ("ERISA") or individual retirement accounts ("IRAs"), BCM provides general investment advice about the merits and risks of several investment alternatives. BCM has no discretionary authority or control, whatsoever, with respect to ERISA or IRA accounts. The named Plan fiduciary must make the investment decision about the purchase of any products based on his/her understanding of the Plan's needs and objectives, and BCM is in no way responsible for any investment decisions. The Plan fiduciary is free to seek independent advice about the appropriateness of any investment for the Plan.</p> <p>Any advisory fees BCM receives for ongoing advisory services to ERISA or IRA accounts are reduced by the amount of any commissions or Rule 12b-1 fees that related persons receive that are attributable to these accounts. This offset does not apply to one-time generic financial plans or to investment education provided within the Department of Labor's Section 404(c) guidelines.</p> <p><u>ADDITIONAL BENEFITS</u> BCM and/or its principal executive officers may, from time to time, receive incentive awards for the recommendation/introduction of insurance products. The receipt of this compensation may affect BCM's judgment in recommending products to its clients. The principal executive officers and other employees of BCM may, from time to time, receive 12b-1 distribution fees from investment companies in connection with the placement of client funds into investment companies. Schwab, TD Ameritrade, and FISERV also make available to BCM other products and services that benefit BCM but may not benefit its clients' accounts. Some of these other products and services assist BCM in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of BCM's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of BCM's accounts. Recommended brokers also make available to BCM other services intended to help BCM manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. BCM does not, however, enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers. While as a fiduciary, BCM endeavors to act in its clients' best interests, BCM's requirement that clients maintain their assets in accounts at Schwab or TD Ameritrade may be based in part on the benefit to BCM of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the brokers, which may create a potential conflict of interest.</p>
13.B.	<p><u>ADDITIONAL COMPENSATION</u></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:

Beacon Capital Management, Inc.

SEC File Number:

801- 61249

Date:

02/26/2009

(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: Beacon Capital Management, Inc.		IRS Empl. Ident. No.: 31-1720376
Item of Form (identify)	Answer	

PRIVACY POLICY	<p>BCM enters into marketing arrangements with broker/dealers, registered investment advisers and independent financial professionals pursuant to which representatives of their firms ("Solicitors") offer our services to the public. These Solicitors refer us the majority of our clients. Through these arrangements, BCM may pay a cash referral fee to the Solicitor and/or their firm based upon a percentage of our investment management fee.</p> <p>The amount of the referral fee may be up to 95% of the amount of the investment management fee received from you. In connection with these arrangements, BCM will comply with Rule 206(4)-3 under the Advisers Act. The referral fee is paid pursuant to a written agreement, which is retained by both your Financial Advisor, as the Solicitor, and BCM. This information is disclosed to you prior to or at the time of entering into an investment management agreement with BCM.</p> <p>Solicitors, on their own and not related in any way to their solicitors' agreements with BCM and not on BCM's recommendation, also sell insurance, annuities, mutual funds, stocks, bonds, and/or limited partnerships to clients. These solicitors may receive separate and typical commissions on the sale of these products. BCM may pay a portion of the investment management fee to other affiliated or non-affiliated parties who assist with certain administrative tasks associated with the management of your account.</p> <p>BCM may reimburse unaffiliated third parties for the costs of attending seminars for the purpose of learning about our investment management services. BCM also may pay for costs associated with client seminars done for the purpose of acquiring or retaining clients for us.</p> <p>BCM may pay territorial/regional wholesaler(s) compensation based in whole or in part on revenues generated from a wholesaler's territory or region. Such compensation is separately negotiated and is not based on the individual client.</p> <p>* * * * *</p> <p><u>PRIVACY POLICY</u> As a client of BCM, you share both personal and financial information with us. Your privacy is important to us, and BCM are dedicated to safeguarding your personal and financial information.</p> <p><u>INFORMATION PROVIDED BY CLIENTS</u> In the normal course of doing business, BCM typically obtain the following non-public personal information about our clients:</p> <p>Personal information regarding our clients' identity such as name, address and social security number; Information regarding securities transactions effected by us; and</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:

Beacon Capital Management, Inc.

SEC File Number:

801- 61249

Date:

02/26/2009

(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:

Beacon Capital Management, Inc.

IRS Empl. Ident. No.:

31-1720376

Item of Form
(identify)

Answer

Client financial information such as net-worth, assets, income, bank account information and account balances.

HOW BCM MANAGES AND PROTECT YOUR PERSONAL INFORMATION

BCM does not sell information about current or former clients to third parties, nor is it our practice to disclose such information to third parties unless requested to do so by a client or client representative or, if necessary, in order to process a transaction, service an account, or as permitted by law. Additionally, BCM may share information with outside companies that perform administrative services for us. However, our contractual arrangements with these service providers require them to treat your information as confidential.

In order to protect your personal information, BCM maintains physical, electronic and procedural safeguards to protect your personal information. Our Privacy Policy restricts the use of client information and requires that it be held in strict confidence.

CLIENT NOTIFICATIONS

BCM is required by law to annually provide a notice describing our privacy policy. In addition, BCM will inform you promptly if there are changes to our policy.

Please do not hesitate to contact us with questions about this notice.

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