

Item 1 – Cover Page

Ceponis Financial Group

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Date of Brochure: March 2011

This brochure provides information about the qualifications and investment advisory business practices of Ceponis Financial Group. If you have any questions about the contents of this brochure please contact us at 203-762-2117 and/or dceponis@ceponisfinancialgroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about our investment advisory business is also available on the Internet at www.adviserinfo.sec.gov. You can view our information on this website by searching for “Ceponis Financial Group” by name or by using the Firm’s CRD number. The CRD number for the Firm is **115390**.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

Regulators recently made changes to the disclosure document that we provide to clients as required by applicable rules and regulations. This Disclosure Brochure dated March 2011 is a new document prepared according to the new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous Form ADV Part II and Schedule F did not require. In the future, this item will discuss only specific material changes that are made to the Disclosure Brochure and provide readers with a summary of such changes. It will also reference the date of the last annual update of the brochure.

In the past we have offered or delivered information about our Firm's qualifications and business practices to clients on at least an annual basis. Pursuant to new rules, we will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer a copy of the most current Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

Description of Advisory Firm

David J. Ceponis, Sole Proprietor doing business as Ceponis Financial Group is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”). We will refer to the Firm as Ceponis Financial Group or the Firm throughout this brochure. However, it should be noted that the Firm is technically registered in the name of David J. Ceponis since he has decided to register as a Sole Proprietor and not form a separate legal entity such as a corporation or limited liability company. Mr. Ceponis is the only investment advisor representative of the Firm at this time.

The Firm has been registered as an investment advisor since February 11, 1998.

We offer and consider ourselves specialists in providing personalized portfolio management services and financial planning services as described below.

A portfolio managed to an investment objective is not nearly as useful as one managed to meet the financial challenges and opportunities of the investor. We hold that knowing the detailed financial and personal circumstances of our clients is the pivotal engine of successful portfolio management. The asset allocations in a portfolio must reflect the unique liquidity, tax, income, risk tolerances and growth needs of the client. And since client needs can change both internally and externally at unpredictable times, effort must be expended and resources deployed to monitor and understand those changes.

We maintain a high staff to client ratio to appropriately monitor our clients’ needs. Client communication “touches” are routinely tracked and measured to make sure our staff knows what is going on in our clients’ lives. Financial planning becomes a tool to carve an optimum path through a range of possible choices usually resulting in a better outcome. The client gains a sense that he/she is in control of his/her financial destiny.

Once the financial and monetary requirements of a client are well known, we launch into a portfolio allocation strategy to facilitate the clients’ goals. We’ll consider allocating to stocks, bonds, mutual funds, exchange-traded funds (“ETF’s”), money markets, certificate of deposits, annuities, real-estate investment trusts (REIT’s) and possibly options. These positions will be actively managed so changes can be made in response to changes in the clients’ circumstances or changes in the securities markets and/or economy, as well as specific changes in individual companies or sectors.

General Description of Primary Advisory Services

The following are brief descriptions of our primary services. A detailed description of our services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the services and description of fees in a side-by-side manner.

Financial Planning Services – We provide advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Portfolio Management Services – We provide advisory services in the form of Portfolio Management Services. Portfolio Management Services involve providing clients with continuous and on-going supervision over client accounts. This means that we will continuously monitor a client's account and make trades in client accounts when necessary.

Our Portfolio Management Services are provided through accounts at TD Ameritrade. We also offer management services through the SEI Asset Management Program. Additionally, we offer management services through sub-advisors on the TD Ameritrade (TDA) platform through their agreement with Envestnet Asset Management, Inc. Envestnet provides access to institutional money managers at modest account balance levels (as little as \$100,000 in some cases). These accounts are custodied on the TDA platform and not held away by the sub-advisor.

Limits Advice to Certain Types of Investments

We provide investment advice on the following types of investments.

- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)
- Foreign Issues
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares (primarily no-load mutual funds and funds traded at net-asset-value)
- United States government securities
- Options contracts on securities
- Real Estate Investment Trusts (REITs)

We do not provide advice on options contracts on commodities, futures, hedge funds and other types of private (i.e. non-registered) securities.

When providing Portfolio Management Services, Ceponis Financial Group will work with its clients to create an initial portfolio allocation designed to complement each client's educational, home ownership and retirement funding goals and objectives etc. We may create a portfolio, consisting of individual stocks or bonds; no-load funds and/or load-waived funds (front-end commissions will not be charged), U.S. Treasury securities, money markets, certificates of deposit ("CD's), options and in some cases annuities.

It is not our typical investment strategy to attempt to time the market but we may increase cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations like: low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

Tailor Advisory Services to Individual Needs of Clients

Our services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

Client Assets Managed by Ceponis Financial Group

The amount of clients assets managed by our Firm totaled \$55,386,000.00 as of December 31, 2010. \$48,206,210.00 is managed on a discretionary basis and \$7,179,790.00 is managed on a non-discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provide in Item 4 – Advisory Business, this section provides details regarding Ceponis Financial Group's services along with descriptions of each service's fees and compensation arrangements.

Financial Planning Services and Fees

Written Financial Plans

We offer financial planning services in the form of written financial plans. For clients choosing this service, Ceponis Financial Group will conduct an initial interview with the client and discuss the client's current financial situation and his/her goals and objectives. This initial interview will also assist Ceponis Financial Group and the client in determining the extent and content of the written financial plan. There is no charge for this initial interview. Financial plans may be specific or modular in their preparation (unique to each client in their depth of preparation). Plans take into consideration factors such as the client's objectives, risks that they are willing to undertake, investment knowledge, net worth, income, age, projected retirement, unusual or material funding requirements, inheritance possibilities, pensions, social security, children/relative funding issues, estate issues, and living expenses expressed in today's dollars requested for retirement. Topics covered and detailed in financial plans will be dependent upon the client's individual needs and can be composed of, but are not necessarily limited to:

- Goal setting,
- Investment planning,
- Estate planning, Stock option planning,
- Insurance planning,
- Cash flow planning,
- Education planning,
- Retirement planning, and
- Long-term care planning

Fees for this service are established on an individual client basis and fully disclosed to the client before the plan is prepared. The fees for a written financial plan are negotiable and usually range from \$1,200 to \$10,000; they are based upon an estimate of time that will be spent relative to the complexity of the

client's circumstances and the services to be provided. A retainer of one-third (1/3) to one-half (1/2) of the agreed upon fee is due at the time the client agreement is signed. The remainder of the fee is due upon completion and presentation of the plan to the client.

Financial and Portfolio Consultations

Clients can also engage us for one-time financial and investment consultations that are based upon the client's specific needs and desires for future financial goals and/or objectives.

There is a negotiable charge of up to \$250 per hour for these consultations, which is fully disclosed prior to the consultation and payable upon completion of the consultation.

Ceponis Financial Group may also provide periodic portfolio consultations for accounts not managed by us through the programs described below. A pre-determined fixed fee for portfolio consultations, usually between \$1,200 and \$10,000, is negotiated with the client based upon the complexity of the client's situation, the length of time services will be provided and the number of consultations that will be conducted with the client. The fee will be fully disclosed at the time the contract for services is signed. A portion of the fee will be billed, in advance at the start of each consultation. The rest shall be billed, upon completion of each consultation session.

Ceponis Financial Group and our associated persons will not implement any trades as a result of the portfolio consultations. All trade implementation will be the responsibility of the clients based on the advice provided by Ceponis Financial Group and our associated persons. We and our associated persons will not at any time have direct access to a participant's funds or securities.

Termination of Financial Planning Services

Services terminate upon presentation of the financial plan and/or completion of the consultation(s), except where portfolio consultation services may be entered into for a specific length of time as detailed in the client agreement. Either party may terminate the client agreement at any time, by submitting written notice, to all appropriate parties. Termination will be effective upon the receipt of such notice. If services are terminated within five (5) business days after you sign the client agreement, then services will be terminated without penalty (no fees will be due and/or a refund of any fees paid in advance). After the initial five (5) business days, we will bill for time and costs expended to the date of cancellation; any prepaid fees will be refunded on a prorated basis based upon the time and costs expended to the date of cancellation.

Portfolio Management Services

Portfolio Management services involve providing clients with continuous and on-going supervision over client accounts. This means that we will continuously monitor a client's account and make trades in client accounts when necessary. Through this service, Ceponis Financial Group implements a customized and individualized investment program for clients by applying our investment strategy and philosophy. Ceponis Financial Group shall actively manage client investment portfolios in accordance with the client's individual needs, return objectives and risk tolerance.

Portfolio Management Services are provided through accounts at TD Ameritrade, Inc. as a result of the Firm's participation in the TD Ameritrade Institutional platform. TD Ameritrade, Inc. is a registered broker/dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC), and will serve as the client's qualified custodian and maintain physical custody of all client funds and securities. You must designate Ceponis Financial Group as your

investment advisor on the accounts you'd like the Firm to manage. Ceponis Financial Group will be granted limited power-of-attorney on the account to implement trades within the account and (when agreed to by the client) deduct the Ceponis Financial Group advisory fees from the account. Please refer to Item 12 for more information regarding the Firm's brokerage arrangements.

Clients are always responsible for notifying us of any changes to their financial situation or investment objectives. At least annually, we will contact each client for the specific purpose to determine whether the client's financial situation or investment objectives have changed, or if the client would like to impose and/or modify any reasonable restrictions on the management of their accounts. We are always reasonably available to consult with clients relative to the status of their accounts. A client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the accounts. A separate account is always maintained for each client with the broker-dealer/custodian and the client retains all rights of ownership to their accounts (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions we take for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed appropriate for your account(s) and other accounts advised by our Firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

FEE SCHEDULE: Portfolio Management Services

Clients pay a monthly Account Fee, in advance, based upon the market value of the client's assets under management as of the last business day of the preceding calendar month. The fee is negotiable in certain circumstances. In computing the market value of assets, fund shares will be calculated at their respective net asset values as of the valuation date in accordance with each fund prospectus. Any such valuation shall not be deemed a guarantee of any kind with respect to the value of those assets.

The following fee schedule is provided as an example of the fees that may be charged to clients based on the amount of client assets managed by Ceponis Financial Group. The following fee schedule is provided for illustrative purposes only.

Asset Amount	Annual fee	Monthly fee
On the first \$250,000	1.75%	0.1458%
On the next \$250,000	1.25%	0.1042%
On the next \$500,000	1.00%	0.0833%
On the next \$1,000,000	0.75%	0.0625%
On the next \$3,000,000	0.60%	0.0500%
On the next \$5,000,000	0.50%	0.0417%

Please note that this is a "blended-rate" schedule. As each new breakpoint level is reached, only those dollars above the level of the break point are charged the lower rate. For example, suppose a client asset total was at \$720,000 at month end. Here is how the fee would be calculated:

- 1) On the first \$250,000 $0.1458\% \times \$250,000 = \364.50
- 2) On the next \$250,000 $0.1042\% \times \$250,000 = \260.50
- 3) On the final \$220,000 $0.0833\% \times \$220,000 = \183.26

Grand Total \$ 808.26

Additional Information Concerning Fees

In certain circumstances, advisory fees and account minimums may be negotiable and are generally based upon prior relationships as well as related account holdings. The fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. Such fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

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

As stated previously, all advisory fees are charged in advance, at the start of each calendar month, based upon the closing value of the assets in the portfolio as of the last business day of the prior month. The initial fee will be payable when the account is established, prorated for the first partial month, if applicable. Thereafter, the fee will be payable on the first day of each calendar month based on the asset value of the account as of the last business day of the prior month. Additional deposits to the account are subject to the same fee procedures.

Upon your written authorization, fees will be automatically deducted from the account. In certain cases, annuities held outside the account will be billed an advisory fee against the account. You will be provided with a monthly statement or invoice reflecting deduction of the advisory fee.

Termination of Services

Clients can terminate, without penalty, Ceponis Financial Group's Agreement within five business days. Thereafter, you will receive, where applicable, a prorated refund of any prepaid advisory fees. Such prorated refund will be based upon actual services and termination costs incurred up to and at the time of termination of our services.

SEI Asset Management Program

The SEI Program is an institutional asset allocation program that Ceponis Financial Group uses in the management of client account assets. For clients that would like to engage us for this service, we will help establish an SEI Program Account (the Account) at SEI Trust Company (SEI) which will serve as the account's qualified custodian. All account transactions will be processed and cleared through SEI. The SEI program uses asset allocation portfolios developed by SEI Investments. The portfolios consist of SEI Family of Institutional Mutual Funds (Mutual Funds) and other securities approved by SEI to be held in an Account.

Ceponis Financial Group will work with each client to help determine the asset allocation policy (Asset Allocation Policy) most appropriate and then forward the Asset Allocation Policy to SEI. We direct SEI to reallocate your investments in accordance with your Asset Allocation Policy. In addition, Ceponis Financial Group directs SEI to rebalance the investments within the account at least quarterly, so that the market value of the shares of each mutual fund held in the account is the same percentage of the total market value of the account as required by the client's Asset Allocation Policy.

The maximum total Advisory Services Fees charged to the Client may not exceed 1.75%. SEI Trust Company may charge a separate custodial fee for the custody services it provides the client's Account. Mutual Funds held in the Account pay their own advisory fees and other expenses, which are explained in each Mutual Fund's prospectus. These fees and expenses are separate charges from the account management fees.

SEI program management fees are payable quarterly, in arrears, based on assets under management at the end of the quarter. Management fees are automatically deducted from your account. Each quarter SEI will send you an account statement that will include a management fee notification, which will show the computed fee, any adjustments to fee, an explanation of any adjustment and the net management fee to be deducted later in the period from your account. Management fees are paid to Ceponis Financial Group.

Envestnet Asset Management Program

The Envestnet agreement with TD Ameritrade (TDA) allows a sub-advisory relationship with an institutional money manager for clients of Ceponis Financial Group. David J. Ceponis is still the investment advisor but delegates out to the Envestnet money manager the task of providing a specific portfolio tactic or strategy that will complement the client's financial and investment objectives.

For clients who would like to engage this program, Ceponis Financial Group will help the client open an account with Envestnet and select the appropriate money manager for the desired portfolio strategy. The risks of the portfolio strategy will be discussed and any constraints on the investment allocations will be established at that point. Ceponis Financial Group will review the history, experience and business practices of the selected investment manager at the inception of the account as well as once annually during the time over which the account is maintained at the sub-advisor.

The actual assets of the client are custodied at TDA which is a safeguard for the client in so far as not being exposed to loss of funds at the sub-advisor level. The sub-advisor is, in essence, advising TDA to make changes in the portfolio at their discretion within the mandates of the sub-advisor's investment discretion. All account transactions will be processed and cleared through TDA.

Ceponis Financial Group will periodically review the Envestnet manager accounts, typically during the client review meeting, to make sure the account is still contributing to the needs of the client in a manner congruent with their risk propensity, growth and/or income needs, and tax needs.

Fees for this service will be provided in advance through a fee agreement with total annual fees not exceeding 2.25%. The fee will be divided between Envestnet, TDA and Ceponis Financial Group. The fee is calculated quarterly based on the final account balance on the last trading day of each calendar quarter. For accounts established between calendar quarters, a proportional fee will be charged for the amount of days in the calendar quarter the account was established. Fees are paid in advance. Should an account be closed before the end of a calendar quarter, the unearned fees will be proportionately returned to the client.

A client may terminate the service at any time by contacting Ceponis Financial Group and the account will be liquidated or transferred within 5 business days and the client will not be responsible for the asset management fee after that point.

Termination of Services

You may terminate the SEI program account at any time by notifying Ceponis Financial Group or associated persons and receive a full pro-rata refund of any unearned fees. Termination will be effective upon receipt of such notice. If services are terminated within five business days of executing the client agreement, services will be terminated without penalty. After the initial five business days, the client may be responsible for payment of fees for the number of days of services that were provided by us and/or our associated persons prior to receipt of the notice of termination.

Item 6 – Performance-Based Fees and Side-By-Side Management

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because Ceponis Financial Group does not charge or accept performance-based fees which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

Ceponis Financial Group generally provides investment advice to the following types of clients:

- Individuals,
- Pension and profit sharing plans
- Trusts, estates or charitable organizations
- Corporations or business entities other than those listed above

Minimum Investment Amounts Required

We require a minimum of \$150,000 to open a Portfolio Management or SEI account, unless the account is opened with at least \$100,000 and an additional \$50,000 is added to the account within one year of it being opened. Individual family accounts may be aggregated into a single total amount for purposes of establishing and/or maintaining an account and meeting the required \$150,000 minimum balance. Exceptions may be granted to these minimums at Ceponis Financial Group's discretion.

All clients are required to execute an agreement for services in order to work with our Firm.

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

Ceponis Financial Group uses the following methods of analysis in formulating investment advice.

Fundamental - A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Technical - A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

Ceponis Financial Group uses the following investment strategies when managing client assets and/or providing investment advice.

We typically employ investment strategies that focus primarily on a long-term, buy-and-hold approach as opposed to short-term trading. However, we may use a combination of the two depending on the specific

needs of the client. Each client portfolio will be initially designed to meet a particular investment goal which we develop based on the client's unique circumstances.

We do not attempt to manage short-term market fluctuations with active trading (market-timing/ allocation etc.). However, we may suggest that you reallocate the portfolio as necessitated by large-scale macro-economic changes in the securities markets. The following are some of the general types of investment strategies we may use when managing accounts and providing investment advice.

- Long term purchases - Investments held at least a year.
- Short term purchases - Investments sold within a year.
- Trading - Investments sold within 30 days.
- Short sales. A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.
- Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from Ceponis Financial Group.
- Option writing including covered options, uncovered options, or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our Firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market

confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our Firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produced the expected returns, the value of the investment will decrease.
- Margin Risk - When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your broker/dealer. If you intend to borrow funds in connection with your account, you will be required to open a margin account, which will be carried by the broker/dealer of your account. The securities purchased in such an account are the broker/dealer's collateral for its loan to you.

If the securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and, as a result, a brokerage firm is required to take action, such as issue a margin call and/or sell securities or other assets in your accounts, in order to maintain necessary level of equity in the account.

It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any Margin Account that may be established as a part of our Investment Management Services and held by your broker/dealer. These risks include the following:

- You can lose more funds than you deposit in your margin account.
- The broker/dealer can force the sale of securities or other assets in your account.
- The broker/dealer can sell your securities or other assets without contacting you.
- You are not entitled to choose which securities or other assets in your margin account that may be liquidated or sold to meet a margin call.
- The broker/dealer may move securities held in your cash account to your margin account and pledge the transferred securities.
- The broker/dealer can increase its “house” maintenance margin requirements at any time and are not required to provide you advance written notice.
- You are not entitled to an extension of time on a margin call.

Item 9 – Disciplinary Information

This item is not applicable to this brochure because there are no legal or disciplinary events listed at Item 9 of the Form ADV Part 2 instructions that are material to a client’s or prospective client’s evaluation of this business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Ceponis Financial Group is **not** and does **not** have a related company that is a (1) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund), (2) other investment adviser or financial planner, (3) futures commission merchant, commodity pool operator, or commodity trading advisor, (4) banking or thrift institution, (5) accountant or accounting firm, (6) lawyer or law firm, (7) pension consultant, (8) real estate broker or dealer, or (9) sponsor or syndicator of limited partnerships.

Insurance Activities

David J. Ceponis is licensed as an insurance agent to provide insurance services to clients. Although clients are under no obligation to purchase insurance products recommended by David Ceponis in his separate capacity as an insurance agent, clients can purchase such products when needs arise.

You are never obligated or required to purchase insurance products through David Ceponis. However, when acting as an insurance agent, he can help you purchase insurance products and will receive separate compensation (i.e. insurance commissions) in addition to investment advisory fees charged through Ceponis Financial Group. Clients that choose to purchase insurance products should be aware David Ceponis will generally only recommend insurance products of those companies for whom he is a sales agent and with which he is familiar with the benefits, exclusions and other terms.

Because David Ceponis will receive commissions for selling insurance products, there is a conflict of interest in that he may recommend policies to clients that do not require or need insurance. To control for this conflict of interest and consistent with our Firm’s fiduciary duty, David Ceponis strives to recommend insurance products to only those clients that need new or additional policies.

Affiliation with Triad Advisors, Inc.

Clients have the option to work with David Ceponis in his separate capacity as a registered representative of Triad Advisors, Inc. to render securities brokerage services under a strictly commission arrangement. Triad Advisors, Inc. is a registered broker/dealer, member FINRA/SIPC.

You are never obligated to use or open an account with Triad Advisors, Inc. and can use any broker/dealer you like. However, if you would like to open an account with David Ceponis on a strictly commission basis, Triad Advisors, Inc. is required.

Brokerage commissions may be charged by Triad Advisors, Inc. to effect these securities transactions and, thereafter, a portion of these commissions will be paid by Triad Advisors, Inc. to David Ceponis as a registered representative of Triad Advisors, Inc. Prior to effecting any transactions, the client will be required to enter into a new account agreement with Triad Advisors, Inc. The brokerage commissions charged by Triad Advisors, Inc. may be higher or lower than those charged by other broker/dealers. In addition, David Ceponis may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment. Clients should be aware that these 12b-1 fees come from fund assets, and thus, indirectly from client assets. Receipt of these fees could represent an incentive for registered representatives to recommend funds with 12b-1 fees or higher 12b-1 fees over funds with no fees or lower fees, therefore creating a potential conflict of interest.

Depending on the type of Triad Advisors, Inc. account that could be used to implement an investment strategy, such compensation may include (but is not limited to) commissions; mark-ups and mark-downs; transaction charges; confirmation charges; small account fees; mutual fund 12b-1 fees; mutual fund sub-transfer agency fees; and variable annuity investor servicing fees; retirement plan fees; administrative services fees for trust accounts; compensation for directing order flow; and bonuses, awards or other things of value offered by Triad Advisors, Inc. to the advisor representative.

This compensation to the advisor representative and Triad Advisors, Inc. may be more or less depending on the product or service David Ceponis recommends. Therefore, he may have a financial incentive to recommend that a strategy be implemented using a certain product or services. When he recommends securities products offered by Triad Advisors, Inc. he will receive normal commissions if products are purchased; thus a conflict of interest exists between his interests and those of clients. Clients are under no obligation to purchase products recommended by David Ceponis or to purchase products either through Triad Advisors, Inc.

Third-Party Money Managers

As described in Item 4 – Advisory Business and Item 5 – Fees and Compensation, Ceponis Financial Group has formed relationships with independent, third-party money managers through the SEI Asset Management program and Envestnet Asset Management, Inc. It should be noted that the total fee charged to clients through SEI account will be split between SEI, the third-party money manager and Ceponis Financial Group.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

We have established a Code of Ethics that applies to all personnel. It is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. This fiduciary duty is considered the

core underlying principle for our Code of Ethics which also covers our Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. We have the responsibility to make sure that the interests of all clients are placed ahead of ours or our supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. Ceponis Financial Group and its supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review advisor's Code of Ethics in its entirety, a copy will be provided promptly upon request.

Affiliate and Employee Personal Securities Transactions Disclosure

Our personnel may buy or sell securities or have an interest or position in a security for their personal account(s) which are also recommended to clients. As these situations may represent a potential conflict of interest, we have developed several procedures designed to control for the conflict of interest.

- Our personnel are and will continue to be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988.
- It is our policy that personnel cannot prefer their own interest to that of any advisory clients.
- Personnel are not permitted to purchase or sell securities **prior** to a transaction or transactions being implemented for an advisory account.
- Personnel may not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of their employment unless the information is also available to the investing public upon reasonable inquiry.
- We maintain a list of all securities holdings and all associated persons, which is reviewed on a regular basis by David J. Ceponis. This log is available for client review upon request. At the end of each calendar quarter, any stock trades made in employees' accounts are reviewed and archived by David J. Ceponis.

Generally speaking, trades made by Ceponis Financial Group in employees' accounts are so relatively small (\$50,000 or less, and usually much smaller) and in large companies typically traded on the major exchanges. These trades are generally not done in conjunction with client trades, but even if they were, the size of the trades would not "move the market" exposing a client to a potential change in stock price on their sale or purchase. In the unusual instance of a Ceponis Financial Group employee buying a "penny stock", where even a small trade could move the market potentially, permission would have to be granted in advance and the trade would be done on a different trading day than such a trade for any client.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of Ceponis Financial Group. If the Firm assists in the implementation of any recommendations through our Portfolio Management Services program, we are responsible for ensuring that the client receives the best execution possible.

Clients opening an account through our Portfolio Management Services will need to establish an account at TD Ameritrade, Inc. If clients would like to open a commission-only brokerage account with David Ceponis, Triad Advisors, Inc. must be used. Please note we do not have any formal soft-dollar arrangements. Nor do we receive client referrals from a broker/dealer.

Recommendation of TD Ameritrade

Ceponis Financial Group participates in the TD Ameritrade Institutional program. Ceponis Financial Group recommends TD Ameritrade, as a result of its participation in the TD Ameritrade Institutional program, to serve as broker/dealer and qualified custodian for client accounts. TD Ameritrade Institutional is a division of TD Ameritrade, Inc., a registered broker dealer and member FINRA/SIPC. TD Ameritrade offers independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions.

It should be noted that not all investment advisory firms require or even recommend the use of a specific brokerage platform. By directing clients to open accounts through TD Ameritrade, Ceponis Financial Group may be unable to achieve the most favorable execution of client transactions and the use of TD Ameritrade may be more expensive than other brokerage platforms.

Our process of determining and recommending a specific broker-dealer/custodian focuses on the benefits and level of service the broker-dealer can provide to our clients. Therefore, we consider the full range and quality of services provided by available broker-dealers, including execution compatibility, account access and information, and overall account costs. Further, we will analyze the broker-dealer's prior experience with our Firm and the broker-dealer's responsiveness, service, reputation, honesty, integrity and its financial stability. Ceponis Financial Group additionally considers the services provided by the broker-dealer, custodian in executing and handling client accounts that assist Ceponis Financial Group in its management of client accounts.

Clients enter into separate brokerage agreements with TD Ameritrade Institutional Services, appointing TD Ameritrade Institutional Services as the broker-dealer, custodian.

The recommendation of TD Ameritrade is based on past experiences, minimizing commissions and other costs as well as offerings or services the broker/dealer provides that Ceponis Financial Group or client may require or find valuable such as online access. Clients may pay commissions higher than those obtainable from other broker/dealers in return for those products and services. Commission and fee structures of various broker/dealers are periodically reviewed to ensure clients are receiving best execution and competitive rates. Accordingly, while Ceponis Financial Group will consider competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. Therefore, the overall services provided by the broker/dealer are evaluated to determine best execution.

Client accounts remain individually managed according to each client's needs, but if transactions are advisable for a number of accounts at the same time, the orders for the transactions may be grouped together. In executing substantially identical orders, Ceponis Financial Group may group orders of several clients together for execution. Ceponis Financial Group allocates the order among client accounts prior to placing the order, and each client receives the same execution and costs appropriate to the account. By grouping these orders, Ceponis Financial Group intends that better execution and price be achieved with the broker-dealer, custodian having a larger order to work.

Ceponis Financial Group does not have any soft-dollar arrangements with TD Ameritrade or any other broker-dealer. However, Ceponis Financial Group may receive certain research and online execution

services from the custodian, broker-dealer it uses. This research and execution services assists Ceponis Financial Group in its management of client accounts. Ceponis Financial Group considers the provision of these items in selecting a broker-dealer, custodian, because of the ability to better execute transactions and to have the research and other information available, but these factors are not determinative. These items include, without limitation, access to client account data, facilitation of execution, research, pricing, market information, due diligence and compliance information.

While there will not be a direct linkage between the investment advice provided by Ceponis Financial Group and TD Ameritrade, economic benefits may be received that would not be received if Ceponis Financial Group did not use these services to implement the investment advice provided. These benefits may include, but not necessarily be limited to: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk; the ability to have investment advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; receipt of compliance publications; paid expenses for educational industry-related conferences sponsored by TD Ameritrade; and access to mutual funds that generally require significantly higher minimum initial investments or are generally only available to institutional investors.

Recommendation of Triad Advisors, Inc.

Clients wishing to implement Ceponis Financial Group's financial planning advice are free to select any broker they wish and are so informed. If clients wish to have David Ceponis implement advice in his capacity as a registered representative, Triad Advisors, Inc. will be used. David Ceponis is a registered representative of Triad Advisors, Inc. and is required to use the services of Triad Advisors, Inc. and Triad Advisors, Inc.'s approved clearing broker-dealers when acting in their capacity as registered representatives. Triad Advisors, Inc. serves as the introducing broker-dealer. All accounts established through Triad Advisors, Inc. will be cleared and held at National Financial Services, LLC.

Triad Advisors, Inc. has a wide range of approved securities products for which Triad Advisors, Inc. performs due diligence prior to selection. Triad Advisors, Inc.'s registered representatives are required to adhere to these products when implementing securities transactions through Triad Advisors, Inc. Transaction fees charged for these products may be higher or lower than transaction fees clients may be able to obtain if transactions were implemented through another broker/dealer. Because David Ceponis is also a registered representative of Triad Advisors, Inc., Triad Advisors, Inc. provides compliance support to Ceponis Financial Group's associated persons. In addition to compliance support, Triad Advisors, Inc. also provides back-office operational, technology, and other administrative support.

Aggregation of Client Orders-Block Trading Policy

Our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Further, the investments we are responsible for trading in client accounts are typically limited to mutual funds, ETFs, and other broadly traded positions. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Since financial planning services terminate upon completion of the consultation and/or presentation of the plan, unless clients contract for additional on-going services, no on-going reviews are performed. We recommend that you have your financial situation reviewed at least annually. Additional fees may be charged and you may be required to execute a new agreement for these services. Accounts established through SEI will be reviewed when reports and/or statements from the money managers are received, which is usually quarterly.

Managed accounts are reviewed periodically, no less than two to four times per year, generally when client meetings occur. Changes in a client's financial situation or market conditions will trigger more frequent reviews. Underlying investments held in client accounts are reviewed more frequently as they are monitored on a continuous basis throughout the year. David J. Ceponis is responsible for all client account reviews.

Statements and Reports

We may prepare performance reports for certain clients. Investors with managed accounts may receive quarterly, monthly or on-demand reports showing the investment performance of their accounts from their account custodian and/or us. Investors participating in the SEI program will receive monthly account statements, transaction ledgers and quarterly reports showing the investment performance of their account from SEI. Clients should always compare any performance reports provided by our Firm against account statements received directly from their qualified custodian.

Item 14 – Client Referrals and Other Compensation

- We do not directly or indirectly compensate anybody for client referrals.
- The only form of compensation received from advisory services is the fees charged for providing investment advisory services as described in Item 5 of this brochure. However, David Ceponis also receives commissions when selling insurance products and when providing brokerage services advice through commission-only arrangements using Triad Advisors, Inc. Please refer back to Item 10 for more details.

We may from time to time receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

Ceponis Financial Group is deemed to have custody of client funds and securities whenever Ceponis Financial Group is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody we will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which we are deemed to have custody, the Firm has established procedures to ensure all client funds and securities are held at a qualified custodian (i.e. TD Ameritrade, Inc.) in a separate account for each client under that client's name. You, or an independent representative of yours, will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from Ceponis Financial Group. When you have questions about your account statements, you should contact us, or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

Through our Portfolio Management services and upon receiving written authorization from a client, Ceponis Financial Group will maintain trading authorization over client accounts. Upon receiving written authorization from the client in our Firm's agreement for services, Ceponis Financial Group may implement trades on a **discretionary** basis (as provided by each client in our agreement for services). When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction. However, it is our policy to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to our Firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

We will not vote proxies on behalf of your account. While there are some investment advisors that will vote proxies and other corporate decisions on behalf of their clients, we have determined that taking on the responsibility for voting client securities does not add enough value to the services provided to clients to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in accounts managed by our Firm.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by our Firm. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact our Firm.

Item 18 – Financial Information

This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time,

Information Required by Part 2B of Form ADV: Brochure Supplement

David J. Ceponis, Sole Proprietor and Chief Compliance Officer

Item 1 – Cover Page

This brochure supplement provides information about David Ceponis that supplements the information previously provided in this brochure. Please contact Mr. Ceponis at 203-762-2117 if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

David J. Ceponis, Sole Proprietor and Chief Compliance Officer was born in 1954 and graduated from Colgate University in 1976 with a Bachelor of Arts degree in Natural Science. He received his Masters degree in Science Education from Colgate University in 1981.

Mr. Ceponis has been a registered representative with Triad Advisors, Inc. since October, 2005. He was a registered representative with Securities America, Inc. from February 1997 to October, 2005. From January 1987 through February 1997 he was with New England Securities Corporation. From May 1986 through February 1997, Mr. Ceponis offered insurance services through The New England d/b/a Leaton Financial Group. In February 1997, he created Ceponis Financial Group, a sole proprietorship, to handle his insurance activities. In February 1998, Mr. Ceponis registered as an investment advisor; he now offers both insurance and investment advisory services through Ceponis Financial Group.

Item 3 – Disciplinary Information

Mr. Ceponis has no disciplinary history to report.

Item 4 – Other Business Activities

Mr. Ceponis is a registered representative with Triad Advisors, Inc. and an independent insurance agent. Please refer to the previous disclosures at Item 10 – Other Financial Industry Activities and Affiliations for details.

Item 5 – Additional Compensation

In addition to receiving a regular salary and profits as the Sole Proprietor of Ceponis Financial Group, Mr. Ceponis can earn additional compensation in connection with providing investment advice. Please refer to the previous disclosures at Item 5 – Fees and Compensation, Item 10 – Other Financial Industry Activities and Affiliations, and Item 14 – Client Referrals and Other Compensation for details.

Item 6 – Supervision

Mr. Ceponis is the Chief Compliance Officer of Ceponis Financial Group and currently the only investment advisor representative of the Firm. He is ultimately responsible for supervising all activities and services provided by the Firm.

CUSTOMER PRIVACY STATEMENT

We are committed to safeguarding the confidential information of our clients and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from our clients or receive from other firms in connection with any of the financial services we provide. We also require other firms with whom we deal to restrict the use of client's information. Our Privacy Policy is available upon client's engagement of the Firm's services or by prior request of the clients. It will also be provided to all current clients on an annual basis. Customer information is routinely passed between Ceponis Financial Group and Triad Advisors in the establishment of customer accounts. Triad Advisors has a comprehensive privacy policy in place. At the establishment of the account, the Privacy Policy will be given to a client as well as annually.