

Disclosure Brochure

April 27, 2012

Up North Financial, LLC

a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of Up North Financial, LLC (hereinafter "UNF"). If you have any questions about the contents of this brochure, please contact Mark D. Herman at (231) 929-9300. 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 Up North Financial, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Up North Financial, LLC is a state registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

This Item discusses only the material changes that have occurred since UNF's last annual update dated April 25, 2011. UNF does not have any material changes to disclose in this Item.

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Item 4. Advisory Business

UNF provides financial planning, consulting, and investment management services. Prior to engaging UNF to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with UNF setting forth the terms and conditions under which UNF renders its services (collectively the “*Agreement*”).

UNF has been in business as a registered investment adviser since July 31, 2009. Mark D. Herman is the principal owner of UNF.

UNF has \$51,219,944 of assets under management as of December 30, 2011. \$43,778,623 of these assets are managed on a discretionary basis and \$7,441,321 are managed on a non-discretionary basis.

This Disclosure Brochure describes the business of UNF. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of UNF’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on UNF’s behalf and is subject to UNF’s supervision or control.

Financial Planning and Consulting Services

UNF may provide its clients with a broad range of comprehensive financial planning and consulting services. These services include retirement, education planning, and tax and cash flow needs of the client.

In performing its services, UNF is not required to verify any information received from the client or from the client’s other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. UNF may recommend the services of itself, its *Supervised Persons* in their individual capacities as registered representatives of a broker-dealer, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if UNF recommends its own services. The client is under no obligation to act upon any of the recommendations made by UNF under a financial planning or consulting engagement or to engage the services of any such recommended professional, including UNF itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of UNF’s recommendations. Clients are advised that it remains their responsibility to promptly notify UNF if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising UNF’s previous recommendations and/or services.

Investment Management Services

Clients can engage UNF to manage all or a portion of their assets on a discretionary or non-discretionary basis.

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UNF primarily allocates clients' investment management assets among mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, and certificates of deposits, in accordance with the investment objectives of the client. UNF also provides advice about any type of investment held in clients' portfolios.

UNF also may render non-discretionary investment management services to clients relative to variable life/annuity products that they may own, their individual employer-sponsored retirement plans, or other products that may not be held by the client's primary custodian. In so doing, UNF either directs or recommends the allocation of client assets among the various investment options that are available with the product. Client assets are maintained at the specific insurance company or custodian designated by the product.

UNF tailors its advisory services to the individual needs of clients. UNF consults with clients initially and on an ongoing basis to determine risk tolerance, time horizon and other factors that may impact the clients' investment needs. UNF ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance.

Clients are advised to promptly notify UNF if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon UNF's management services. Clients may impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in UNF's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

Item 5. Fees and Compensation

UNF offers its services on a fee basis, which may include fixed fees as well as fees based upon assets under management. Additionally, certain of UNF's *Supervised Persons*, in their individual capacities, may offer securities brokerage services and insurance products under a commission arrangement.

Financial Planning and Consulting Fees

UNF may charge a fixed fee for financial planning and consulting services. These fees are negotiable, but generally range up to \$5,000, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. If the client engages UNF for additional investment advisory services, UNF may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

Prior to engaging UNF to provide financial planning and/or consulting services, the client is required to enter into a written agreement with UNF setting forth the terms and conditions of the engagement. Generally, UNF requires one-half of the financial planning and/or consulting fee (estimated fixed fee) payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services.

Investment Management Fee

UNF provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by UNF. UNF's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. UNF does not, however, receive any portion of these commissions, fees, and costs. UNF's annual fee is prorated and charged quarterly, in advance, based upon either the market value of the assets being managed by UNF on the last day of the previous quarter, or an agreed upon fixed fee. The annual fee varies (between 0.25% and 2.00% for asset-based fees and between \$5,000 and \$30,000 for fix fees) depending upon the market value of the assets under management / net worth of the client and the type of investment management services to be rendered.

UNF, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), UNF generally recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services ("*Fidelity*") for investment management accounts.

UNF may only implement its investment management recommendations after the client has arranged for and furnished UNF with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, *Fidelity*, any other broker-dealer recommended by UNF, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institutions*").

Clients may incur certain charges imposed by the *Financial Institutions* and other third parties such as custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to UNF's fee.

UNF's *Agreement* and the separate agreement with any *Financial Institution* may authorize UNF to debit the client's account for the amount of UNF's fee and to directly remit that management fee to UNF. Any *Financial Institution* recommended by UNF have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to UNF.

Fees for Management During Partial Quarters of Service

For the initial period of investment management services, the fees are calculated on a *pro rata* basis.

The *Agreement* between UNF and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. UNF's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to UNF's right to terminate an account. Additions may be in cash or securities provided that UNF reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to UNF, subject to the usual and customary securities settlement procedures. However, UNF designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. UNF may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

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If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the quarter.

Commissions or Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with UNF (but not UNF) to render securities brokerage services under a commission arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with UNF. Under this arrangement, clients may implement securities transactions through certain of UNF's *Supervised Persons* in their respective individual capacities as registered representatives of Purshe Kaplan Sterling Investments, Inc. ("*PKS*"), an SEC registered broker-dealer and member of FINRA. *CBD* may charge brokerage commissions to effect these securities transactions and thereafter, a portion of these commissions may be paid by *PKS* to such *Supervised Persons*. Prior to effecting any transactions clients are required to enter into a new account agreement with *PKS*. The brokerage commissions charged by *PKS* may be higher or lower than those charged by other broker-dealers. Certain of UNF's *Supervised Persons* may also receive ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment. In addition, UNF recommends no-load funds. UNF does not charge an advisory fee on the same assets for which its *Supervised Persons* receive commissions.

A conflict of interest exists to the extent that UNF recommends the purchase of securities where UNF's *Supervised Persons* receive commissions or other additional compensation as a result of UNF's recommendations. UNF has procedures in place to ensure that any recommendations made by such *Supervised Persons* are in the best interest of clients.

For accounts covered by ERISA (and such others that UNF, in its sole discretion deems appropriate), UNF provides its investment advisory services on a fee-offset basis. In this scenario, UNF may offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by UNF's *Supervised Persons* in their individual capacities as registered representatives of *PKS*.

UNF's *Supervised Persons* currently devote approximately ten percent (10%) of their time to commission securities brokerage business.

Item 6. Performance-Based Fees and Side-by-Side Management

UNF does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7. Types of Clients

UNF provides its services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

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

Methods of Analysis

UNF's primary methods of analysis are fundamental, technical and cyclical analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. UNF will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that UNF will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that UNF is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Investment Strategies

UNF first seeks to understand the client's goals, objectives, time horizon, and risk tolerance. UNF utilizes this information for each account, to provide the client with a targeted strategic asset allocation blend.

Clients can choose to invest in individual stocks or bonds, actively managed no-load or load-waived mutual funds, and/or index ETFs, based on their own unique preferences, and taking into consideration available tax efficiencies.

UNF's goal is to select and adjust the client's blend of investments to offer the best combination of potential return and risk, in accordance with the client's expectations.

Risks of Loss

Mutual Funds and Exchange Traded Funds (ETFs)

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's

underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Market Risks

The profitability of a significant portion of UNF's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that UNF will be able to predict those price movements accurately.

Management Through Similarly Managed Accounts

For certain clients, UNF may manage portfolios by allocating portfolio assets among various securities on a discretionary basis using one or more of its proprietary investment strategies (collectively referred to as "*investment strategy*"). In so doing, UNF buys, sells, exchanges and/or transfers securities based upon the *investment strategy*.

UNF's management using the *investment strategy* complies with the requirements of Rule 3a-4 of the Investment Company Act of 1940, as amended. Rule 3a-4 provides similarly managed accounts, such as the *investment strategy*, with a safe harbor from the definition of an investment company.

Securities in the *investment strategy* are usually exchanged and/or transferred without regard to a client's individual tax ramifications. Certain investment opportunities that become available to UNF's clients may be limited. UNF allocates investment opportunities among its clients on a fair and equitable basis.

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General Risk of Loss

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

Item 9. Disciplinary Information

UNF is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. UNF does not have any required disclosures to this Item.

Item 10. Other Financial Industry Activities and Affiliations

UNF is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. UNF has described such relationships and arrangements below.

Registered Representatives of Broker Dealer

As discussed above in Item 5, certain of UNF's *Supervised Persons* are registered representatives of *PKS*.

Receipt of Insurance Commission

Certain of UNF's *Supervised Persons*, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. While UNF does not sell such insurance products to its investment advisory clients, UNF does permit its *Supervised Persons*, in their individual capacities as licensed insurance agents, to sell insurance products to its investment advisory clients. A conflict of interest exists to the extent that UNF recommends the purchase of insurance products where UNF's *Supervised Persons* receive insurance commissions or other additional compensation.

Item 11. Code of Ethics

UNF and persons associated with UNF (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with UNF’s policies and procedures.

UNF has adopted a code of ethics (“*Code of Ethics*”) made up of its personal securities transaction and insider trading policies and procedures. When UNF is purchasing or considering for purchase any security on behalf of a client, no *Covered Person* (as defined below) may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when UNF is selling or considering the sale of any security on behalf of a client, no *Covered Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security.

Unless specifically defined in UNF’s procedures (summarized above), neither UNF nor any of UNF’s Associated Persons may effect for himself or herself, for an Associated Person’s immediate family (i.e., spouse, minor children, and adults living in the same household as the Associated Person), or for trusts for which the Associated Person serves as a trustee or in which the Associated Person has a beneficial interest (collectively “*Covered Persons*”), any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of UNF’s clients.

The foregoing policies and procedures are not applicable to (a) transactions effected in any account over which neither UNF nor any of its *Supervised Persons* (as defined in this Form ADV) has any direct or indirect influence or control; and (b) transactions in securities that are: direct obligations of the government of the United States; bankers’ acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; or shares issued by registered open-end investment companies.

This policy has been established recognizing that some securities being considered for purchase and sale on behalf of UNF’s clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of such securities. Under certain limited circumstances, exceptions may be made to the policies stated above. UNF will maintain records of these trades, including the reasons for any exceptions.

In accordance with Section 204A of the Advisers Act, UNF also maintains and enforces written policies reasonably designed to prevent the unlawful use of material non-public information by UNF or any of its *Supervised Persons*.

Clients and prospective clients may contact UNF to request a copy of its *Code of Ethics*.

Item 12. Brokerage Practices

As discussed above, in Item 5, UNF generally recommends that clients utilize the brokerage and clearing services of *Fidelity*.

Factors which UNF considers in recommending *Fidelity* or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. *Fidelity* enables UNF to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Fidelity* may be higher or lower than those charged by other *Financial Institutions*.

The commissions paid by UNF's clients comply with UNF's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified *Financial Institution* might charge to effect the same transaction where UNF determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a *Financial Institution's* services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. UNF seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

UNF periodically and systematically reviews its policies and procedures regarding its recommendation of *Financial Institutions* in light of its duty to obtain best execution.

The client may direct UNF in writing to use a particular *Financial Institution* to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that *Financial Institution*, and UNF will not seek better execution services or prices from other *Financial Institutions* or be able to "batch" client transactions for execution through other *Financial Institutions* with orders for other accounts managed by UNF (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, UNF may decline a client's request to direct brokerage if, in UNF's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Transactions for each client generally will be effected independently, unless UNF decides to purchase or sell the same securities for several clients at approximately the same time. UNF may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among UNF's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among UNF's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that UNF determines to aggregate client orders for the purchase or sale of securities, including securities in which

UNF's *Supervised Persons* may invest, UNF generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. UNF does not receive any additional compensation or remuneration as a result of the aggregation. In the event that UNF determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, UNF may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist UNF in its investment decision-making process. Such research generally will be used to service all of UNF's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because UNF does not have to produce or pay for the products or services.

Commissions or Sales Charges for Recommendations of Securities

As discussed above, certain *Supervised Persons* in their respective individual capacities are registered representatives of *PKS*. These *Supervised Persons* are subject to FINRA Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless *PKS* provides written consent. Therefore, clients are advised that certain *Supervised Persons* may be restricted to conducting securities transactions through *PKS* unless they first secure written consent from *PKS* to execute securities transactions through a different broker-dealer. Absent such written consent or separation from *PKS*, these *Supervised Persons* are prohibited from executing securities transactions through any broker-dealer other than *PKS* under *PKS*'s internal supervisory policies. UNF is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

Software and Support Provided by Financial Institutions

UNF may receive from *Fidelity*, without cost to UNF, computer software and related systems support, which allow UNF to better monitor client accounts maintained at *Fidelity*. UNF may receive the software and related support without cost because UNF renders investment management services to clients that maintain assets at *Fidelity*. The software and related systems support may benefit UNF, but not its clients directly. In fulfilling its duties to its clients, UNF endeavors at all times to put the interests of its clients first. Clients should be aware; however, that UNF's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence UNF's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, UNF may receive the following benefits from *Fidelity* through the Fidelity Institutional Wealth Services Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Institutional Wealth Services Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Item 13. Review of Accounts

For those clients to whom UNF provides investment management services, UNF monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom UNF provides financial planning and/or consulting services, reviews are conducted on an “as needed” basis. Such reviews are conducted by one of UNF’s investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with UNF and to keep UNF informed of any changes thereto. UNF contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom UNF provides investment advisory services will also receive a report from UNF that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance as clients may request from time to time. Clients should compare the account statements they receive from their custodian with those they receive from UNF.

Those clients to whom UNF provides financial planning and/or consulting services will receive reports from UNF summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by UNF.

Item 14. Client Referrals and Other Compensation

UNF is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services.

UNF may receive economic benefits from non-clients for providing advice or other advisory services to clients. This type of relationship poses a conflict of interest and any such relationship is disclosed in response to Item 12, above.

In addition, UNF is required to disclose any direct or indirect compensation that it provides for client referrals. UNF does not provide compensation for client referrals.

Item 15. Custody

UNF's *Agreement* and/or the separate agreement with any *Financial Institution* may authorize UNF through such *Financial Institution* to debit the client's account for the amount of UNF's fee and to directly remit that management fee to UNF in accordance with applicable custody rules.

The *Financial Institutions* recommended by UNF have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to UNF. In addition, as discussed in Item 13, UNF also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the *Financial Institutions* and compare them to those received from UNF.

Item 16. Investment Discretion

UNF may be given the authority to exercise discretion on behalf of clients. UNF is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. UNF is given this authority through a power-of-attorney included in the agreement between UNF and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). UNF takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold; and
- When transactions are made.

Item 17. Voting Client Securities

UNF is required to disclose if it accepts authority to vote client securities. UNF does not vote client securities on behalf of its clients. Clients receive proxies directly from the *Financial Institutions*.

Item 18. Financial Information

UNF does not require or solicit the prepayment of more than \$500 in fees six months or more in advance. In addition, UNF is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. UNF has no disclosures pursuant to this Item.

Item 19. Requirements for State Registered Investment Advisors

Principal Executive Officers and Management Persons

Below is the formal education and business background of UNF's principal executive officer and management person:

Mark D. Herman

Born 1963

Post-Secondary Education

University of Chicago | M.B.A., Finance | 1991

University of Arizona | M.S, Engineering | 1988

University of Michigan | B.S., Engineering | 1986

Recent Business Background

Up North Financial, LLC | Managing Member | August 2009 – Present

Purshe Kaplan Sterling Investments, Inc. | Registered Representative | August 2009 – Present

Morgan Stanley Smith Barney | Financial Advisor | October 1996 – August 2009

None of the *Supervised Persons* of UNF are compensated for advisory services with performance-based fees. In addition, neither UNF nor its management persons have been the subject of the type of disciplinary event in the instructions to Item 19. Neither UNF nor any of its *Supervised Persons* have a relationship or arrangement with any issuers of securities not disclosed in response to Item 10 (above).

Up North Financial, LLC

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Prepared by:

