

Form ADV Part 2A: Disclosure Brochure

OnPointe Advisory and Financial Services, LLC

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This brochure provides information about the qualifications and business practices of OnPointe Advisory and Financial Services, LLC. If you have any questions about the contents of this brochure, please contact us at 800-395-0045. 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 OnPointe Advisory and Financial Services, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

OnPointe Advisory and Financial Services, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

This is our first annual updating amendment. Since our initial filing dated June 1, 2012 there have been no material changes to report.

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Item 4 Advisory Business

Description of Services and Fees

OnPointe Advisory and Financial Services, LLC ("OnPointe") is a registered investment adviser primarily based in Petaluma, California. We are organized as a limited liability company under the laws of the State of Delaware. We were incorporated in March 2012 and are a newly registered investment advisory firm. Frank Ertel is our Vice President of Sales, and Christina Eaken is our Chief Compliance Officer. Legacy Alliance, Inc. ("Legacy") is our principal owner. Legacy has approximately 200 shareholders with the majority of shares owned by RAM Investments Trust. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Selection of Other Advisers
- Portfolio Management Services
- Financial Planning Services

The following paragraphs describe our services and fees. As used in this brochure, the words "we", "our" and "us" refer to OnPointe Advisory and Financial Services, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

We tailor our advice to your specific needs and objectives. Your Investment Advisor Representative ("IAR") will help you to understand and complete an account profile or questionnaire so that it accurately reflects your financial situation, investment objectives, tolerance for risk, and investment time horizon, among other considerations, and will also answer your questions about the programs and our services. Based on your investment profile, your IAR will recommend one of our investment management programs, or financial planning or consulting services suited to your needs. Alternatively, for clients not interested in our advisory programs, the IAR (acting in his or her capacity as a registered representative of a broker-dealer and/or as a licensed insurance agent) will recommend the purchase of securities or insurance products to you.

For Clients seeking investment management services, the IAR will assist you in selecting a suitable program, asset allocation or model portfolio. We permit clients to impose reasonable restrictions on the types of securities we recommend for their account, and permit clients to change the restrictions by written instruction to us. However, you should be aware that the terms of any agreements with a third-party investment manager or sub adviser may restrict your ability to impose restrictions on account investments.

Once you have approved the specific investment management program, asset allocation or model portfolio, and where applicable, third-party portfolio manager, the account will be managed to reflect the allocation or model, and achieve the objectives of the program and portfolio which you have selected, subject to reasonable restrictions you impose. Due to your restrictions and other differences regarding each account, performance of your account may be different from the performance of other accounts in the same program or portfolio.

Changes in your financial situation, investment objectives, tolerance for risk, or investment time horizon may cause the program or strategy you select to be no longer suitable. In the event of any such change, you should contact your IAR or OnPointe promptly in order to identify another program or strategy that meets your needs.

Selection of Other Advisers (Third Party Asset Manager Program)

OnPointe's Third Party Asset Manager Program ("TPAM Program") provides clients with the opportunity to have their investment portfolios professionally managed by independent money managers unaffiliated with OnPointe through arrangements we have negotiated with certain Third Party Asset Managers ("TPAMs") that we have selected to participate in the Program. TPAMs are selected by OnPointe based on these firms' satisfying our due diligence review process and requirements. In limited situations, we may waive certain of these requirements and may also limit the services provided by some TPAMs to a "service only" relationship, under which no new client assets are placed under the TPAM's management.

The investment strategies and types of investments utilized by each of the TPAMs participating in the Program vary, and we will recommend a specific TPAM based on the Investment Profile Information provided by clients. OnPointe contacts clients at least annually to determine whether there have been any changes to their Investment Profile Information, and we remind clients to notify us of any such changes on a quarterly basis. TPAM Program services include investment portfolio analysis, asset allocation modeling and analysis, trade execution, performance monitoring, portfolio reporting and other related investment services.

Under our TPAM Program, you will enter into an agreement with OnPointe appointing us to serve as your investment advisor on a non-discretionary basis. OnPointe assists you with the selection and management of TPAM relationships by recommending, monitoring and providing reporting on the performance of the selected TPAMs. You will also enter into an agreement with the TPAM that typically provides the TPAM with trading discretion to determine which products to purchase, sell and/or exchange on your behalf without having to obtain your approval for each transaction initiated. Upon request, IARs are available for periodic consultations with you to evaluate the performance of your TPAM managed portfolios.

Since each TPAM is uniquely structured with different investment products, please ensure that you carefully review (i) the TPAM's Form ADV Part 2A and 2B or alternate disclosure brochure for specific Program descriptions, (ii) the TPAM's client agreement for specific contractual terms, and (iii) any additional disclosure or offering documentation provided by the TPAM related to its services or investment products. Among other important information, the TPAM's Form ADV Part 2A and 2B or alternate disclosure brochure will have specific information describing: methods of analysis and investment strategies; conflicts of interest; disciplinary actions; fee calculation and deduction; fee schedules; refund policies; minimum account sizes; termination procedures; and proxy voting policies (which may permit you to nominate the TPAM to exercise voting rights regarding your investments). You should also be aware that certain TPAMs may utilize back-tested hypothetical performance modeling in marketing materials which attempt to estimate the potential performance of their investment products based on past performance of selected investments. Please note that these types of performance projections are created retroactively with the benefit of hindsight, and do not reflect actual investment results or guarantee future results.

OnPointe may occasionally act as a referral source to TPAMs (in which case we are referred to as a "solicitor") for a fee; however, this is outside the scope of the investment advisory services described in this document. When we act as a TPAM solicitor, neither OnPointe nor the IAR are your investment advisor or provide investment advice.

You may obtain a copy of each TPAM's Form ADV Part 2A providing the same information contained in this brochure by visiting www.adviserinfo.sec.gov or upon request from the TPAM. You may also request Form ADV Part 2B from the TPAM, which contains detailed information about the individual TPAM representative(s) who will be responsible for managing your assets.

Portfolio Management Services (OnPointe Select Program)

We also offer portfolio management services known as the OnPointe Select Program ("OnPointe Select") which is tailored to meet our clients' needs and investment objectives. Prior to your entering into the "Advisory Agreement" for the OnPointe Select Program. Your IAR will discuss with you the risks and potential benefits of the Program, the Program's investment strategy, and the Program investments. You may complete an Investor Profile Worksheet, which assists the IAR in determining which model is best suited for you. Based upon the information you provide, the IAR will assist you in designating one or more of the portfolios available in the Program, and identifying the eligible mutual fund families through which your Program account will be invested.

Although the IAR will assist you in understanding the options and portfolios available through the OnPointe Select Program, the IAR is not responsible for providing on-going investment advice for the account or for managing the assets of the account. Accounts are managed by a designated portfolio manager.

You will grant the Program portfolio manager full authority and investment discretion to manage your account according to the terms of the Program and the particular portfolio you select. The portfolio manager will have the authority and investment discretion to buy, sell, exchange, redeem, or otherwise effect transactions with respect to your account and the assets of the account, to accept or reject any signals, in whole or in part, and to allocate and reallocate the account, as the portfolio manager deems appropriate, in its sole discretion, without your prior notice or consent.

With the approval of the Investment Committee, the portfolio manager may also change the investment strategy of a portfolio, change the allocations or weightings of a portfolio, or close and liquidate a portfolio, and may change the mutual fund families approved for the portfolio, without your prior notice or consent. OnPointe will notify you of material changes made to a strategy or portfolio, or the investment options approved for a portfolio, and will manage the account as explained in the notice unless you object within the time period specified in the notice.

OnPointe Select is an allocation program offering models comprised of no-load and load-waived mutual funds developed by institutional investment managers including, but not limited to: Chesapeake Investment Group; Channel Trend; CLS Investments; ICON Advisers, Inc.; Russell Investment Management; Ocean Park Asset Management; Portfolio Strategies, Inc. (PSI); and, Advanced Asset Management Advisors.

Each model will have a recommended allocation as well as a list of suitable alternative investments by category, allowing you and your IAR to customize the model to your specific needs and objectives. Clients interested in the OnPointe Select Program will be allowed to choose among a series of computer based, asset allocation models based on risk tolerance. Models are categorized as Conservative Growth, Moderate Growth, Growth Appreciation, and Maximum Appreciation. Client may complete an investor profile to assist in the determination of the appropriate model. Models are based on the Modern Portfolio Theory.

Please refer to Item 8 for further explanation of Modern Portfolio Theory.

All funds are purchased at net asset value (NAV). The OnPointe Select Program is available for non-qualified and qualified assets. Qualified assets may be separately established in an IRA or qualified plans. The schedule would apply to each separate plan established. The program's advantages are as follows:

- Modern Portfolio Theory of investing based on specific investor's needs.
- Select from a list of no-load and load waived funds.
- Automatic re-balancing and re-allocation based on model changes.
- Receive a consolidated quarterly statement of all assets within the account.

Once you have selected a suitable program and portfolio through the OnPointe Select Program, management of the account and Program portfolios will be the responsibility of the portfolio manager. Your IAR will be responsible for periodic contact with you to determine any changes in your investment objectives or other suitability information, and to answer your questions about the Program. However, your IAR will not manage the portfolio supporting your account or assets.

Financial Planning Services

We offer financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. These services can range from broad-based financial planning to consultative or single subject planning. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm, and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

Wrap Fee Programs

We are not a manager to, nor a sponsor of, any wrap fee programs.

Types of Investments

OnPointe and its IARs offer advice regarding a wide variety of investment products including: exchange-listed or over-the-counter debt or equity securities; money market funds; open-end investment companies (mutual funds); exchange-traded fund (ETFs); closed-end funds and unit investment trusts; certificates of deposit; municipal securities; securities issued by the US Treasury, agencies, or government sponsored enterprises; variable life insurance, variable annuities and their investment subaccounts.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Assets Under Management

As of March 11, 2013, we manage \$0 in client assets on a discretionary basis, and \$433,051 in client assets on a non-discretionary basis.

Item 5 Fees and Compensation

Selection of Other Advisers

Our firm will share in the fee paid by you to the TPAM. If you are referred to TPAMs you will receive full disclosure, including services rendered and fee schedules, at the time of the referral by delivery of a copy of the relevant TPAM's Form ADV Part 2 or equivalent disclosure document. In addition, if the investment program recommended to you is a wrap fee program, you will also receive the Appendix 1 or equivalent wrap fee brochure provided by the sponsor of the program. We will provide you with all appropriate disclosure statements, including disclosure of solicitation fees paid to our firm and our Associated Persons.

The fees paid by you to the TPAM are established and payable in accordance with the Form ADV Part 2 or other equivalent disclosure document provided by each TPAM to whom you are referred and these fees may or may not be negotiable. Such compensation may differ depending upon our individual agreement with each TPAM. Such situations create conflicts of interests, since our firm or our Associated Persons may have an incentive to recommend one TPAM over another TPAM with whom it has more favorable compensation arrangements. We strive to adhere to high fiduciary standard, the intention of which is to protect your interests at all times and to demonstrate our commitment to our duties of honesty, good faith and fair dealing with you.

You will be required to sign an agreement directly with the recommended TPAM(s). You may terminate your advisory relationship with the TPAM according to the terms of your agreement with the TPAM. You should review each TPAM's brochure for specific information on how you may terminate your advisory relationship with the TPAM and how you may receive a refund, if applicable. You should contact the TPAM directly for questions regarding your advisory agreement with the TPAM.

Portfolio Management Services

The standard Program Fees for the OnPointe Select Program are set forth below and will be based on a percentage of your assets we manage. Our annual portfolio management fee is billed and payable quarterly in arrears based on the value of your account on the last trading day of the quarter.

Account Value	Annual Fee Rate
First \$250,000	1.50% per annum
Next \$250,000	1.25% per annum
Next \$500,000	1.00% per annum
Amounts over \$1,000,000	0.50% per annum

In addition to the advisory fee a 0.50% custodial fee will be charged.

Recordkeeping advisory fee, and service charges for accounts participating in the OnPointe Select Program are negotiated on a client-by-client basis but shall not exceed 2% per annum. Program fees are billed quarterly in arrears.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced percentage fee.

You may terminate the portfolio management agreement upon written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client.

After an Advisory Agreement has been terminated: transactions involving client's assets will be executed at the prevailing rates for, and client will incur commissions and other costs for transactions, clearance, settlement, and custodial charges imposed by the Custodian and any broker-dealers; client will be responsible for monitoring the assets; and neither OnPointe nor the IAR will have any further obligation with respect to client or those assets.

Deduction of Fees by the Custodian

In the Advisory Agreement for each of our managed account programs, you will authorize and direct the custodian to deduct the Program Fee directly from your account upon receipt of instructions from OnPointe (or on our behalf). We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account and you may not choose to have Program Fees billed to you for payment in lieu of billing the custodian. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy. We will also receive a duplicate copy of your account statements.

Financial Planning Services

We provide a complimentary consultation for financial planning services. Thereafter, we charge a negotiable hourly fee of \$150 with a minimum charge of one hour. An estimate of the total cost/time will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you and request that you approve the additional fee. IARs may at their discretion in lieu of an hourly fee charge a fixed fee which generally ranges from \$750 - \$3,500. OnPointe may require a retainer of up to 50% of the client's fee (based on estimated hours) at the start of the advisory relationship, with the balance (based on actual hours) due upon completion of the work. It is anticipated that all such fees will be earned within six months of entering into the advisory agreement, provided that the client has promptly furnished all requested information.

OnPointe's fees for Financial Planning Services are separate and distinct from any compensation that OnPointe may earn in implementing any investment or insurance recommendations made by OnPointe for a client's financial plan. A client is under no obligation to implement any financial plan recommendations by purchasing or selling securities or insurance products or services through OnPointe or its IARs. The IAR may, in his or her sole discretion, agree to offset or reduce the amount of advisor fee by the amount of any such sales-related compensation received; however, any such reduction or offset will be disclosed to the client in advance of the transaction. Generally, the IARs will not reduce or offset the advisory fees by the amount of any sales-related compensation.

The Financial Planning Agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded and any earned, unpaid, fees will be due and payable. We do not require prepayment of a fee more than six months in advance and in excess of \$1,200. Should the engagement last longer than

six months between acceptance of financial planning agreement and delivery of the financial plan, any prepaid unearned fees will be promptly returned to you less a pro rata charge for bona fide financial planning services rendered to date.

Compensation for the Sale of Securities or Other Investment Products

We are affiliated with Legacy Marketing Group, Inc., a licensed insurance agency, through common control and ownership. Persons providing investment advice on behalf of our firm may be contracted as insurance agents with Legacy Marketing Group, Inc. These persons will earn commission-based compensation for selling insurance products. Insurance commissions are separate from our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Persons providing investment advice on behalf of our firm are registered representatives with various broker-dealers all of whom are members of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Additional Fees and Expenses

The Program Fees, Financial Planning Fees, and Consulting Fees are separate from the additional mutual fund, ETF, Cash Management, other fees and expenses described in this section.

Brokerage and Investment

Clients who purchase or sell Securities will incur brokerage and may incur other transaction costs, which may include the following:

- Commission sales charges, or other transaction costs charged by brokers who execute the purchase or sale of securities on an agency basis;
- Mark-ups, mark-downs, or other dealer or market maker spreads for
- Securities bought or sold on a principal basis, and underwriting fees,
- Dealer concessions, or related compensation in connection with
- Securities acquired in underwritten offerings;
- Odd lot differential, transfer or other taxes, floor brokerage fees,
- Exchange fees, service and handling fees, electronic fund or wire transfer fees, costs of exchanging currencies, margin interest, and other expenses incurred with respect to any investments made or assets held for the client's account; and initial and deferred sales charges and short-term redemption fees in connection with the purchase or redemption of mutual funds (or variable annuity contracts or variable life insurance contracts, if any).

Mutual Fund & ETF Expenses

Clients whose accounts invest in mutual funds or ETFs will indirectly bear the internal management, operating, and investment fees and expenses charged by mutual funds or ETFs to their shareholders, including servicing and distribution fees paid pursuant to Rule 12b-1 ("12b-1 Fees"), recordkeeping fees, transfer and sub-transfer agent fees. The risks, potential benefits, fees, and expenses of mutual funds and ETFs are described in product's prospectus or summary disclosure. Clients should become familiar with such information prior to investing.

A client could invest in mutual funds or ETFs directly, without the services of OnPointe, or the IAR. In that case, the client would not receive the services provided by OnPointe and the IAR, which are designed, among other things, to identify mutual funds or ETFs which are appropriate in light of the client's objectives, needs, and circumstances. Accordingly, clients should review the fees charged by the funds and ETFs in which their accounts are invested in evaluating the costs of the services being provided. If mutual fund or ETF shares are liquidated, there is a risk you will be charged an early redemption or other fees intended to discourage short-term trading of mutual fund shares. There is also a risk that the value of the securities may have declined at the time of such liquidation, thereby causing you to realize a loss and forego opportunity for future appreciation of the securities.

Custodial Expenses

Clients will pay the cost of services provided by the custodians of their accounts for: (1) arranging for the receipt and delivery of account securities purchased, sold, borrowed or loaned; (2) making and receiving payments for account securities; (3) custody of account securities; and (4) custody of all cash, dividends, exchanges, distributions, and rights accruing to the account, and delivery of cash to client bank accounts. The custodian may be compensated through commissions or other transaction-based fees for securities transactions executed through the custodian (or its affiliates) or by asset-based fees settled into the custodian's accounts, or both. The specific fees and terms of each custodian's services will be described in the custodian's separate account agreement with the client.

Cash Management Fees and Expenses

Cash in accounts awaiting investment or reinvestment may be invested in cash balances or money market funds with the custodian (or its affiliate), pursuant to an automatic cash "sweep" program. The adviser to these funds may be the custodian (or its affiliate). OnPointe's agreement with the custodian provides that the custodian will compensate OnPointe based on the balances of client accounts in such sweep accounts. Consequently, the possibility of this compensation creates an incentive for OnPointe to make decisions for the account which would have the effect of increasing this compensation. OnPointe and the custodian (or its affiliate) may also receive distribution payments pursuant to Rule 12b-1 from the money market accounts in which account cash is invested. Such compensation or payments are not credited against, and will not reduce, the Program Fees or other amounts a client owes to us.

Risks from Liquidation of Assets to Pay Fees

The custodian will be authorized to deduct the Program Fees directly from the account to us according to our instructions, without notice to you or your consent. Clients are required to provide any additional documents requested for the deduction and payment of the Fees. If sufficient cash is not available in the Account to pay the Program Fees when due, the custodian will liquidate securities selected by the custodian without prior notice to you or further consent by you. Clients should consider carefully all of the direct and indirect fees and expenses of our services and the investment products we recommend to understand fully the total costs the client will bear and evaluate the value of the services we provide.

Negotiation of Fees; Costs Compared to Other Programs

The various Program Fees, Financial Planning Fees, Consulting Fees, commissions, and other forms of compensation for OnPointe services are generally negotiable by OnPointe or the IAR, in their sole discretion, on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, the compensation requirements of the particular IAR, the client's relationship with OnPointe and the IAR, the size of the account, and the potential for other business or clients, among other factors. Program Fees may be different at each branch office and with each IAR, depending on location and the extent and nature of service. Separate account assets may be householed for fee calculation purposes, in our discretion.

OnPointe or the representative may offer significantly lower commissions or more favorable Program Fee or other terms or arrangements for personal friends, relatives, or others with whom OnPointe or the IAR have established or seek personal or family relationships. Consequently, some accounts pay lower Program Fees, Financial Planning Fees, Consulting Fees, commissions or other fees or expenses than other accounts.

Availability of Similar Services from Other Firms

Clients can generally purchase mutual funds or other investment products or services through other firms that are not affiliated with us. However, clients who obtain investment products or services through other firms will not receive the benefit of the services we provide in determining which investment products or services may be appropriate in view of the client's financial situation, investment objectives, risk tolerance, and liquidity needs.

Our Program Fees, Financial Planning Fees, Consulting Fees, and sales-related charges may be higher (or lower) than fees charged by other advisers, broker-dealers, or other institutions for similar products or services. Clients should consider carefully all of the direct and indirect fees and expenses of our services and the investment products we recommend to fully understand the total costs and assess the value of our services.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We offer investment advisory services to individuals (including high net worth individuals), trusts, estates, profit sharing plans, charitable organizations, corporations, and other business entities.

In general, we require a minimum of \$25,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. When considering these matters, we usually consider, among other factors: the dollar amount of assets to be placed under management by the client and related accounts; anticipated future revenues and anticipated future additional assets or accounts from the client or related persons; and, other existing or anticipated relationships. We may elect, in our discretion, to aggregate related client accounts for the purpose of achieving the minimum account size requirements and determining annualized fees. Waivers, discounts or more favorable

terms not generally available to other clients may be offered to family members and friends of our current and former employees and affiliates. The specific terms of each client's advisory relationship will be agreed upon in writing by OnPointe and the Client.

Third Party Money Managers may impose higher minimum account requirements and may or may not agree to waive those requirements.

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

Our IARs may rely on a number of tools to assist in recommending or selecting an investment strategy to clients, including asset allocation and portfolio modeling software to assist with their analysis of investment options when recommending or purchasing investments for your portfolio. Although our advisory services are generally designed for long term investing in which investment positions are maintained for a longer period of time (also referred to as "strategic" investing), short-term investment strategies which aim to take advantage of frequent market movements (also referred to as "tactical" investing) may also be made available to accommodate certain circumstances. Investment returns, particularly over shorter time periods, are highly dependent on the value of securities within an investment portfolio which are impacted by trends in the various investment markets. As a result, our investment advisory services are generally more suited for investors seeking long -term investment objectives or strategies, rather than for short-term trading purposes. Under the TPAM Program, each TPAM will have its own methods of analysis, investment strategies and unique investment risks that should also be reviewed and considered.

Definition of Terms Used in Some Methods of Analysis or Strategies

Below are the definitions of key terms that are used in the explanations of the methods of analysis or investment strategies followed by some of the portfolio managers or sub-advisers of portfolios in the Programs:

- *Beta* - Measures the risk level of the manager. Beta measures the systematic risk, or the return that is attributable to market movements. In contrast, alpha measures the nonsystematic return of the portfolio, and standard deviation measures the volatility of a portfolio's returns compared to the average return of the portfolio. A beta equal to one indicates a risk level equivalent to the market. Higher betas are associated with higher risk levels, while lower betas are associated with lower risk levels.
- *Alpha* - Measures nonsystematic return, or the return that cannot be attributed to the market. Thus, it can be thought of as how the manager performed if the market has had no gain or loss. In contrast, beta measures the return that is attributable to the market and is a measure of the portfolio's overall volatility. If the market's return as measured by an index equal to the risk-free rate, the manager's expected excess return would be alpha. A positive alpha implies that the manager has added value to the return of the portfolio over that of the market. Returns with negative alpha do not reflect any positive contribution by the manager over the performance of the market. An alpha of zero implies that a manager has provided a return that is equivalent to the market return for the manager's specific risk class.
- *Standard Deviation*-A gauge of risk that measures the spread of the difference of returns from their average. The more a portfolio's returns vary from its average, the higher the standard deviation. It is important to note that higher than average returns affect the standard deviation just as lower than average returns. Thus, it is not a measure of downside risk. Since it measures total variation of return, standard deviation is a measure of total risk, unlike beta, which measures market risk. In statistical terms, standard deviation is the square root of the variance, which is a measure of dispersion.

- *Rate of Return* - Rate of return (ROR), also known as return on investment (ROI), rate of profit, or sometimes just return, is the ratio of money gained or lost (whether realized or unrealized) on an investment relative to the amount of money invested. The amount of money gained or lost may be referred to as interest, profit/loss, gain/loss, or net income/loss. The money invested may be referred to as the asset, capital, principal, or the cost basis of the investment. ROI is usually expressed as a percentage.

Methods of Analysis

We use the following methods of analysis in formulating advice and managing the client accounts for which we are the portfolio manager:

FUNDAMENTAL ANALYSIS

We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the asset class of the security and the management of the company) to determine if the security should be included in the portfolio. Fundamental analysis does not attempt to anticipate market movements. As such, this method of analysis carries a risk that it may not recognize when the price of a security is moving up or down as a result of overall market movement regardless of the economic and financial factors considered in a fundamental analysis of the security.

TECHNICAL ANALYSIS

Through a number of different statistical measures and data regarding the direction and velocity of movements in certain market averages and indices, prices for securities or other investment products, and economic indicators, we seek to identify short, intermediate, and longer term market trends or cycles, and recurring patterns of market movements, to assist us in determining when to enter or leave a market. Technical analysis provides indications of market direction and potential turning points, but is an imprecise tool that can result in inaccurate buy or sell signals that do not coincide with actual market turns. Technical analysis does not consider the underlying financial condition of a company. As such, technical analysis carries the risk of generating a buy signal based on market trends for stock in a company that is poorly managed or financially unsound and that may underperform regardless of overall market movement.

MODERN PORTFOLIO THEORY AND ASSET ALLOCATION

OnPointe utilizes modern portfolio theory (MPT) to develop asset allocation recommendations for clients. MPT is a quantitative asset allocation methodology used in balancing expected risk and return in a portfolio. Asset allocation focusing primarily on identifying an appropriate ratio of investments in equity securities (e.g., stocks), fixed income securities (e.g., corporate bonds), cash, and other types of investments consistent with the client's investment goals and risk tolerance. MPT emphasizes portfolio diversity with a long-term investment perspective, and is firmly rooted in the belief that markets are fairly efficient and that investors' gross returns are determined largely by asset allocation decisions for deriving an optimal set of risk-return combinations among individual portfolio assets. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to market movements and, if not corrected, the portfolio will no longer be appropriate for the client's goals. Also, MPT requires assessment of three critical "inputs" of portfolio assets: (i) expected returns; (i) expected risk; and (iii) an expected correlation matrix for each position. There can be no assurance that OnPointe will be successful in accurately forecasting the required inputs or that an optimal risk-return asset allocation combination will be achieved. Similarly, there is no assurance that MPT (or any other investment methodology) will be profitable over any specific time period. While we generally subscribe to the MPT investment philosophy, occasionally we may find unexpected investment opportunities. In these circumstances, we may recommend the investment even though it deviates from our general strategy.

MUTUAL FUND AND THIRD-PARTY MANAGER ANALYSES

Depending on the specific program, account assets will generally be invested in portfolios of mutual funds, and in some programs, exchange-traded funds ("ETFs").

ETFs are a type of investment company that aims to achieve the same return as a particular market index. They can be either open-end companies or unit investment trusts. ETFs are not considered to be, and are not permitted to call themselves, mutual funds. ETFs differ from mutual funds and unit investment trusts because shares issued by ETFs are bought and sold by investors on a secondary market. Unlike mutual funds, retail investors generally cannot tender their shares directly to the ETF for redemption because shares of ETFs are redeemable from the fund only in very large blocks (blocks of 50,000 shares, for example).

ETFs offer the ease of stock trading. ETFs can be purchased on margin, sold short, or held for the long term. OnPointe may use ETFs to achieve market exposure consistent with the index on which the ETF is based, through one security. Investment returns and principal value will fluctuate so that an account's ETF shares, when sold, may be worth more or less than the original cost. In analyzing mutual fund investments, we look at the underlying investments in the funds to determine appropriateness for the overall portfolio.

We look at the experience and track record of the mutual fund and ETF managers to determine if they have demonstrated the ability to invest successfully over periods of time and in different economic conditions. We also consider whether or not there is a significant overlap with the underlying investments held in other funds or ETFs. We monitor the funds and ETFs in an attempt to determine if they are continuing to follow their stated investment strategies. We analyze very similar factors when reviewing third party managers.

A risk of our method of analysis is that past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, we do not control and do not have complete information about the underlying securities owned by the mutual funds, ETFs, or third-party managers. Further, there is a risk we may not be aware that the portfolio managers of two or more of the mutual funds or ETFs may have invested in the same security, which would increase the risk to the client if that security were to fall in value. Additionally, there is a risk that a manager may deviate from the stated investment mandate or strategy of a fund or ETF, which could cause the fund or ETF to become less suitable for a client. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

PORTFOLIO ADJUSTMENTS

Clients should inform us promptly of significant changes in their individual or family circumstances or financial Situation, or in their investment goals or objectives, investment time horizon, tolerance for risk, or liquidity needs so that appropriate changes can be made in the portfolio and asset allocation for their account. Accounts will be "rebalanced" to their target allocations only to the extent specifically provided in the Advisory Agreement for the particular program.

CAUTION REGARDING ESTIMATES

When we develop estimates or projections for a client, whether of estimated future income, expenses, inflation, tax liabilities, or other matters, we will rely on the information the client provides and on assumptions about certain key economic, financial, and tax matters. While we believe the assumptions will be reasonable at the time made, there is no assurance the assumptions will prove correct in the future. Our assumptions about governmental policies or tax rates, economic or market conditions, or other key matters may not be accurate within the time frames projected. Any errors in the information we receive or in the assumptions we use may result in significant differences between our projections and your actual experience.

RISKS OF INACCURATE OR BIASED INFORMATION

Our methods of analysis assume the accuracy of the information we analyze, such as ratings, financials, and research. While we are alert to indications that the data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies

We use the following strategies, as appropriate, depending on the particular needs and objectives of the accounts for which we serve as portfolio manager:

LONG-TERM INVESTMENTS

This strategy involves buying and holding a security for a year or longer, which may occur when we believe a security is currently undervalued or we seek exposure to a particular asset class over time, regardless of the current values. A long-term investment strategy carries the risk that the investments will not achieve the price targets our analysis suggests. The risks of this strategy will be influenced by the types of securities and issuers in which we invest. We may invest in securities of issuers with any size market capitalization.

A risk of a long-term purchase strategy is that by holding the security for the anticipated length of time, we may not take advantages of short-term gains that could be profitable to a client. *Moreover*, if our predictions are incorrect, the security may decline in value before we make the decision to sell.

We may use short-term trading, short sales, margin, and/or options as investment strategies when managing your account(s). None of these strategies are a fundamental part of our overall investment strategy, but we may use one or more occasionally when we determine that they are suitable given your stated investment objectives and tolerance for risk.

- Short-term trading generally involves selling securities within 30 days of purchasing them. This type of trading may include buying and selling securities frequently in an effort to capture significant market gains and avoid significant losses. However, there is a risk that frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.
- Short Sales are securities transactions in which an investor sells securities that were borrowed in anticipation of a price decline. A short sale requires the investor to return an equal number of shares at some point in the future. Although a short seller will profit if the stock goes down in price, potential losses can be unlimited if the price of the shares increases.
- Margin transactions involve an investor borrowing money to purchase a security with the security serving as collateral on the loan. The investor may have to deposit more cash into the account or sell a portion of the stock if the value of the shares drops sufficiently in order to maintain the margin requirements of the account. An investor's overall risk includes the amount of money invested plus the amount that was loaned to them.
- An option is the right, but not the obligation, to buy or sell a particular security at a specified

price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option. Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited.

MARKET TIMING

A market timing strategy attempts to minimize unfavorable performance in a falling market and to provide appreciation possibilities in a rising market by purchasing, selling, exchanging, redeeming, or otherwise investing and reinvesting a client's account based upon investment "signals" the portfolio manager determines from proprietary research, and in some cases, from signals provided by a third-party service.

This strategy involves trading in and out of positions based on the signals, and is not a "buy and hold" or long-term investment strategy (although there may be periods of months or longer that positions are held). The portfolio manager will generally follow the signals to trade the client's account, but may, in its discretion, reject, delay implementation, or modify, in whole or in part, actions suggested by a signal and may engage in other transactions for the account, as the portfolio manager deems appropriate in an effort to achieve the account's objective. There is no set minimum or maximum number of positions which will be held in an account or specific frequency according to which account positions will be traded through this strategy.

RISK OF MUTUAL FUND POLICIES REGARDING EXCESSIVE TRADING

Mutual fund companies and insurance companies that issue variable products often maintain policies prohibiting excessive market timing or short-term trading in mutual funds or variable product subaccounts, and prohibit excessive transactions for the purpose of market timing. Excessive trading into and out of a fund or subaccount can disrupt portfolio management strategies, harm fund or subaccount performance by forcing the fund or subaccount to hold excess cash or to liquidate certain portfolio securities prematurely and increase expenses for all investors, including long-term investors who do not generate these costs. Funds or subaccounts that invest in high yield securities or invest in securities that are valued using fair value pricing methods may be particularly susceptible to the risks of market timing or short-term trading strategies.

To limit the negative effects of excessive trading, many fund companies and insurance companies have adopted restrictions on account transactions. For example, policies may provide that if an account redeems (including exchanges) \$5,000 or more of a fund or subaccount, that account will be prevented (or "blocked") from purchasing (including exchanges) shares or units for 30 calendar days after the redemption. These policies may also provide that restrictions do not apply to transactions made through asset allocation or other programs.

The portfolio manager does not intend to engage in excessive trading contrary to the policies stated in the prospectus of any fund. However, the portfolio manager may engage in short-term trading of fund positions that will subject client accounts to a fund's temporary "blocking" of purchases or exchanges. If during any period when an account is blocked the portfolio manager receives a signal to engage in transactions that are blocked by the fund company such signal will not be followed. As a result, the Account may not reflect the portfolio or the holdings of accounts that were not blocked, and performance may be adversely affected. Accounts that are blocked will be rebalanced to reflect the selected portfolio when the portfolio manager is reasonably able after the end of the blocking period.

If a fund company believes that any of OnPointe's accounts has engaged in excessive trading, the fund company may reject orders for all OnPointe accounts, and refuse to process purchase orders for any account we manage. A fund company may also require liquidation of accounts that it believes engage in excessive trading or that are managed by an adviser or broker-dealer that engages in excessive trading in other accounts. Although OnPointe believes that blocking will not occur frequently, if at all, there can be no assurance that an account will not be blocked or required to liquidate. There is a risk of economic losses if an account is blocked or required to liquidate.

Market timing may also involve purchases and exchanges of fund positions that will cause accounts to be charged exchange fees by the mutual fund and by our clearing firm or account custodian.

In selecting or recommending mutual funds, we take into consideration possible restrictions on exchanges, exchange fees, and early redemption fees, but assume no responsibility for any potential or actual losses resulting from any restrictions or for any such fees. Clients will be solely responsible for all ex-change fees and early redemption fees that occur from management of the Account.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities and other investment products involves inherent risks, including the possible loss of the total principal amount invested. Although we seek to achieve the investment objectives and financial goals, past investment performance does not guarantee future results and we are unable to make any guarantees to clients with respect to avoiding monetary losses. These risks apply to both strategic long term and shorter term tactical approaches to investing. Clients should carefully read the terms of all agreements, product offering documents and related disclosures provided either by OnPointe, TPAMs or product sponsors to better understand the risks associated with each Program and/or the particular investment product(s) under consideration.

Additionally, Clients will be subject to the risk of failure of the brokerage firms that execute their trades, the clearing firms that such brokers use, or the clearinghouses of which such clearing firms are members. Although we believe the institutions we recommend have sufficient capital, there is no assurance this will continue to be the case.

Recommendation of Particular Types of Securities

As disclosed under the *Advisory Business* section in this brochure, OnPointe may provide investment advice concerning various types of investments, including equity securities (exchange -listed securities, securities traded over-the-counter, and foreign issuer securities trading as American Depositary Receipts), warrants, commercial paper, corporate debt securities (other than commercial

papers), certificates of deposit, municipal securities, investment company securities, US Government securities, option contracts, fixed insurance, exchange traded funds, interests in partnerships involving real estate, oil and gas, certain types of structured investment products, and other investments, depending upon a client's Investment Profile Information. Our advisory services are generally designed for long-term investment strategies, although short-term investment strategies may be made available by IAR to accommodate certain circumstances.

We may also recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations

We are affiliated with Legacy Marketing Group, Inc., a licensed insurance agency, through common control and ownership. Persons providing investment advice on behalf of our firm may be contracted as insurance agents with Legacy Marketing Group, Inc. These persons will earn commission-based compensation for selling insurance products. Insurance commissions are separate from our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Recommendation of Other Advisers

We may recommend that you use a third party adviser ("TPAM") based on your needs and suitability. We will receive compensation from the TPAM for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the third party adviser. You are not obligated, contractually or otherwise, to use the services of any TPAM we recommend.

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

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally,

we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

We maintain relationships with several broker-dealers. While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Research and Other Soft Dollar Benefits

We do not receive any soft dollar benefits from any broker-dealer.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

We do not accept directed brokerage. While you have no obligation to purchase or sell securities through any broker we recommend, if you do not want to use one of our recommended broker-dealers we may not be able to accept your account.

Block Trades

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, you may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and you may pay higher fees and/or transaction costs than other clients.

Item 13 Review of Accounts

Your investment adviser representative will monitor your accounts on a periodic basis and will conduct account reviews at least annually. The reviews are designed to ensure the advisory services provided to you and the portfolio mix are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

We will provide you with additional or regular written reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Your investment advisor representative will review your financial plan periodically upon your request to ensure that the planning advice is consistent with your stated investment needs and objectives. Written updates to the financial plan will be provided in conjunction with the review if revisions are necessary. Reviews are provided at no additional charge unless revisions are needed, in which case such updates will be subject to our then current hourly rate. If you implement financial planning advice through OnPointe Advisory and Financial Services, LLC you will receive trade confirmations and monthly or quarterly statements from relevant custodians.

Item 14 Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on behalf of our firm may be licensed insurance agents with Legacy Marketing Group, Inc. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the *Fees and Compensation* section.

Item 15 Custody

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

Item 16 Investment Discretion

We only accept non-discretionary accounts and, therefore, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

Proxy Voting

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required to provide a balance sheet or other financial information to our clients because we do not require the prepayment of fees in excess of \$1,200 and six months or more in advance; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, we have never been the subject of a bankruptcy petition.

Item 19 Requirements for State-Registered Advisers

We are registered with the SEC and, therefore, this section does not apply.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Trade Errors

On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for a client account instead of sold. In these situations, if OnPointe was responsible for such error, OnPointe's policy is to restore or return the account to the position it would have been in had the trading error not occurred. Depending on the circumstances, various corrective steps may be taken, including but not limited to, canceling the trade, adjusting an allocation, or reimbursing the account.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit. Moreover, we do not determine whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf.