

Toner Asset Management Group, Inc

Client Brochure

This brochure provides information about the qualifications and business practices of Toner Asset Management Group, Inc. If you have any questions about the contents of this brochure, please contact us at (757) 425-1977 or by email at: troy@tamg.net. 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 Toner Asset Management Group, Inc is also available on the SEC's website at www.adviserinfo.sec.gov. Toner Asset Management Group, Inc's CRD number is: 120640

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

Toner Asset Management Group, Inc has transitioned from SEC to state registration since the previous annual ADV filing.

Item 3: Table of Contents

Table of Contents

Item 2: Material Changes.....	i
Item 3: Table of Contents.....	1
Item 4: Advisory Business.....	4
A. Description of the Advisory Firm	4
B. Types of Advisory Services	4
Investment Supervisory Services	4
Financial Planning	4
Services Limited to Specific Types of Investments	5
C. Client Tailored Services and Client Imposed Restrictions	5
D. Wrap Fee Programs	5
E. Amounts Under Management	5
Item 5: Fees and Compensation.....	6
A. Fee Schedule	6
Investment Supervisory Services Fees	6
Investment Supervisory Services Fees	6
Financial Planning Fees.....	6
Hourly Fees.....	6
B. Payment of Fees	7
Payment of Investment Supervisory Fees.....	7
Payment of Performance Based Fees	7
Payment of Financial Planning Fees	7
C. Clients Are Responsible For Third Party Fees	7
D. Prepayment of Fees.....	7
E. Outside Compensation For the Sale of Securities to Clients	7
Item 6: Performance-Based Fees and Side-By-Side Management	8
Item 7: Types of Clients	9
Minimum Account Size.....	9
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss.....	9
A. Methods of Analysis and Investment Strategies.....	9
Methods of Analysis	9
Charting analysis	10
Fundamental analysis.....	10
Technical analysis	10
Cyclical analysis	10

Investment Strategies.....	10
B. Material Risks Involved	10
Methods of Analysis	10
Fundamental analysis.....	10
Technical analysis	10
Cyclical analysis	10
Investment Strategies.....	11
C. Risks of Specific Securities Utilized.....	11
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities and Affiliations	12
A. Registration as a Broker/Dealer or Broker/Dealer Representative	12
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor	12
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	12
D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections	12
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	12
A. Code of Ethics.....	12
B. Recommendations Involving Material Financial Interests	13
C. Investing Personal Money in the Same Securities as Clients	13
D. Trading Securities At/ Around the Same Time as Clients' Securities	13
Item 12: Brokerage Practices	13
A. Factors Used to Select Custodians and/or Broker/Dealers	13
1. Research and Other Soft-Dollar Benefits.....	13
2. Brokerage for Client Referrals	13
3. Clients Directing Which Broker/Dealer/Custodian to Use	14
B. Aggregating (Block) Trading for Multiple Client Accounts.....	14
Item 13: Reviews of Accounts.....	14
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	14
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts	14
C. Content and Frequency of Regular Reports Provided to Clients	14
Item 14: Client Referrals and Other Compensation.....	15
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)	15
B. Compensation to Non -Advisory Personnel for Client Referrals	15
Item 15: Custody	15
Item 16: Investment Discretion.....	15
Item 17: Voting Client Securities (Proxy Voting)	15
Item 18: Financial Information.....	16
A. Balance Sheet.....	16

B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients	16
C.	Bankruptcy Petitions in Previous Ten Years	16
Item 19: Requirements For State Registered Advisers.....		16
A.	Principal Executive Officers and Management Persons; Their Formal Education and Business Background	16
B.	Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)	16
C.	How Performance Based Fees are Calculated and Degree of Risk to Clients	16
D.	Material Disciplinary Disclosures for Management Persons of this Firm	17
E.	Material Relationships That Management Persons Have With Issuers of Securities (If Any)	17

Item 4: Advisory Business

A. Description of the Advisory Firm

This firm has been in business since June 8, 2002, and the principal owner is Troy Bryon Toner.

B. Types of Advisory Services

Toner Asset Management Group, Inc (hereinafter "TAMG") offers the following services to advisory clients:

Investment Supervisory Services

TAMG offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. TAMG creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

TAMG evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. TAMG will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Financial Planning

TAMG provides advice to clients about investments, risk management, strategic portfolio planning, asset allocation, cash management and on specific public and private companies. Additionally, relationship management services are provided in regard to other financial services companies. These services are based on hourly fees and the final fee structure is documented in the Financial Planning Agreement.

Services Limited to Specific Types of Investments

TAMG limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, REITs, private placements, and government securities. TAMG may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

TAMG offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent TAMG from properly servicing the client account, or if the restrictions would require TAMG to deviate from its standard suite of services, TAMG reserves the right to end the relationship.

D. Wrap Fee Programs

TAMG does not participate in any wrap fee programs.

E. Amounts Under Management

TAMG has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$31,528,667.00	\$0.00	12/31/2011

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
\$1 - \$4,999,999	0.85%
\$5,000,000 to \$9,999,999	0.65%
\$10,000,000 and Above	0.50%

These fees are nonnegotiable and the final fee schedule is attached in the Investment Advisory Contract. Fees are paid quarterly in advance, and clients may terminate their contracts with one day written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

Investment Supervisory Services Fees

If the client establishes an equity only aggressive growth account, any calendar year that the account outperforms the S&P 500 Index as reported by Standard and Poors the client will be charged and optional performance bonus of 25% of the difference between the accounts performance and the S&P 500 performance for that calendar year. The performance based fee is in addition to the 0.85% AUM Fee. Performance based fees are negotiable. Advisory fees are withdrawn directly from the client's accounts with client written authorization quarterly in arrears.

Financial Planning Fees

Hourly Fees

The hourly fee for these services is \$250. The fees are negotiable and the final fee schedule will be attached in the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

Advisory fees may also be invoiced and billed directly to the client with payments due on the first day of each calendar quarter. Clients may select the method in which they are billed.

Payment of Performance Based Fees

Performance Based fees are withdrawn directly from the client's accounts with client written authorization. Performance based Fees are paid annually in arrears.

Payment of Financial Planning Fees

Hourly Financial Planning fees are paid via check or credit card in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by TAMG. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

TAMG collects fees in advance and in arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be deposited back into client's account within fourteen days.

E. Outside Compensation For the Sale of Securities to Clients

Neither TAMG nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

TAMG manages accounts that are billed on performance based fees (a share of capital gains on or capital appreciation of the assets of a client) as well as accounts that are NOT billed on performance based fees. Managing both kinds of accounts at the same time presents a conflict of interest because TAMG or its supervised person's have an incentive to favor accounts for which TAMG and its supervised persons receive a performance-based fee. TAMG addresses the conflicts by ensuring that clients who have performance based accounts do not receive preferential treatment. TAMG provides best execution practices and upholds its fiduciary duty for all clients.

Clients that are paying a performance based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a performance based fee due to the higher risk/higher reward attributes.

In accordance with 13.1-503C of the Virginia Securities Act, an investment advisor may enter into, extend, or renew any investment advisory contract to provide for compensation to the investment advisor on the basis of a share of the capital gains upon or the capital appreciation of, the funds or any portion of the funds of a client, provided that the following conditions of this section are satisfied.

Nature of the client:

- a. The Client entering into the contract subject to this section must be a natural person or a company, as defined in subdivision 2 of this section 21VAC5-80-220, who immediately after entering into the contract has at least \$750,000 under management of the investment advisor; or
- b. A person who the registered investment advisor (and any person acting on his/her behalf) entering into the contract reasonably believes, immediately prior to entering into the contract, is a natural person or a company, as defined in subdivision 2 of this subsection and in the definition of "company" in subsection E of this section, whose net worth at the time the contract is entered into exceeds \$1,500,000. (The net worth of a natural person may include assets held jointly with such person's spouse.)

In accordance with 21VAC5-80-220C of the Virginia Securities Act, please be advised that, in addition to the disclosure requirements of Form ADV, TAMG shall also disclose to the client (or the client's independent agent) prior to entering into an advisory contract, all material information concerning the proposed advisory arrangement including the following:

1. That the fee arrangement may create an incentive for the advisor to make investments that are riskier or more speculative than would be the case in the absence of a performance fee;
2. Where relevant, that the advisor may receive increased compensation with regard to unrealized appreciation as well as realized gains in the client's account;

3. The time period which will be used to measure investment performance throughout the term of the contract and its significance in the computation of the fee;
4. The nature of any index which will be used as a comparative measure of investment performance, the significance of the index, and the reason the advisor believes the index is appropriate; and
5. Where an advisor's compensation is based on the unrealized appreciation of securities for which market quotations are not readily available, how such securities will be valued and the extent to which the valuation will be independently determined.

Item 7: Types of Clients

TAMG generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Corporations or Business Entities

Minimum Account Size

There is an account minimum, \$2,000,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

TAMG's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

Charting analysis involves the use of patterns in performance charts. TAMG uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investment Strategies

TAMG uses long term trading, short term trading, short sales, margin transactions, options writing (including covered options, uncovered options, or spreading strategies).

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold : 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading, short sales, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

TAMG generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it will utilize short sales, margin transactions, and options writing. Short sales, margin transactions, and options writing generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

Hedge Funds are not suitable for all investors and involve a high degree of risk due to several factors that may contribute to above average gains or significant losses. Such factors include leveraging or other speculative investment practices, commodity trading, complex tax structures, a lack of transparency in the underlying investments, and generally the absence of a secondary market.

Private placements carry a substantial risk as they are largely unregulated offerings not subject to securities laws.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral.

Options writing involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither TAMG nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither TAMG nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither TAMG nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

TAMG does not utilize nor select other advisors or third party managers. All assets are managed by TAMG management.

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

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

B. Recommendations Involving Material Financial Interests

TAMG does not recommend that clients buy or sell any security in which a related person to TAMG has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of TAMG may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of TAMG to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. TAMG will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of TAMG may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of TAMG to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. TAMG will always transact client's transactions before its own when similar securities are being bought or sold.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian, TD Ameritrade Institutional, a Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA, was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. TAMG will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

1. Research and Other Soft-Dollar Benefits

TAMG receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

2. Brokerage for Client Referrals

TAMG receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

TAMG will require clients to use a specific broker-dealer to execute transactions. Not all advisers require their clients to direct brokerage. By directing brokerage TAMG may be unable to achieve most favorable execution of client transactions; this practice may cost clients more money,

B. Aggregating (Block) Trading for Multiple Client Accounts

TAMG maintains the ability to block trade purchases across accounts. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least monthly only by Troy Bryon Toner, President. Troy Bryon Toner is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at TAMG are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Troy Bryon Toner, President. There is only one level of review and that is the total review conducted to create the financial plan.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least monthly a written report that details the client's account which will come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

TAMG does not receive any economic benefit, directly or indirectly from any third party for advice rendered to TAMG clients.

B. Compensation to Non -Advisory Personnel for Client Referrals

TAMG does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

TAMG, with client written authority, has limited custody of client's assets through direct fee deduction of TAMG's fees only. If the client chooses to be billed directly by TD Ameritrade Institutional, a Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA, TAMG would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients will receive account statements from the broker/dealer or custodian and the client should carefully review the statements for accuracy.

Item 16: Investment Discretion

For those clients' accounts where TAMG provides ongoing supervision, the client has given TAMG written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides TAMG discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

TAMG will also have discretion over the broker-dealer to be used and requires clients to use a specific broker-dealer to execute transactions.

Item 17: Voting Client Securities (Proxy Voting)

TAMG will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

TAMG does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither TAMG nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

TAMG has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

TAMG currently has only one management person/executive officer; Troy Toner. Troy Toner's education and business background can be found on the Supplemental ADV Part 2B form.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Troy Toner's other business activities can be found on the Supplemental ADV Part 2B form.

C. How Performance Based Fees are Calculated and Degree of Risk to Clients

TAMG accepts performance based fees, fees based on a share of capital gains on or capital appreciation of the assets of a client

If the client establishes an equity only aggressive growth account, any calendar year that the account outperforms the S&P 500 Index as reported by Standard and Poors the client will be charged and optional performance bonus of 25% of the difference between the accounts performance and the S&P 500 performance for that calendar year. The performance based fee is in addition to the 0.85% AUM Fee. Performance based fees are negotiable. Advisory fees are withdrawn directly from the client's accounts with client written authorization quarterly in arrears.

Clients that are paying a performance based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a performance based fee due to the higher risk/higher reward attributes.

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at TAMG or TAMG has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

**E. Material Relationships That Management Persons Have With
Issuers of Securities (If Any)**

Neither TAMG, nor its management persons, has any relationship or arrangement with issuers of securities.