

ADV Part 2A

Fairpointe Capital LLC

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March 17, 2011

This Brochure provides information about the qualifications and business practices of Fairpointe Capital LLC. If you have any questions about the contents of this Brochure, please contact us at Thyra@rcn.com. 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.

Fairpointe Capital LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Fairpointe Capital LLC is available on the SEC's website at www.adviserinfo@sec.gov.

Item 2 – Material Changes

This is the initial registration filing for Fairpointe Capital LLC and therefore a statement of material changes is not applicable.

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Item 4 – Advisory Business

Fairpointe Capital LLC was organized in December of 2010 to provide investment advisory services to investment companies, individuals, institutions and unaffiliated (separately) managed account programs. The principal owner of the firm is Thyra Zerhusen.

Fairpointe Capital LLC anticipates offering investment advisory services as a sub-advisor to a registered investment company. Fairpointe Capital LLC's service to the fund will include management of the investment and reinvestment of all assets of the fund, subject to supervision of the Board of the Fund. Fairpointe Capital LLC may also offer investment advisory services to individuals and institutions in the form of separate accounts where the Advisor is managing the assets of each account.

If a client desires to impose restrictions on investing in certain securities or types of securities, the Company will maintain these assets in a separate account and monitor all purchases and sales to ensure they comply with the requirements of the client.

Fairpointe Capital LLC currently has no assets under management.

Item 5 – Fees and Compensation

Investment Management fees for separately managed accounts shall be as follows:

First \$10 Million	0.90% of assets
Next \$10 Million	0.80% of assets
Next \$30 Million	0.75% of assets
Thereafter	0.70% of assets

All fees are subject to negotiation.

The specific manner in which fees are charged by Fairpointe Capital LLC is established in a client's written agreement with Fairpointe Capital LLC. Fairpointe Capital LLC will generally bill its fees on a quarterly basis in advance. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

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Fairpointe Capital LLC's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Fairpointe Capital LLC's fee.

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

Fairpointe Capital LLC does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Fairpointe Capital LLC may provide portfolio management services to individuals, high net worth individuals, pension plans, charitable institutions, foundations, endowments, registered mutual funds and trust programs.

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

Fairpointe Capital LLC manages equity and balanced portfolio for clients. Fairpointe Capital LLC employs a fundamental bottom-up, valuation-based process to select companies that are inefficiently priced relative to their earnings growth outlook over the next three to five years. It has a preference for companies whose products make their customers more efficient or profitable and are critical to their success. Fairpointe Capital LLC looks for firms with a compelling business model, financial strength, under-valued by the market and a solid management team. The firm uses regulatory filings, company press releases, analyst reports, financial journals, industry conferences, quantitative screens and in-depth knowledge and contacts acquired over decades of investing to generate new ideas. Security selection is based on identifying companies with a catalyst for change, financial ratios and management prior success.

Investing in securities involves risk of loss that *clients* should be prepared to bear. To minimize portfolio risk, the Company seeks long-term investments, generally caps the

holding limit at 8%, generally limits sector concentrations to 2.5x the benchmark and has low turnover. To minimize investment risk, the Company holds a regular dialogue with senior managements and reevaluates the investment thesis as more information is obtained.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Company or the integrity of the company's management. Fairpointe Capital LLC has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Fairpointe Capital LLC or related persons are not affiliated with other financial firms and does not have any relationship that would impact clients of the Company.

Item 11 – Code of Ethics

Fairpointe Capital LLC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, and personal securities trading procedures, among other things. All supervised persons at Fairpointe Capital LLC must acknowledge the terms of the Code of Ethics annually, or as amended.

Fairpointe Capital LLC does not anticipate recommending to clients, directly or indirectly, securities where a related person has a position of interest. In the event this situation arises, the Company's employees and persons associated with Fairpointe Capital LLC are required to follow the Code of Ethics. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Fairpointe Capital LLC will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of the

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Company's clients. The Code requires pre-clearance of private transactions. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Fairpointe Capital LLC and its clients.

Fairpointe Capital LLC's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Thyra Zerhusen.

It is Fairpointe Capital LLC's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Fairpointe Capital LLC will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Item 12 – Brokerage Practices

Fairpointe Capital LLC will be authorized to buy and sell securities, to place portfolio transactions with securities brokers-dealers, and to negotiate the terms of such transactions, including brokerage commissions on brokerage transactions.

The primary responsibility regarding portfolio transactions is to seek the best combination of price and execution. When executing transactions, the Company considers all factors it deems relevant, including breadth in the market in the security, the price of the security, the financial condition and execution capability of the broker or dealer and reasonableness of the commission. Transactions in the over-the-counter market are executed with primary market makers acting as principal except where it is believed better prices or execution may be obtained elsewhere.

In selecting brokers or dealers to execute particular transactions and in evaluating the best net price and execution available, the Company is authorized to consider "brokerage and research services" (as those terms are described in section 28(e) of the Securities and Exchange Act of 1934) and other information provided. Where more than one broker is believed to be capable of providing the best combination of price and execution, the Company may select a broker that provides it with research reports

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provided by the broker or a third party, market forecasts, news services, subscriptions to financial publications, compilations of security prices, earnings, dividends and similar data and analytical software used in the investment evaluation and decision process. Fairpointe Capital LLC will be authorized to pay a broker or dealer who provides such brokerage and research services a commission for executing a portfolio transaction which is in excess of the amount of commission another broker or dealer would have charged ("soft dollars"). Fairpointe Capital LLC must determine in good faith that such commission was reasonable in relation to the value of the brokerage and research services provided, viewed in terms of that particular transaction or over all discretionary accounts.

When using client brokerage commissions to obtain research or other products or services, the Company receives a benefit because it does not have to produce or pay for the research, products or services with cash.

Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

Fairpointe Capital LLC did not acquire products or services with soft dollars in the last fiscal year.

DIRECTED BROKERAGE: A client may direct the Company (subject to certain conditions that may be imposed from time to time by the Company) to effect portfolio transactions through a particular broker or dealer. A direction to utilize a particular broker or dealer may be conditioned by the client on the broker or dealer being competitive or at a specified level of commissions or commission discounts which are less favorable than might otherwise be attained by the Company. In the case of such a "restricted" designation, the Company will generally execute transactions through the designated broker. Sometimes clients wish to restrict brokerage to a particular broker or dealer in recognition of custodial services or other services (including, in some cases, referral of the client to the Company for investment advisory services) provided to the client by the broker or dealer.

A client who chooses to designate use of a particular broker or dealer on a "restricted" basis, including a client who designates use of a broker or dealer as custodian of the client's assets, should consider whether such use may result in certain costs or disadvantages to the client, either because the client may pay higher commissions on some transactions that might otherwise be attainable by the Company, or may receive less favorable execution on some transactions or both. A client who "restricts"

brokerage may be subjected to the disadvantages discussed below in Trade Aggregation. In determining whether to instruct the Company to utilize a specific broker or dealer in recognition of such services, the client may wish to compare the possible costs or disadvantages of such an arrangement with the value of the custodial or other services provided.

TRADE AGGREGATION: Fairpointe Capital LLC generally aggregates orders for client accounts with trades of other client accounts to seek a lower commission or more advantageous net price. All accounts will participate in a block trade, except if an account's risk tolerance, restrictions, tax situation, cash availability or needs would preclude participation, if the Company determines in good faith that participation in the block trade would not be in the client's best interest. If the Company is not able to include an order for an account into an aggregated trade the Company might still transact for the account in the same security that day through a different broker-dealer, which may cause that account to have a different price and execution cost on that same security. Fairpointe Capital LLC may reallocate securities from a block trade to an account not participating in a block trade that would otherwise be eligible to participate in the trade due to unexpected circumstances.

Shares purchased and sold in aggregated orders for participating accounts are allocated pro-rata among the participating accounts based on the order size of each participating client. All participating accounts receive the average price for all transaction executed for that order during the day, and all such accounts share commissions and other transaction costs on a pro-rata basis. For unfilled orders, participating clients are allocated securities on a pro-rata basis before the end of that day.

Item 13 – Review of Accounts

All portfolios are monitored by the Chief Investment Officer on a regular basis for performance, outlook and suitability based on client objectives. Account reviews with clients may be quarterly, annually or ad hoc, as requested by the client. Clients receive a written review of their current investment holdings, realized and unrealized gains and losses, investment income and investment performance.

Item 14 – Client Referrals and Other Compensation

Fairpointe Capital LLC may use the services of unaffiliated solicitors. Under those circumstances, the Company may pay compensation to the solicitor; however, those

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arrangements will be effected in accordance with Rule 206(4)-3 under the Advisors Act and the client will not pay a higher fee as a result of any solicitation or referral.

Item 15 – Custody

Fairpointe Capital LLC does not have custody of client funds or securities.

Item 16 – Investment Discretion

Fairpointe Capital LLC usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Fairpointe Capital LLC observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Fairpointe Capital LLC's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Fairpointe Capital LLC in writing.

Item 17 – Voting *Client* Securities

Fairpointe Capital LLC has adopted a proxy voting policy whereby the Company will use its best efforts to vote proxies. Should a conflict of interest arise, the Company will resolve the conflict with the view of the best interest of the investors. Clients may obtain a copy of Fairpointe Capital LLC's complete proxy voting policies and procedures upon request. Clients may also obtain information from Fairpointe Capital LLC about how Fairpointe Capital LLC voted any proxies on behalf of their account(s).

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Fairpointe Capital LLC's financial condition.

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Fairpointe Capital LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.