

# N O R T H ❖ P O I N T

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## Form CRS Customer Relationship Summary

December 7, 2023

North Point Portfolio Managers Corporation is registered with the Securities and Exchange Commission (SEC) as an investment advisor. We are not a broker and we do not physically hold your assets. Investment management and brokerage services and fees differ, and it is important for retail investors to understand the differences. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS> which also provides educational materials about investment advisors, broker-dealers, and investing.

### What investment services and advice can you provide me?

We provide fee-based, separate account investment management directly to individuals (including *retail investors*), high net worth individuals, trusts, non-profit organizations, and qualified retirement plans. We discuss your investment goals, explain the expected performance and volatility of stock and bond investing, our methodology in choosing investments, determine what portion of your investments should be in stocks and continuously monitor your account. We offer a relatively narrow investment style compared to other firms.

**Investment Authority:** We buy and sell individual stocks and bonds in your account without your prior approval, within the guidelines of what we have discussed with you. We may occasionally purchase an index exchange-traded fund (ETF) in lieu of a stock or bond position. This is called “discretionary authority” and you sign our Investment Management Agreement giving us this authority. This agreement remains in place until you or we terminate the relationship.

**Reporting:** We contact you quarterly and either meet in person or send your reports by letter to review the changes made to your account(s) during that period, the performance, the listing of your holdings and our view of what is happening in markets generally. You also receive a monthly statement directly from the firm that holds your assets listing each investment, its value and that month’s transaction activity. **Please also see our Form ADV Part 2A (“Brochure”), specifically Items 4 & 7** published on our website [nppmcorp.com](http://nppmcorp.com).

**CONVERSATION STARTER:** *Given my financial situation, should I choose an investment advisory service? Why, or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### What fees will I pay?

**Investment Management Fees:** You will pay an ongoing asset-based fee at the beginning of each reporting quarter for our services based on the value of your account(s). The fee never exceeds 1% per year and the more assets there are in your account(s), the higher your fee will be. Therefore, we have an incentive to encourage you to increase the assets in your account or to not withdraw cash. Although your fee amount increases, the percentage we charge you decreases below 1% as your assets grow above \$500,000. The investment management fee may be deducted from your account or you can pay it separately. Our only source of revenue is the investment management fees paid by our clients.

**Other fees and costs:** Because we do not hold your assets, you will also be charged fees by the broker-dealers and/or custodians. You will also be charged fees and expenses by any index ETF we purchase for you. Our fee is separate and distinct from these charges, which are fairly small in comparison. Depending on where your assets are custodied, these charges vary and we will explain them to you.

You will pay fees and costs whether you make money or lose money on your investments.

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continued

Fees and costs will reduce the amount of money you make on investments over time. Please make sure you understand what fees and costs you are paying.

**Additional information about our fees and costs is included in our Form ADV Part 2A which is available at:** <https://adviserinfo.sec.gov/firm/summary/111257>

**CONVERSATION STARTER:** *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

### **What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

**When we act as your investment adviser**, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. The more assets in your account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to withdraw less money or increase the assets in your account. We may prefer to work with certain broker-dealers because they provide access to conferences, software and consulting that benefit us more than our clients.

**CONVERSATION STARTER:** *How might your conflicts of interest affect me, and how will you address them?*

### **How Do Your Financial Professionals Make Money?**

Our financial professionals receive a monthly salary and receive bonuses based on a percentage of the revenue they bring to the firm. Because our professionals earn a higher bonus from larger account balances, there is a potential conflict that smaller clients receive less attention. Neither the firm nor its professionals earn any compensation from hidden sales commissions or reimbursements from broker-dealers or custodians.

### **Do you or your financial professional have legal or disciplinary history?**

No, we do not have legal and disciplinary events. Visit <http://www.investor.gov> for a free, simple search tool to help us and our financial professionals. No. **CONVERSATION STARTER:** *As a financial professional, do you have any disciplinary history? For what type of conduct?*

### **Additional Information**

In addition to the educational materials at Investor.gov/CRS, information about our firm's investment management services are available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 111257. You may also contact our firm at (440) 720-1100 and speak to any of our investment professionals or staff.

**CONVERSATION STARTER:** *Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

