

# POINTE CAPITAL MANAGEMENT LLC

<p><b>CLIENT RELATIONSHIP SUMMARY</b></p> <p><b>INTRODUCTION</b></p>	<p><b>POINTE CAPITAL MANAGEMENT LLC (PCM) is a fee-only Investment Adviser registered with the Securities and Exchange Commission (SEC).</b> Brokerage and investment advisory services and the fees associated with them differ and it is important for the retail investor to understand these differences. Free and simple tools are available to research firms and financial professionals at <a href="http://investor.gov/CRS">investor.gov/CRS</a>, which also provides educational materials about broker-dealers, investment advisers, and investing.</p>
<p><b>RELATIONSHIPS AND SERVICES</b></p> <p><b>Description of Services</b></p> <p><b>Conversation Starters:</b></p> <p><i>Given my financial situation, should I choose an investment advisory service? Why or why not?</i></p> <p><i>How will you choose investments to recommend to me?</i></p> <p><i>What is your relevant experience, including your licenses, education, and other qualifications?</i></p> <p><i>What do these qualifications mean?</i></p>	<p><b>What investment services and advice can you provide me?</b> PCM provides fee-only advisory services. <a href="#">Item 4B, Form ADV 2A Brochure</a> PCM is available to provide investment management and consultation services to individuals, pension and profit-sharing plans, 401(k) plans, trusts, estates, charitable organizations, institutional clients, state or municipal government entities, corporations and other businesses. This summary briefly describes our services and fees. You should carefully consider which services are right for you and be sure to read our <a href="#">Form ADV 2 Brochures</a>. <b>Investment Management Services</b> are ongoing in nature and focus solely on portfolio management. We engage in a data gathering and discovery process to determine our client's stated needs, goals, intentions, time horizons, risk tolerance and investment objectives, depending upon the services requested. We provide individualized services tailored to meet our clients' stated needs and objectives. Clients may complete a risk assessment, investment policy statement, or similar document. After an analysis and data-gathering process, PCM may prepare a review, analysis, asset allocation recommendations, and may recommend specific investments. We generally develop and utilize an asset allocation profile. When working with an existing portfolio, we can provide recommendations for re-design, adjustments, or re-balancing. Once the portfolio has been implemented or transferred for services, PCM will provide continuous monitoring, advice, and recommendations. <a href="#">Item 4.B(1), Form ADV 2A Brochure</a> <b>Consultation Services</b> PCM offers hourly or annual consultation services. <a href="#">Item 4.B(2) Form ADV 2A Brochure</a></p> <p><b>Monitoring: Investment Management</b> involves continuous and ongoing services with frequent monitoring of underlying portfolio assets (generally daily) and at a minimum, quarterly internal portfolio reviews. The frequency of and processes for reviews are dependent upon the nature and complexity of the portfolio, underlying assets, individual circumstances as reasonably known by PCM, and market conditions. PCM conducts client reviews at least annually and at least once per year we prompt clients to review their personal profile and financial information to ensure all data remains current. However, we encourage frequent communications and clients may call us any time during business hours. Clients are obligated to promptly contact PCM when there exists a real or potential change in their financial condition to give us an opportunity to review the situation to help ensure the investment strategies continue to be appropriate. Our <b>Consultation Services</b> do <i>not</i> involve ongoing reviews. <a href="#">Item 13, Form ADV 2A</a> <b>Investment Authority:</b> With our client's authorization as provided in custodial account forms and our investment management agreement, PCM will maintain limited discretionary trading authority to execute securities transactions in a managed portfolio within the client's designed investment objectives. Clients are welcome to set written parameters on trading authority as to types and amounts purchased or sold. Non-discretionary services are available whereby the client retains authority to direct transactions. <a href="#">Item 16, Form ADV 2A</a> <b>Advice and Investments:</b> As an independent Investment Adviser, PCM is not limited as to investments and does not offer proprietary products. We typically recommend mutual funds, exchange traded funds (ETFs), Master Limited Partnerships (MLPs), closed-end funds, individual debt and equity securities, stocks, and options in accordance with our client's stated objectives. We may consider other types of investments and may consult with clients on U.S. government securities, municipal bonds and other fixed-income securities, or existing holdings in variable products, commercial paper, options, warrants, and other investments. PCM may provide advice about real estate investment trusts (REITs), and other investment held in a client's portfolio at the beginning of the advisory relationship. PCM may assist clients who are "accredited investors", as defined under Rule 501 of the Securities Act of 1933, as amended, who are interested in private placement securities, which may include debt, equity, and/or pooled investment vehicles, when consistent with the client's investment objectives. However, PCM does not accept additional compensation but shall receive applicable management fees on the client's assets under management.</p> <p><b>Account Minimums and Other Requirements:</b> PCM desires a minimum relationship size of \$1 million for investment management services. At our discretion, the minimum may be waived where special circumstances exist such as: prospective clients with the ability to meet the minimum within a reasonable time period; where future assets may be transferred to meet the minimum; pre-existing relationships, and family members of PCM's personnel. <a href="#">Item 7, Form ADV 2A</a> <b>Our investment adviser representatives' education, experience, industry designations and certifications</b> are discussed in PCM's <a href="#">Form ADV 2B Brochures</a></p>
<p><b>FEEES, COSTS, CONFLICTS AND STANDARD OF CONDUCT</b></p>	<p><b>What fees will I pay?</b> PCM is a <i>fee-only</i> Investment Adviser which means we only accept advisory fees paid by our clients. <a href="#">Item 5.A (1-2), Form ADV 2A Brochure</a> <b>Investment Management.</b> PCM's annual fee is billed quarterly, in advance as outlined on the following page:</p>

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## DESCRIPTION OF PRINCIPAL FEES AND COSTS

PORTFOLIO VALUE	ANNUAL FEE
Up to \$5,000,000 .....	1.00%
\$5,000,001 - \$10,000,000 .....	0.80%
\$10,000,001 - \$20,000,000 .....	0.75%
above \$20,000,001 .....	Determined at Engagement

## CONVERSATION STARTERS:

*How else does your firm make money and what conflicts of interest do you have?*

The fee scale above also applies to PCM's 401(k) management services, but fees are negotiable, based on the nature and scope of services. The annual fee for PCM's MLP / Infrastructure Strategy as a stand-alone strategy for institutional clients is 0.75%. The annual fee for PCM's Large Cap Value Strategy as it applies to institutional clients is .65% on the first \$10 million under management and .50% on assets over the initial \$10 million.

*Help me understand how these fees and costs might affect my investments.*

Our quarterly fee is calculated by multiplying the portfolio balance (set by your custodian) by ¼ of PCM's annual fee. If our engagement begins at any time other than the beginning of a calendar quarter, the fee for that quarter will be prorated. We may modify our fee based on certain criteria (i.e., scope and complexity of services, future earning capacity, anticipated future additional assets, portfolio size, institutional clients, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.). We may aggregate accounts or the portfolios of family members to take advantage of a lower billing rate based on reaching the next breakpoint. If assets are deposited or withdrawn after the inception of a quarter, the fee may be adjusted or prorated based on the number of days remaining in the quarter as set forth in PCM's client agreement. During the engagement, our fee may be modified due to significant changes in the scope or complexity of services with a 30-day pre-notification and our client is welcome to accept the adjustment or terminate services. Fees may be higher than what other advisers charge for similar services.

*If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

**Consultations.** PCM's hourly rate is agreed to at engagement and ranges from \$300 to \$800, depending on the nature and scope of services, professionals involved, and if services are provided to an existing management client. We generally require one-half of the project fee at engagement and the balance is due at the conclusion of services. In lieu of an hourly fee, PCM may offer an annual fixed fee, charged quarterly in advance. Implementation of advice or recommendations pertaining to securities and/or non-securities, in whole or in part, is entirely at the client's discretion via the client's selected service provider(s). During the engagement, should our client's condition change such that new advice, re-evaluation, or research is required, additional fees may apply and requires our client's pre-approval.

*What other fees might I incur?*

**Description of Other Fees and Costs** Investors are responsible for third-party fees associated with financial and investing activities and these vary depending upon the services utilized, investments, and other factors. Clients pay transaction fees and brokerage commissions to their brokerage firm, and fees associated with their particular accounts (e.g., transfer fees, termination costs, wire transfer fees, retirement plan and/or trust fees, deferred sales charges, odd lot differentials, and other fees and taxes associated with investing). Fees and expenses charged to shareholders of exchange-traded and mutual funds are exclusive of and in addition to PCM's fees. Please read all securities offering documents. We do *not* receive any portion of these investment-related fees. **5.C, Form ADV 2A Important:** *You pay fees and costs whether you make or lose money on your investments and these reduce any amount of money you make on your investments over time. You should ensure that you understand what fees and costs you are paying.*

*What are your legal obligations to me when acting as my investment adviser?*

**Standard of Conduct. PCM's Compensation, and Conflict of Interest: PCM is a fiduciary to each of its clients.** *When we act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours.* You should understand and ask us about our conflicts of interest because they can affect the investment advice we provide you. **What conflicts of interest do you have?** Because we are *not* a non-profit organization, we charge fees for our services. The receipt of compensation creates a conflict of interest between our interests and yours. We are likely to recommend PCM's services and during our relationship, we may recommend that you add funds to your managed portfolio. As assets increase, fees increase. *However*, PCM acknowledges its fiduciary duty to put our clients' interests ahead of our own and to provide advice that is suitable based on what we know about our client. **How does your firm make money?** PCM is only compensated by fees paid by our clients. **How do your financial professionals make money?** PCM's investment adviser representatives only earn a portion of the fees earned by PCM for providing services to our clients. **Other Business Activities:** PCM is solely engaged in providing investment advisory services.

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

## DISCIPLINARY HISTORY

**Do you or your financial professionals have legal or disciplinary history?** If yes, for what type of issue or conduct? **YES.** A free and simple search tool is available at [investor.gov/CRS](http://investor.gov/CRS) if you would like to search our firm, our registered personnel, or another financial service provider.

## ADDITIONAL INFORMATION

**Who is my primary contact?** Your investment adviser representative. **Who can I talk to if I have concerns about how this person treats me?** Paul Huebner is a Managing Member and PCM's Chief Compliance Officer. You may contact PCM at (313) 882-7100 or via email to [paul@pointecapital.com](mailto:paul@pointecapital.com)