

# CenterPoint Financial, Inc.

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*Registered Investment Adviser*

## **Part 2A/2B of Form ADV – Disclosure Brochure**

CenterPoint Financial, Inc.

Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of CenterPoint Financial, Inc.'s (CenterPoint) Registration as a Registered Investment Adviser but does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at (802) 225-1314, or by email at [pgilbert@centerpoint-financial.com](mailto:pgilbert@centerpoint-financial.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, the State of Vermont Department of Financial Regulation Securities Division, or by any other state securities authority.

Additional information about CenterPoint is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Effective March 17, 2021

# Material Changes

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## Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

## Material Changes Since the Last Update

### New Information Security Initiatives

In 2020, CenterPoint continued to implement significant new initiatives to protect clients from cybersecurity threats. These initiatives are detailed in CenterPoint's Policies and Procedures Manual and are summarized in the Information Security portion of this document on page 22.

### CARES Act

On March 25, 2020 the Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law to provide fast and direct economic assistance for American workers, families, and small businesses, and preserve jobs for American industries affected by the COVID-19 pandemic. CenterPoint monitored the implementation of this legislation to ensure that all clients were taking advantage of the benefits offered to them.

### SECURE Act

On December 20, 2019, the United States Congress passed significant changes to retirement savings law that affect individuals in or nearing retirement, new parents, small business owners, and employees, and could have a major impact on estate planning. CenterPoint continues to stay abreast of interpretations of these laws and their affect on clients. Key changes are outlined further on page 16.

### Department of Labor's Fiduciary Rule

The Department of Labor's Fiduciary Rule, mandating that investment advisers act in the best interests of their clients and put their clients' interests above their own, was overturned by the Fifth Circuit Court of Appeals in March 2018. CenterPoint maintains compliance with the rule as proposed and continues to be prepared to implement a new rule should such legislation be reconsidered.

### Regulation Best Interest and Form CRS

Effective June 30, 2020, investment advisers and broker dealers registered with the Securities and Exchange Commission ("SEC") are required to prepare and deliver a client relationship summary ("Form CRS") that provides information about their investment-related services and fees. CenterPoint provides Form CRS to all new and prospective clients and to all existing clients on an at least annual basis or as required under the regulations. This new SEC rule package is outlined further on page 17.

## **Change in CenterPoint Employees**

Joyce S. Cole, CFP Board Emeritus® has retired from CenterPoint Financial, Inc. as an investment adviser. Ms. Cole now serves as an Adviser Emeritus for CenterPoint in her roles on the Investment Committee and as consultant for special projects. Ms. Cole continues to serve as Mrs. Gilbert's successor should the need arise.

## **Full Brochure Available**

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Whenever you would like to receive a complete copy of our Firm Brochure, please contact CenterPoint by telephone at (802) 225-1314, or by email at [pgilbert@centerpoint-financial.com](mailto:pgilbert@centerpoint-financial.com).

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# Advisory Business

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## Firm Description

CenterPoint Financial, Inc. (CenterPoint) was founded in 2014.

CenterPoint provides personalized, confidential financial planning and investment management to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, and small businesses. Advice is provided through consultation with the client to determine financial objectives and financial problems. CenterPoint advises clients on cash flow management, tax planning, real estate considerations, insurance reviews, investment management, education funding, retirement planning, charitable giving, and estate planning, as appropriate. CenterPoint advisers do not provide specific legal or tax advice. Investment advice is an integral part of financial planning.

CenterPoint is strictly a Fee-only™ financial planning and investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted; however, CenterPoint does receive securities research, other market data, software and other technology from Charles Schwab & Co., Inc. (Schwab). Products and services received may also include practice management aids and discounts from vendors.

Investment advice is provided with the client making the final decision on investment selection. CenterPoint makes investment recommendations in accordance with the unique investment objectives and risk tolerances of the client. As each portfolio is constructed to meet the objectives of individual clients, it is permissible for clients to impose restrictions on investing in certain securities or types of securities.

CenterPoint does not act as a custodian of client assets. The client always maintains asset control. CenterPoint places trades for clients under a limited power of attorney that is established upon the initial account opening with the custodian.

CenterPoint provides each client with a written evaluation of their initial financial situation, often in the form of a net worth statement and cash flow scenarios. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur. CenterPoint collaborates with these other professionals on behalf of the client, as appropriate, and with the authorization of the client. CenterPoint is not compensated for this work outside of the regular fee structure.

The initial meeting, which may be by telephone, is free of charge and is considered an exploratory discussion to determine the extent to which financial planning and investment management may be beneficial to the client.

## Principal Owner

Priscilla N. Gilbert, CFP® is 100% stockholder.

## Types of Advisory Services

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CenterPoint provides two types of services to clients:

1. **Investment Supervisory Services**, also known as assets under management services, include establishing a client's risk tolerance, time horizon, income needs and goals, and then designing and monitoring an investment, savings, and cash flow plan to attain those goals on an ongoing basis. For these clients, accounts are opened at Charles Schwab & Co., Inc., and a client's cash and/or securities are deposited in the accounts. CenterPoint executes trades for the client portfolios to adjust and rebalance portfolio composition. Services to clients include periodic scheduled meetings with the adviser.
2. **Financial Planning Services**, also known as hourly or retainer services, are for those clients who are working with the adviser on a Financial Planning only basis. CenterPoint gives counsel on cash flow, investing, tax, college, retirement, and estate planning, or other areas of interest to the client, on an as requested basis. There is not ongoing management involved with a Financial Planning engagement.

CenterPoint furnishes investment advice through consultations; issues articles on the firm's website, [www.centerpoint-financial.com](http://www.centerpoint-financial.com); issues special reports to clients about securities, macro market and economic updates, and financial planning matters. Client presentations may also include charts, graphs, formulas, or other methods for evaluating securities.

On more than an occasional basis, CenterPoint furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, real estate decisions, charitable giving, and trust services that often include estate planning.

As of 3/17/2021, CenterPoint managed approximately \$78 Million in assets for approximately 81 households. Approximately \$77 Million of this was managed on a discretionary trading basis.

## Tailored Relationships

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At the start of each client relationship, all clients will complete an Investor Profile Statement (IPS) to assess and document a client's risk tolerance, time horizon, investment experience, tax profile, cash flow needs, liability exposure, financial position, and short and long-term goals. Throughout each client relationship, IPS attributes are monitored, revisited, and documented in CenterPoint's Client Relationship Management system (CRM). Clients may impose restrictions on investing in certain securities or types of securities. CenterPoint offers socially screened investing to clients who indicate a need for, or interest in, an investment portfolio sensitive to Environmental, Social and Governance (ESG) issues.

CenterPoint does not offer wrap fee programs.



## **Types of Agreements**

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The following two types of agreements define the typical client relationships: Financial Planning and Investment Supervisory Services.

### **Financial Planning Agreement**

A **Financial Planning Agreement** is designed to help the client with all aspects of financial planning without investment management or ongoing services after the financial plan is completed. The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; general tax planning; a review of retirement accounts and employer sponsored retirement plans; a review of insurance policies and general recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations. CenterPoint does not provide specific legal or tax advice.

General investment advice and specific recommendations may be provided as part of a financial plan. The client is responsible for implementation of the recommendations, and CenterPoint will not monitor the plan nor the investments.

Hourly bills will be submitted to the client at least quarterly as work is completed, or at the completion of the work. Retainer-based agreements will be billed in quarterly payments (or until completion of the work) by CenterPoint. Payments are due within 30 days after the completion of work.

### **Investment Supervisory Services Agreement**

Many of CenterPoint's clients choose to have the firm manage their investments in order to obtain ongoing in-depth advice and life planning. This agreement includes all of the financial planning services as described in the Financial Planning Agreement as well as the following. All aspects of the client's financial affairs are reviewed, including their financial relationships with their children and parents. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of the work and the fee for an **Investment Supervisory Services Agreement** is provided to the client in writing prior to the start of the relationship. This may include cash flow management advice; investment management (including performance reporting); general insurance and liability review; education planning; retirement planning; charitable planning; general estate planning; and general tax planning, as well as the implementation of recommendations within each area. CenterPoint does not provide specific legal or tax advice.

The **Investment Supervisory Services Agreement** is an ongoing agreement, and the length of service to the client is at the client's discretion. The client or the adviser may terminate an Agreement by written notice to the other party. See Termination on page 10. At termination, fees billed will be refunded on a pro rata basis for the number of days remaining in the quarter. Refunds will be made within 30 days of receipt of written notice of termination.

CenterPoint advisers serve as a fiduciary to their clients in providing advice only in the client's best interest.

## Outside Held Assets

Clients often ask for advisement on other assets in their portfolio not held in a custodial account at Charles Schwab & Co., Inc. These assets may be held in an account such as a retirement plan at TIAA, Vanguard, Fidelity, or another custodian. These assets need to be considered as part of a clients' overall financial situation and as such, the client may request CenterPoint to advise on and incorporate these assets into the overall investment plan. CenterPoint does not have discretion over outside held assets. In these situations, CenterPoint will advise, and the client may be billed quarterly 50 basis points or 0.5% annually based on the latest quarter end value of the outside held account.

## Asset Management

Assets are invested primarily in no-load mutual funds and exchange-traded funds through Charles Schwab & Co., Inc., CenterPoint's custodian.

Stocks and bonds may be purchased or sold through a Schwab account when appropriate. These purchases can be on an unsolicited (requested by the client) or solicited (recommended by CenterPoint) basis. Investment types include equities (stocks), corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, U. S. Government securities, variable annuities, and mutual fund shares. Initial public offerings (IPOs) may be available through CenterPoint on a rare and case-by-case basis or by specific client request.

Schwab charges a discounted fee for stock and bond trades. CenterPoint does not receive any compensation from fund companies, in any form, including commissions, incentives, bonuses or the like.

CenterPoint does receive securities research, other market data, software and other technology from Charles Schwab & Co., Inc. as a benefit for custodial client assets at Schwab. As an investment industry professional, complimentary products and services, including practice management aids, are offered to CenterPoint.

## Termination of Agreement

A client may terminate their agreement with CenterPoint at any time by notifying CenterPoint in writing. Likewise, CenterPoint may terminate a client agreement by notifying them in writing.

In the case of an **Investment Supervisory Service Agreement**, wherein the client paid for the quarter in advance, CenterPoint will refund any unearned portion of the advance payment pro rata based on the number of days remaining in the quarter. Fees will cease upon the receipt of written notice from the client. Upon termination of the Agreement, CenterPoint shall perform no further functions whatsoever with respect to the account except for immediately de-linking the accounts at the custodian. Refunds will be made within 30 days of written notice of termination. At the time of entering into the contract, the client has a right to terminate the contract without penalty within 5 business days after entering into the contract.

In the case of a **Financial Planning Services Agreement**, the client may notify CenterPoint of a termination of the agreement in writing, and CenterPoint will bill for the work performed up to the date of termination. At the time of entering into the contract, the client has a right to terminate the contract without penalty within 5 business days after entering into the contract. Services provided prior to contract termination will be billed immediately and materials prepared to date will be provided to the client.

## Fees and Compensation

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### Description

CenterPoint bases its fees on a percentage of assets under management, hourly charges, and fixed retainer fees. As a strictly Fee-only™ adviser, CenterPoint is compensated in a tiered fee structure and never on the basis of investments that are recommended or portfolio performance. Fees paid to the adviser are printed on each quarterly statement. CenterPoint does not offer proprietary products to clients and recommends only products and services that are in the best interest of the client.

### Fee Billing

**Investment Supervisory Services Agreement** management fees are billed quarterly, in advance, meaning that we invoice the client before the three-month billing period has begun based on the previous quarter-end account value. Fees are not calculated for a period greater than 3 months (one quarter) in advance. Fees are usually deducted from a designated client account at Schwab to facilitate billing. The client must consent in advance to direct debiting of their investment account.

The annual Investment Supervisory Services Agreement fee is calculated on a percentage of the investment assets under management (AUM) in a Schwab account on the last day of the quarter according to the following schedule:

- 1.25% on the first \$499,999 of assets;
- 1.00% on assets from \$500,000 to \$1,999,999;
- and 0.70% on assets \$2,000,000 and above.

The fee is billed in advance of the coming quarter. The portfolio value at the completion of the prior full billing quarter is used as the basis for the fee computation.

The minimum account size is \$500,000. Fees or account size may be negotiable under certain circumstances. Current client relationships may exist where the account size and fees are lower than the fee schedule above.

Fees for **Financial Planning Services Agreement** clients are billed quarterly or at the completion of the work.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. The minimum fee is \$780 billed at \$195 per hour for personal financial planning; there is a 4 (four) hour minimum. Financial planning for businesses is billed at \$300 per hour with a 4 (four) hour minimum. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments. Clients are billed at the completion of the work performed.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee estimate will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

Alternately, CenterPoint and the client may determine that a retainer-based fee arrangement is appropriate. In such a case, the scope and nature of the engagement will be outlined in the agreement, and a fixed/flat fee will be agreed upon. In this circumstance, the fee will be issued when the work is completed.

## **Other Fees**

Schwab may charge a transaction fee for the purchase of some funds if they are not on the One Source platform. CenterPoint does not receive any portion of these fees.

Please see information on custody and trading in the Brokerage Practices section of this document on page 18.

## **Expense Ratios**

Mutual funds generally charge a management fee for their services. The management fee is called an expense ratio that is disclosed in the fund prospectus. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% annually for their services. Mutual fund companies report performance after their management fees are assessed. CenterPoint does not receive any portion of these fees. Mutual fund management fees are in addition to the fees paid to CenterPoint by the client for investment supervisory services.

## **Past Due Accounts and Termination of Agreement**

CenterPoint reserves the right to stop work on any account that is more than 30 days overdue. In addition, CenterPoint reserves the right to terminate any financial planning engagement where, in CenterPoint's judgment, a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate. Any unused portion of fees collected in advance will be refunded within 30 days.

## **Performance-Based Fees and Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

CenterPoint does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk than is appropriate for the client.

## **Types of Clients**

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### **Description**

CenterPoint generally provides investment advice to individuals, trusts and estates. On occasion, CenterPoint may provide advice to pension and profit-sharing plans, not-for-profit and charitable organizations, corporations or business entities, or endowments. Client relationships vary in scope and length of service.

## Account Minimums

### Minimum account size guidelines:

When an account falls below the \$300,000 in value, CenterPoint may request that the client sign a **Financial Planning Agreement** if assets have diminished significantly.

Exceptions will apply to employees of CenterPoint and their relatives, and relatives of existing clients.

## Methods of Analysis, Investment Strategies, and Risk of Loss

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### Methods of Analysis

Security analysis methods may include:

- fundamental analysis studying the prospects for a security's performance based on industry, economic, global, and market conditions;
- charting by evaluating a security's movement against a moving average of an index or candlestick charting which notes the trading highs and lows of a security;
- cyclical analysis by determining where we are in the market or economic cycle relative to demand for the commodity, product, service, or index on which the security is based;
- and, technical analysis by tracking the trend of a security's historic and immediate price;
- Important points in portfolio construction and security selection are relative to the client's time horizon and risk tolerance.

Primary sources of information used to conduct research include financial newspapers and magazines, market-related and financial professional websites, evaluations of corporate activities, whitepapers, financial professional and economic webinars, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases. CenterPoint also uses industry specific publications and databases including Morningstar, Charles Schwab & Co., Inc.'s "Schwab Advisor Center," Bloomberg, MarketWatch, BlackRock, J.P. Morgan, and other trusted analysts.

### Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. This means we use actively- and passively-managed mutual funds and exchange-traded funds (ETF) as the core strategic investments, and then add targeted mutual funds and/or ETFs as the satellite tactical investments. Portfolios are globally diversified to control the risk associated with traditional markets. The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investor Policy Statement (IPS) that states their objectives, income or growth goals and their desired investment strategy. During periodic reviews with clients, the adviser will recognize and document changes to the client's risk tolerance, time horizon, and cash flow needs to ensure that CenterPoint's investment recommendations are suitable. Significant changes in a client's financial situation may necessitate that the client complete a new risk tolerance questionnaire to ensure the suitability of future investments. Portfolios are reviewed, updated, and reports are provided to the client at least quarterly, or whenever meeting with a client, to confirm that investment recommendations are in line with client objectives for risk-adjusted returns.

## Risk of Loss

All investment programs have certain risks that are borne by the investor. Investing in securities involves a risk of loss that clients should be prepared to bear. CenterPoint's investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** Future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This risk primarily relates to fixed income securities.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it before they can generate a profit. This type of company carries a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like. Sustainable energy companies, likewise, face longer technology adoption periods and market penetration hurdles to profitability.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## Disciplinary Information

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### Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

## Other Financial Industry Activities and Affiliations

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### Financial Industry Activities

CenterPoint is a Registered Investment Adviser firm and is not registered as a securities broker-dealer. CenterPoint is not registered as a futures commission merchant, commodity pool operator, or commodity trading advisor.

### Affiliations

CenterPoint has arrangements that are material to its advisory business and its clients with Charles Schwab & Co., Inc. who is a custodian of client assets for Registered Investment Advisers.

CenterPoint is not affiliated with any investment company, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

### Code of Ethics

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The employees of CenterPoint have committed to and have adopted the NAPFA Code of Ethics, which can be viewed here: [NAPFA Code of Ethics](#). CenterPoint annually adopts and certifies each employee's adherence to the code.

In addition, CFP® designation and the Certified Financial Planner™ are the standard requirements for the firm's advisers and requires a similar code and completion of Continuing Education hours and an ethics course every two years. A copy of this Code of Ethics will be provided to any client or prospective client and can be reviewed at <http://www.cfp.net/about-cfp-board/ethics>.

#### The NAPFA Code of Ethics:

**Objectivity:** NAPFA members strive to be as unbiased as possible in providing advice to clients and NAPFA members practice on a fee-only basis.

**Confidentiality:** NAPFA members shall keep all client data private unless authorization is received from the client to share it. NAPFA members shall treat all documents with care and take care when disposing of them. Relations with clients shall be kept private.

**Competence:** NAPFA members shall strive to maintain a high level of knowledge and ability. Members shall attain continuing education at least at the minimum level required by NAPFA. Members shall not provide advice in areas where they are not capable.

**Fairness & Suitability:** Dealings and recommendation with clients will always be in the client's best interests. NAPFA members put their clients first.

**Integrity & Honesty:** NAPFA members will endeavor to always take the high road and to be ever mindful of the potential for misunderstanding that can accrue in normal human interactions. NAPFA members will be diligent to keep actions and reactions so far above board that a thinking client, or other professional, would not doubt intentions. In all actions, NAPFA members should be mindful that in addition to serving our clients, we are about the business of building a profession and our actions should reflect this.

**Regulatory Compliance:** NAPFA members will strive to maintain conformity with legal regulations.

**Full Disclosure:** NAPFA members shall fully describe method of compensation and potential conflicts of interest to clients and also specify the total cost of investments.

**Professionalism:** NAPFA members shall conduct themselves in a way that would be a credit to NAPFA at all times. NAPFA membership involves integrity, honest treatment of clients, and treating people with respect.

## **Participation or Interest in Client Transactions**

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CenterPoint and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades.

## **Personal Trading**

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The Chief Compliance Officer of CenterPoint is Priscilla N. Gilbert, CFP®. The personal trading of the firm's employees does not affect the markets since most employee trades are small mutual fund, exchange-traded fund, or stock or bond trades. CenterPoint has hired Tamarac Reporting, a division of Envestnet, to provide data management and reporting services as part of the contractual agreement. Tamarac reviews all CenterPoint trades on a daily basis.

## **SECURE Act**

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The United States Congress has passed significant changes to retirement savings law that will affect individuals in or nearing retirement, new parents, small business owners and employees, and could have a major impact on estate planning. Signed into law on December 20, 2019, the Setting Every Community Up for Retirement Enhancement (SECURE) Act includes the following key changes:

- **New Required Minimum Distribution (RMD) Age:** The age has been raised from 70.5 to 72 by which clients must begin taking RMDs from their retirement accounts. The age increase for starting a RMD only applies to individuals who turned 70.5 after December 31, 2019, which means they were born on or after July 1, 1949. If clients turned 70.5 before this date, they will continue to take their RMD at age 70.5 and may not defer to age 72.
- **No Age Limit on Contributions:** Clients who earn income can continue contributing to Traditional IRAs no matter their age.
- **Elimination of the Stretch IRA:** Non-spouse beneficiaries of individual retirement accounts may no longer withdraw assets of inherited accounts over their lifetimes. Now, those who inherited an IRA on or after January 1, 2020 have 10 years to withdraw the assets, over whatever timeline they choose. Spouses and disabled beneficiaries are not subject to these new withdrawal parameters.

CenterPoint has updated their policies and procedures to accommodate the changes to the retirement savings laws of the SECURE Act.



## Department of Labor Fiduciary Rule

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The Department of Labor's Fiduciary Rule, mandating that investment advisors act in the best interests of their clients and put their clients' interests above their own, was overturned by the Fifth Circuit Court of Appeals in March 2018. CenterPoint maintains compliance with the rule and continues to be prepared to implement a new rule should such legislation be reconsidered.

## Regulation Best Interest and Form CRS

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Effective June 30, 2020, investment advisors and broker dealers registered with the Securities and Exchange Commission ("SEC") are required to prepare and deliver a client relationship summary ("Form CRS") that provides information about their investment-related services and fees. The SEC adopted Form CRS on June 5, 2019, along with related rules and rule amendments under the Investment Advisers Act of 1940 and the Securities Exchange Act of 1934, including Regulation Best Interest.

The disclosure requirements under Form CRS (also called Form ADV Part 3 for Investment Advisors) are in addition to existing Form ADV Part 1 and Part 2 disclosure obligations. The purpose of Form CRS is to reduce confusion for retail investors and assist them when deciding whether to:

- Establish an investment advisory relationship;
- Engage a particular firm or financial professional; or
- Terminate or switch a relationship or specific service.

Under this new SEC rule package, CenterPoint filed Form CRS by June 30, 2020, via the Investment Adviser Registration Depository ("IARD") system, and will deliver Form CRS to clients upon the occurrence of any of the following:

- Any time the firm opens a new account that is different from the client's existing account(s);\*
- When the firm recommends that the client roll over assets from a retirement account, including a 401(k) plan, into a new or existing account or investment;
- When the firm recommends or provides a new investment advisory service or investment that does not necessarily involve the opening of a new account and would not be held in an existing account;
- Within 30 days of a client's request to receive Form CRS; or
- Within 60 days of making a material amendment to Form CRS.

\*It should be noted that while a firm is required to deliver Form CRS when it opens a new account for a client that is different from the client's existing account, what constitutes "different" has not yet been specifically defined by the SEC. It can be interpreted to mean an account type that is different from the client's existing account type (e.g., a non-retirement account vs. a retirement account such as a IRA); however the SEC may offer additional insight on its interpretation of that term as it continues to publish guidance on Form CRS. CenterPoint will refer to the [SEC's Frequently Asked Questions on Form CRS](#), as updates are released.

## Brokerage Practices

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### Selecting Brokerage Firms

CenterPoint does not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. CenterPoint recommends a custodian based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable transaction costs.

CenterPoint, in most instances, recommends Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold client assets in a brokerage account, and will buy and sell securities when clients or the Adviser instructs them to. While CenterPoint recommends that clients use Schwab as custodian, clients will decide whether to do so and will open accounts with Schwab by entering into an account agreement directly with them. CenterPoint does not open the accounts for clients. CenterPoint does not receive fees or commissions from these custody arrangements. However, CenterPoint does receive research, technology, and services at no cost from Schwab as its custodian. CenterPoint does not consider this to be an incentive to recommend the custodian even though these arrangements do provide a benefit to the firm and its clients. From time to time a client may execute their own trades in a particular security. This activity is referred to as direct brokerage. In this circumstance, the client might not obtain the security at the same low-cost structure as the adviser.

## **Best Execution**

CenterPoint reviews trades submitted through Schwab as executed. Transaction fees charged by Schwab are also reviewed by CenterPoint on an as-executed basis through the Schwab Advisor Center trading platform. CenterPoint does not receive any portion of transaction fees.

## **Soft Dollars**

CenterPoint is granted access to the Schwab Advisor Center to assist in the management of client assets custodied at Schwab. All custodial clients benefit from this service as it reduces the firm's overall expenses and increases efficiency, accuracy, and client protection.

CenterPoint receives securities research, other market data, research, software, and other technology from Schwab. Products and services may also include practice management aids and discounts from vendors. The selection of Schwab as a custodian was and is not, and has never been due to, this nominal credit. CenterPoint does not compensate Schwab for these resources.

Clients who do not use the custodial services of Schwab but instead hire CenterPoint as an hourly or retainer-based adviser will benefit from CenterPoint's access to research and practice management tools that are accessible from Charles Schwab & Co., Inc. as the firm's custodian. These benefits are included in the hourly or retainer-based fee.

## **Order Aggregation**

Most trades are in mutual funds and exchange-traded funds where trade aggregation does not garner any client benefit. In most instances, when trades are not aggregated they may cost slightly more.

## **Review of Accounts**

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### **Periodic Reviews**

Portfolio reviews are performed at least quarterly by Priscilla N. Gilbert, CFP®, President and Chief Compliance Officer. Reviews are performed more frequently when market conditions or client situations dictate. At the start of each client relationship, all clients will complete an Investor Profile Statement (IPS) to assess and document the client's risk tolerance, time horizon, investment experience, tax profile, cash flow needs, liability exposure, financial position, and short and long-term goals. Portfolio reviews

will ensure investment alignment with a client's goals and risk tolerance.

## **Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new economic or investment information, and changes in a client's own situation.

## **Regular Reports**

Account reviewers are members of the firm's Investment Committee. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to, or detract from, the investment objectives and risk tolerance of the client.

Clients under an **Investment Supervisory Services Agreement** receive periodic written updates. These updates may include a net worth statement, portfolio performance report, portfolio appraisal, realized gain and loss report, and a summary of objectives and progress towards meeting those objectives. These clients also receive performance reports on a quarterly basis.

Clients under a **Financial Planning Services Agreement** receive quarterly or more frequent progress reports until the engagement is completed; thereafter they do not receive reports.

## **Client Referrals and Other Compensation**

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### **Incoming Referrals**

CenterPoint receives many client referrals. Referrals come from existing clients, estate planning attorneys, accountants, other professional relationships, friends, and other similar sources. The firm does not compensate referring parties for these referrals. CenterPoint receives no economic benefit from a third party for providing investment advice to clients. Fees from existing clients under an Agreement are CenterPoint's only source of income.

### **Referrals Out**

CenterPoint does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## **Custody**

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### **Account Statements**

Assets are held at the qualified custodian, Charles Schwab & Co., Inc., and the custodian provides account statements directly to clients at their address of record at least quarterly. All client assets are deposited directly into their account at the custodian. There is no commingling of CenterPoint assets and client assets. All checks to be deposited to a client's account are written to: Charles Schwab & Co., Inc., or the client's own name, and are deposited or mailed to Charles Schwab & Co., Inc. by first class mail within one business day of being received by the adviser. Clients should review account statements received from the custodian.

### **Fund Transfers**

CenterPoint does not maintain custody of any client assets. Clients may grant CenterPoint authority to transfer funds on their behalf. Specific client authorization will be required if the transfer request is to an outside account that is not identically registered as the sending account. CenterPoint will not retain this authority beyond the client's instructions.

### **Performance Reports**

Clients are sent quarterly performance reports directly from CenterPoint. These reports are sent to clients through secure email unless the client requests paper delivery via mail. Clients are urged to compare the account statements received directly from Schwab to the performance report statements provided by CenterPoint.

### **Net Worth Statements**

CenterPoint may provide clients with net worth statements and graphs. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. Net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

## **Investment Discretion**

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### **Discretionary Authority for Trading**

CenterPoint accepts discretionary trading authority to manage investment accounts on behalf of clients. CenterPoint is granted discretionary trading authority when the client approves their IPS and signs the Investment Supervisory Services Agreement. In coordination with the client, CenterPoint develops the general plan for the asset classes, types, allocation, and the general amount of securities to be invested. CenterPoint will then independently determine the specific securities to be bought and/or sold, as well as the quantity of shares bought and/or sold, and the time at which trades are placed. Discretionary trading authority facilitates placing trades in accounts on a client's behalf to allow for prompt implementation, adjustment, and rebalancing in client portfolios.

### **Limited Power of Attorney**

Clients engaged with CenterPoint for supervisory or financial planning services will sign a limited power of attorney document to grant discretionary trading authorization to CenterPoint.

## **Voting Client Proxies**

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### **Proxy Votes**

CenterPoint does not vote proxies on securities. Clients are expected to vote their own proxies. If a client requests guidance from CenterPoint on voting their proxy or proxies, then CenterPoint will provide assistance to that client. If a conflict of interest exists, it will be disclosed to the client.

## **Financial Information**

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### **Requirements for State Registered Advisers**

#### **Management Persons**

CenterPoint is owned and managed by Priscilla N. Gilbert, CFP®. Education and business background of management and all firm personnel are detailed in the Brochure Supplement – Part 2B of Form ADV.

#### **Outside Activities**

CenterPoint is not affiliated with any investment company, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

Neither CenterPoint's officer, management persons, nor employees have any relationship or arrangement with any issuer of securities.

## **Business Continuity Plan**

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### **General**

CenterPoint has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services, and key people.

### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornadoes, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident, and aircraft accident. Electronic files are backed up daily and archived offsite.

### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the principal office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

## Loss of Key Personnel

CenterPoint has an agreement with Joyce Smith Cole, CFP® to assume control of CenterPoint in the event of Priscilla N. Gilbert, CFP®'s serious disability or death until a suitable replacement can be found, or until the business is sold.

## Information Security

CenterPoint maintains a vigorous information security program and cybersecurity policy and procedures to reduce the risk of clients' personal and confidential information being breached. With the field of cybersecurity and technology quickly evolving, CenterPoint's policies and procedures include staying informed of changing regulations and new technology offerings in an effort to provide the most secure digital and cyberspace environment for its clients and the firm.

Secure data encryption techniques, a firewall barrier, and authentication procedures are employed in CenterPoint's computer environment. Secure strategies are also employed for cloud-based data storage. CenterPoint utilizes services and technology from specific vendors as detailed in this document in order to maintain a secure environment.

- Dashlane® is a company that provides a web-based password manager and secure digital wallet. CenterPoint uses Dashlane's password management feature to create and manage secure and complex passwords. CenterPoint changes these passwords on a regular basis in accordance with the recommendations of the product.
- ProofPoint® is an enterprise security company that provides an email encryption service. This service is used by CenterPoint to send encrypted email to clients to protect their confidential information. Each client creates and maintains their own password to access encrypted email from CenterPoint. CenterPoint does not have knowledge of, or keep records of, these passwords.
- NetDocuments® is a cloud-based documents service provider. CenterPoint uses the NetDocuments secure library service to allow CenterPoint and clients to share confidential documents. Clients can upload documents using the NetDocuments secure portal. Each client creates and maintains their own password to access the portal. CenterPoint does not have knowledge of or keep records of these passwords.

*Clients may request a copy of the CenterPoint Financial, Inc. Policies and Procedures Manual for more information.*

CenterPoint does not provide clients' personal information to mailing list vendors or solicitors. CenterPoint requires strict confidentiality in its agreements with unaffiliated third parties that require access to clients' personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review CenterPoint's records and clients' personal information as permitted by law.

Personally identifiable information about a client will be maintained while engaged in a client relationship, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

CenterPoint will notify clients in advance if our privacy policy is expected to change. We are required by law to deliver this Privacy Notice to clients annually, in writing.

## Privacy Notice to Clients

CenterPoint is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from a client may include information about personal finances, information about health to the extent that it is needed for the financial planning process, information about transactions between the client and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to clients' attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by:

Telephone: (802) 225-1314

USPS mail and ground carrier:

CenterPoint Financial, Inc., 30 Center Road, Montpelier, VT 05602

Fax: (802) 225-8912

Email: [pgilbert@centerpoint-financial.com](mailto:pgilbert@centerpoint-financial.com)

Or, in person.

With your permission, we share a limited amount of information about you with our custodian or your own brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about a client will be maintained while engaged in a client relationship, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify clients in advance if our privacy policy is expected to change. We are required by law to deliver this Privacy Notice to you annually, in writing.

# Privacy Policies and Procedures

## Introduction

CenterPoint is an investment adviser registered with the State of Vermont Department of Financial Regulation Securities Division under the Vermont Uniform Securities Act (the “Act”) effective July 1, 2006. CenterPoint has adopted the following policies and procedures in order to comply with the Act’s Regulation S-2000-1 Privacy of Consumer Financial and Health Information rule.

Privacy of Consumer Financial and Health Information rule (as detailed in Exhibit 5.1 to Order 06- 433 of the Vermont Uniform Securities Act (Regulation S-2000-1)) requires CenterPoint to:

1. Provide notice to individuals about its privacy policies and practices on an annual basis;
2. Describe the conditions under which the investment adviser may disclose nonpublic personal information about individuals to nonaffiliated third parties;
3. Provide a method for clients to prevent disclosure of their nonpublic personal information to nonaffiliated third parties except as required by law of the federal Fair Credit Reporting Act and Vermont Fair Credit Reporting Act; and
4. Establish procedures to ensure the protection of clients’ nonpublic personal information.

## Individuals to Whom Privacy Policies Apply

CenterPoint’s privacy policies apply to any individual (natural person) from whom the adviser obtains nonpublic personal information in connection with the individual receiving a financial product or service. This individual is referred to as a “consumer” under Regulation S-2000-1. Any individual who has received any advisory services from the investment adviser is a consumer for purposes of Regulation S-2000-1. Any individual who has applied for advisory services and, in the process, provided nonpublic personal information to CenterPoint would also be considered a consumer under Regulation S-2000-1. A “consumer” who establishes an on-going client relationship with CenterPoint is termed a “customer” under Regulation S-2000-1 and is entitled to full privacy protection under the rule.

## CenterPoint Financial, Inc. Notice of Privacy Policy

### 1. What is the purpose of this Notice of Privacy Policy?

CenterPoint Financial, Inc. is an investment adviser registered with the State of Vermont Department of Financial Regulation Securities Division. CenterPoint Financial, Inc. is providing this Notice of Privacy Policy in order to comply with the Vermont Uniform Securities Act (Regulation S-2000-1). More specifically, we want you to know what type of information we collect about you and how we use that information.

### 2. What information do we collect about you?

We collect the following types of nonpublic personal information about you: 1) Information we receive from you on your application for advisory services and related forms; and 2) Information about your advisory services and transactions with us, and our affiliates and third parties not affiliated with us, but that are used by us to provide our advisory services to you.



### 3. To whom do we disclose your nonpublic personal information?

We only disclose your nonpublic personal information to the following persons:

1) The companies you authorize us to use to provide advisory services to you, for example, the custodian for your account; and 2) the companies we use to carry out the services you authorize us to provide, for example, your accountants, your lawyers and the like.

### 4. What information do we disclose about you to these parties?

We may disclose the following kinds of nonpublic personal information about you: information we receive on your application for services or client questionnaire, such as, your name, social security number, assets, income, and information about the transactions in your account.

### 5. How do we safeguard your nonpublic personal information?

We restrict access to nonpublic personal information about you to only those employees and service providers (like custodians) who need to know that information in order for us to carry out the advisory services that you have asked us to provide. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

### 6. If I have questions about this Notice of Privacy Policy, to whom do I direct my questions?

Questions about CenterPoint Financial, Inc.'s Notice of Privacy Policy should be directed Priscilla N. Gilbert, CFP® who can be reached at: (802)225-1314 or [pgilbert@centerpoint-financial.com](mailto:pgilbert@centerpoint-financial.com).

## Explanation of Terms:

- **Nonaffiliated third party:** any entity that is not an affiliate of, or related by common ownership or affiliated by corporate control with, the financial institution, but does not include a joint employee of such institution.
- **Nonpublic Personal Information includes:** Any personally identifiable financial information; provided by a consumer to a financial institution; resulting from any transaction with the consumer or any service performed for the consumer; or otherwise obtained by the financial institution.

For example, any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable financial information that is not publicly available information – e.g., a list of persons (and their publicly listed telephone numbers) who have disclosed income or investment information.

## Brochure Available

This brochure supplement provides information about the investment adviser representatives of CenterPoint that supplements the CenterPoint brochure.

Clients should have received a copy of the brochure. Please contact Priscilla N. Gilbert, CFP®, President, (802) 225-1314 if you did not receive CenterPoint's brochure or if you have any questions about the contents of this supplement.

Additional information about the investment adviser representatives is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Part 2B of Form ADV: Brochure Supplement

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Owner and Investment Adviser Representative Professional Background

### Priscilla N. Gilbert, CFP®, President, Investment Adviser Representative

CenterPoint Financial, Inc., 30 Center Road, Montpelier, VT 05602

Date of Birth: August 21, 1976

#### **Educational Background:**

- Boston College, B.S. Sociology; Faith, Peace and Justice, 1999
- College for Financial Planning, Certified Financial Planner Certification Professional Education Program, 2010-2013

#### **Business Experience:**

- CenterPoint Financial, Inc., President and Investment Adviser Representative – Montpelier, VT (2014 -Present)
- College for Financial Planning, Candidate for Certified Financial Planner™. Completed five required course units and completion exams. Passed comprehensive qualifying exam to obtain the industry designation. (2010-2014)
- J. Cole Financial Advisers, Inc, Investment Adviser Representative – Gansevoort, NY (2010-2014)
- Norwich University, Assistant Vice President for Development –Northfield, VT (2009-2010)
- Norwich University, Director of Planned Giving – Northfield, VT (2002-2009)
- Merrill Lynch, Pierce, Fenner & Smith, Inc., Financial Advisor – Seattle, WA (2000-2001)
- Scandia Jewelers – Seattle, WA (1999-2000)

#### **Professional memberships:**

- National Association of Personal Financial Advisors (NAPFA) Please see NAPFA Code of Ethics on page 15 and NAPFA membership requirements on page 28.

#### **Professional Designations:**

- Certified Financial Planner™ – Please see CFP® definitions on page 28

#### **Disciplinary Information: None**

- Other Business Activities: None
- Additional Compensation: None
- Bankruptcy Petition: None

### Patricia Valentine, FPQP™, Client Associate

#### **Educational Background:**

- Boston College, B.A., English, 1990
- University of Connecticut, M.A., English Literature, 1992
- College for Financial Planning, Financial Paraplanner Qualified Professional, 2018

#### **Business Experience:**

- CenterPoint Financial, Inc., Client Associate – Montpelier, VT (2015 - Present)
- Onion River Sports, Bookkeeping Assistant – Montpelier, VT (2009 – 2017)
- Everybody Wins! Vermont, Program Coordinator – Montpelier, VT (2006 –2015)
- New England Culinary Institute, Admissions Representative and Financial Planner – Montpelier, VT (1995 – 2004)

## **Joyce Smith Cole, CFP Board Emeritus® Adviser Emeritus (Retired)**

CenterPoint Financial, Inc., P.O. Box 40, Gansevoort, NY 12831, (518) 793-4507

Date of Birth: November 27, 1944

### **Educational Background:**

- Michigan State University, B.S. Marketing and Human Ecology, 1966
- University of Connecticut, M.B.A. Marketing and Finance, 1978 partial MBA
- College for Financial Planning, CFP® Designation, 1995
- School of Theology at The University of the South in Sewanee, Education for Ministry (EfM) Diploma, 2006-2010

### **Business Experience:**

- CenterPoint Financial, Inc., Investment Adviser Representative – Montpelier, VT (2015 – present)
- J. Cole Financial Advisers, Inc., President/Owner – Philadelphia, PA and Gansevoort, NY (1996-2014)
- Lincoln Benefits Group, Sr. Benefits Consultant – Philadelphia, PA (1990-1996)
- Lincoln Investment Planning, Inc., Securities Broker and Insurance Agent – Philadelphia, PA (1989-1996)
- Helmsley-Greenfield and Company Real Estate, Realtor - Philadelphia, PA (1985-1989)
- Market research, marketing consultant, retail, business evaluation and brokerage, and child rearing (1968-1985)

### **Professional Designations:**

- CFP Board Emeritus® – Please see CFP® definitions on page 28

### **Professional memberships:**

- National Association of Personal Financial Advisors (NAPFA) (1996-2017)
- Financial Planning Association of Northeastern New York (FPANENY)

### **Disciplinary Information: None**

- Other Business Activities: None
- Additional Compensation: None
- Bankruptcy Petition: None

## Education and Business Standards

CenterPoint has adopted the following Education and Business Standards:

CenterPoint requires that advisers in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning, tax and estate planning. Examples of acceptable coursework include: an MBA, a CFP<sup>®</sup>, a CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisers must have work experience that demonstrates their aptitude for financial planning and investment management.

### Definitions of Advisor Professional Certifications

Advisers have earned certifications and credentials that are required to be explained in further detail.

#### Certified Financial Planner<sup>™</sup> (CFP<sup>®</sup>)

Certified Financial Planners are licensed by the CFP Board to use the CFP<sup>®</sup> mark. CFP<sup>®</sup> certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.CFP.net](http://www.CFP.net)).
- Successful completion of the CFP<sup>®</sup> Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.
- Annually renew adoption of practice standards and every two years complete an ethics certifying course.

#### CFP Board Emeritus<sup>®</sup>

The CFP Board Emeritus<sup>®</sup> membership program is designed to recognize the long standing service of individuals who are no longer practicing financial planning and want to stay affiliated with the CFP<sup>®</sup> professional community. Membership requires having held CFP<sup>®</sup> certification for 25 years or more and no public disciplinary actions.

#### Financial Paraplanner Qualified Professional<sup>™</sup> or FPQP<sup>™</sup>

Individuals who hold the FPQP<sup>™</sup> designation have completed a course of study encompassing the financial planning process, the five disciplines of financial planning and general financial planning concepts, terminology and product categories. Additionally, individuals have passed an end-of-course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations.

All designees must agree to adhere to Standards of Professional Conduct and are subject to a disciplinary process.

Designees renew their designation every two years by completing 16 hours of continuing education, reaffirming adherence to the Standards of Professional Conduct and complying with self-disclosure requirements.

#### National Association of Personal Financial Advisers (NAPFA)

NAPFA members live by three important values:

- To be the beacon for independent, objective financial advice for individuals and families.
- To be the champion of financial services delivered in the public interest.
- To be the standard bearer for the emerging profession of financial planning.

#### Standards of Membership and Affiliation

Visit [NAPFA's Standards for Membership and Affiliation](#) for details.

### **NAPFA's definition of a Fee-Only financial planner**

- Prohibition of certain ownership interests and employment relationships
- Compliance with NAPFA standards and industry regulations
- Prompt notification of certain disciplinary and legal events.

## **Supervision**

Priscilla N. Gilbert, CFP® supervises all activities, securities and portfolio transactions through our client relationship management system.

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Schwab Advisor Services, a division of Charles Schwab & Co., Inc., monitors and reviews all accounts and transactions. Tamarac Reporting®, a division of Envestnet, monitors all account trades, performance reporting, and billing preparation. Joyce Smith Cole, CFP®, is supervised by Priscilla N. Gilbert, CFP®, President. Ms. Gilbert reviews Ms. Cole's work through frequent office interactions as well as remote interactions. Ms. Gilbert also reviews Ms. Cole's activities through the firm's customer relationship management system.

Supervisor's Contact Information: Priscilla N. Gilbert, CFP®, (802) 225-1314,  
[pgilbert@centerpoint-financial.com](mailto:pgilbert@centerpoint-financial.com)

CenterPoint Financial, Inc. is registered with the State of Vermont Department of Financial Regulation Securities Division (Division). The Division maintains an ongoing effort to enforce the Vermont Uniform Securities Act. In furtherance of this effort, the Division conducts a written examination of Investment Advisors annually. Investment Advisors are also periodically subject to an on-site examination process. This process includes review of trading ledgers, recordkeeping system, client agreements, client communications, policies and procedures, including cybersecurity policy. CenterPoint completed the Division's on-site examination process in 2020.