



Capital Investment Services of America, Inc. is registered with the Securities and Exchange Commission as an investment adviser. It is important for you to understand the difference in fees and services between brokerage firms and investment advisers. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Our firm is a fee-based investment advisory firm, providing investment advisory and financial planning services.

Investment Advisory Services:

As investment advisors, you grant us discretionary authority to build and manage custom-tailor portfolios based on your specific investment objectives. Discretionary authority allows us to buy and sell investments in your account based on the mutually agreed upon account investment objective. A financial professional (referred to as a portfolio manager) is assigned to your account and is responsible for the day-to-day monitoring and management of the account. There is ongoing communication and face-to-face meetings with you. We encourage you to contact us whenever you have questions, comments, or concerns. We typically use individual stocks, bonds, and/or exchange-traded funds (ETFs)/mutual funds. Our minimum client relationship size is \$500,000; however, we reserve the right to waive the minimum requirement.

Financial Planning Services:

Capital offers financial planning services that are tailored to your individual needs. We work with you to develop a financial plan tailored to your current financial situation, goals, and objectives, and provide personalized recommendations designed to help you achieve them. Financial planning services are available to you upon request, for clients with an investment advisory relationship with Capital.

Additional Information: We provide investment advice to individuals, businesses, and organizations. Please see our Firm Brochure-Form ADV Part 2A, Items 4, 5 & 7, at <https://adviserinfo.sec.gov/firm/summary/110639>

Conversation Starters:

- 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?

Our fee is based on the total market value of your account on the date preceding the account's effective date. The fee is prorated for the first quarter, and thereafter one-quarter (1/4) of the annualized fee is recalculated quarterly based on the current market value of the assets, payable at the beginning of the quarter. Our fee is 1% on the first \$500,000 of assets, with the percentage decreasing as dollars under our management increases over \$500,000. When clients have multiple accounts, they are combined to achieve any potential reduced rate.

If we are managing \$500,000, the fee is \$5,000 annually. The asset-based fee reduces the value of your account. The more assets you have in the advisory account, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees.

You may incur other fees and expenses charged by third parties, such as custodian fees, account maintenance fees, fees related to mutual funds and exchange traded funds, and other transactional fees. For some advisory accounts, called

wrap fee programs, the asset-based fee will include most transaction costs and custody services, and as a result, wrap fees are typically higher than non-wrap advisory fees.

Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, please refer to our Firm Brochure-Form ADV Part 2A, Item 5 at <https://adviserinfo.sec.gov/firm/summary/110639>

Conversation Starters:

- *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:

- When the assets in your account increase, your fee increases.
- Custodians provide us with free or access to discounts on services, practice management resources, and consulting. This creates a conflict of interest, as we have an incentive to recommend custody of your assets with those custodians.

Conversation Starters:

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

Additional Information: For additional information, please refer to our Firm Brochure-Form ADV Part 2A at <https://adviserinfo.sec.gov/firm/summary/110639>

How do your financial professionals make money?

Our financial professionals are paid annual salaries. Our firm or personnel do not have a financial incentive to encourage you to utilize special products or services.

Do you or your financial professionals have legal or disciplinary history?

No. Visit Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

Conversation Starters:

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional Information

For additional information regarding our investment advisory services, please visit www.capinv.com. For up-to-date information, or request a copy of our relationship summary, please call us at (800) 345-6462.

Conversation Starters:

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