FORM ADV, PART 2A, APPENDIX

WRAP FEE PROGRAM BROCHURE | March 28, 2024

This brochure provides information about the qualifications and business practices of Capitol Securities Management, Inc. If you have any questions about the contents of this brochure, please contact us at 804.612.9700 or khallberg@capitolsecurities.com

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Additional information Capitol Securities Management is available on the SEC's website at: adviserinfo.sec.gov.

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Item 2 - Material Changes

In this section, Capitol Securities Management, Inc. ("CSM", the "Firm" or "We") will discuss material changes to this disclosure since itslast annual amendment. The last filing of our Form ADV Part 2A, Appendix 1, (the "Wrap Fee Brochure") was on July 14, 2023.

At any time, a person may view the current Wrap Fee Brochure online at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. Click Investment Advisor Search in the left navigation menu. Select the option for Investment Advisor Firm and enter 14169 (our Firm's CRD number) in the field labeled "Firm IARD/CRD Number". This will provide access to Form ADV Part 1, Part 2A and our Wrap Fee Brochure.

A person may also request a copy of this Wrap Fee Brochure at any time, by contacting the Chief Compliance Officer at 804.612.9700 or by emailing us at khallberg@capitolsecurities.com.

There have been no material changes to this document since the last filing.

Item 3 - Table of Contents

Item 4 - Services, Fees, and Compensation

Founded in 1985, Capitol Securities Management, Inc. is a privately owned full-service retail brokerage and investment advisory firm headquartered in the Mid-Atlantic. Since our inception, we have approached financial management with a unique philosophy that makes our clients and advisors our first priorities. We empower our investment professionals to provide personalized wealth management services and portfolio designs based on their clients' individual needs. We offer insurance and investment products and services directly and through our clearing custodian, Raymond James & Associates Asset Management Services ("RJ", "Raymond James, of the "Custodian") CSM has no banking division and does not develop any proprietary products for sale to clients. CSM offers a variety of service options to its clients and its investment adviser representatives ("IARs"). All services are not intended forall clients.

As part of the advisory services provided by CSM, the Firm offers a selection of wrap fee programs that are available for use in client accounts (the "Program"). The Program provides access to sub-programs that are fully described in this Wrap Fee Brochure. A summary of the sub-programs is provided in the tables below. If a client participates in the Program, the client will execute an agreement with CSM outlining the services to be provided to the client and the IAR who shall be responsible for providing investment advice to the client. The client will pay a single advisory fee which includes investment management and portfolio monitoring. This Wrap Fee Brochure has been created and will be presented to the client by CSM, the Program Sponsor, prior to investing in the Program.

As part of the advisory services provided by CSM, the Firm offers a selection of wrap fee programs sponsored byour clearing custodian Raymond James & Associates ("RJA"). The wrap fee programs sponsored by RJA are not described in this brochure. Detailed information about these advisory programs are available in the RJA Form ADV 2A brochure which can be found at raymondjames.com/legal-disclosures.

CSM's Advisory Fee for providing investment advisory advice is calculated as a percentage of assets under management in the account, payable in advance, on a quarterly or monthly basis depending on the type of program selected. Fees are deducted directly from your CSM account. Your initial advisory Fee will be based on your initial contribution and will generally be assessed for the remainder of the current billing period; the initial Fee payment will become due in full on the date of account inception.. There could be a short delay between account inception and initial securities transactions. Subsequent fees will be determined for calendar quarter or monthly periods and shall be calculated on the basis of the market value of the securities and eligible cash held in a client's account on the last business day of the previous calendar quarter or month. When we calculate your Fee, we use "Account Value," which may be different than the values as reported on your account statements. In your advisory agreement(s), which may include the Master Advisory Agreement, Account Value is defined as (i) the total of the absolute market values of each of the non-cash assets (e.g., securities, shares of funds, and other investment vehicles) in the account, long or short, in addition to the unrestricted cash, but (ii) excluding cash debit balances and non-billable assets (such as restricted cash for certain short positions).

The Client and the IAR will have a wide array of investment strategies and access to Portfolio Managers who best suit the needs of the client. Each sub-program does have its own unique minimum account size requirements and minimum annual fees summarized in the table below.

CAPITOL SECURITIES MANAGEMENT WRAP FEE PROGRAM								
Advisory Programs	**Portfolio Manager**	**Custodian**	**Available Portfolios**	**Account Minimum**	**Minimum Annual Fee**	**Fee Billing**	**Advisory Fees Maximum**	**Trading Costs**
MAP Advantage	Dave Shenton CSM	Raymond James	4	$15K	N/A	Calendar Monthly, In Advance	2.00%	Included in Advisory Fee
MAP Flex	Dave Shenton CSM	Raymond James	9	Model dependent	N/A	Calendar Monthly, In Advance	2.00%	Included in Advisory Fee
MAP Baymount	Michael Via CSM	Raymond James	3	$100K	N/A	Calendar Monthly, In Advance	2.00%	Included in Advisory Fee
Monument Select	IAR Managed	Raymond James	N/A	$25K	N/A	Calendar Monthly, In Advance	2.00%	Included in Advisory Fee*
Ambassador	IAR Managed	Raymond James	N/A	$15K	N/A	Calendar Monthly, In Advance	2.00%	Included in Advisory Fee
Capital Group Companies	IAR Managed	Capital Group Companies	>20 Mutual Funds	$250K, or by prospectus	$10-$25, by account type	Calendar Quarter, In Advance	2.00%	Included in Advisory Fee

*IARs may charge up to $25 dollars per transaction provided the client and appropriate supervisors have signed an addendum to a client'sagreement allowing for transaction cost reimbursements.

We may make accommodations to our billing procedures based on your specific request, from time to time under limited circumstances, subject to our sole discretion.

CSM and its IARs will provide investment advice and portfolio management on a continuous basis to its clients. The IAR Managed programs can be discretionary or non-discretionary and it is the IAR that would exercise discretion. In a discretionary account, you delegate to your investment adviser the authority to decide what securities to buy or sell for your account. In a non-discretionary account, your investment adviser will provide you with advice in the form of recommendations but the decision to buy or sell securities is made by you through personal discussions with the client's IAR, in which goals and objectives based on the client's particular circumstances are established, the IAR will develop the client's personal investment policy. During the data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background. Based upon the information provided by the client, the IAR will assist the client in determining the suitability of participating in the Program and will select an appropriate Sub-Program to investment for the client's account. All clientassets invested in the Program will be held in custody by a qualified custodian. CSM does not custody client assets.

IAR's are required to provide you with a current Form ADV Part 2B, which includes information regarding the IAR's education, business experience, discplinary information, other business activites, additional compensation, and supervision. You may also obtain additional information regarding your IAR, such as licenses, employment history, their regulatory disciplinary information (if any), and whether he or she has received reportable complaints from investors from the SEC at adviserinfo.sec.gov. Should you have any concerns regarding any of the information contained in your CSM IAR's Form ADV Part 2B, you are encouraged to contact our Compliance Department at 804-612-9700.

It is CSM's intent to comply with Rule 3a-4 under the Investment Company Act of 1940. Clients' accounts are managed on the basis of their individual financial situations. Each client has the opportunity to select the account's investment objective and to impose reasonable restrictions on the management of the assets in the account. Clients will be contacted annually to determine if there are any changes to their investment goals, objectives, and risk tolerance, and invited quarterly to contact CSM for any changes to their investment goals, objectives, and risk tolerance.

DESCRIPTIONS OF THE SUB-PROGRAMS OFFERED IN THE WRAP FEE PROGRAM

1. MAP ADVANTAGE

Program Co-Sponsors: Capitol Securities Management Inc. and Raymond James

Program Portfolio Manager: David Shenton, Senior Director of Management Investments (CSM)

Overview: MAP Advantage provides various investment strategies, primarily utilizing mutual funds and/or exchange traded funds ("ETFs"). The portfolios reflect different risk levels and asset allocation needs. The various funds in the portfolios are frequently reviewed and when changes are deemed necessary, the changes are made automatically in a client's account. Our process involves filtering all available funds to find those that meet certain criteria. The program is constructed on the Ambassador platform at Raymond James but is managed by a CSM Portfolio Manager.

Periodic rebalancing will be performed when deemed appropriate by the Portfolio Manager. It is not based on pre-determined dates. Client goals and objectives will be taken into consideration when rebalancing is performed in a client's account. Additionally, securities may be added or removed at any time. Portfolio asset allocations for the model may vary from account to account due to a client's specific needs.

Cost of Services: The client pays an Advisory Fee for the advisory services offered under this program. The Advisory fee is paid to CSM. The total Advisory fee for the program can range from 0.25% to 2.0%. There is a 0.25% program fee that is deducted from the total Advisory fee. The Custodian, Portfolio Manager, and CSM all receive a portion of the program fee. The remaining portion of the Advisory Fee is shared byCSM and the IAR based upon the provisions of a contract between the two parties. Fees are charged monthly in advance, based upon account value and are calculated as an annualized asset-based fee. Clients may terminate the agreement at any time. The Advisory Fee is negotiable.

Account Minimums: The minimum account size is $15,000 but may be waived at CSM's discretion.

2. MAP FLEX

Program Co-Sponsors: Capitol Securities Management Inc. and Raymond James

Program Portfolio Manager: David Shenton, Senior Director of Management Investments (CSM)

Overview: MAP Flex models combine the use of individual stocks, mutual funds and ETFs. The model's asset allocation is divided into four main asset categories - US large cap, US small-mid cap, foreign equity and income securities with a minor allocation to tactical. Each portfolio is constructed by selecting the target percentage for each asset category. MAP Flex portfolios will fulfill the US large cap allocation with a primary focus on individual stocks. The program is constructed on the Ambassador platform at Raymond James, but is managed by a CSM Portfolio Manager. Periodic rebalancing will be performed when deemed appropriate by the Portfolio Manager. It is not based on pre-determined dates. Client goals and objectives will be taken into consideration when rebalancing is performed in a client's account. Additionally, securities may be added or removed at any time. Portfolio asset allocations for the model may vary from account to account due to a client's specific needs.

Cost of Services: The client pays an Advisory Fee for the advisory services offered under this program. The Advisory fee is paid to CSM. The total Advisory fee for the program can range from 0.35% to 2.0%. There is a 0.35% program fee that is deducted from the total Advisory fee. The Custodian, Portfolio Manager, and CSM all receive a portion of the program fee. The remaining portion of the Advisory Fee is shared byCSM and the IAR based upon the provisions of a contract between the two parties. Fees are charged monthly (effective July 1, 2019), in advance, based upon account value and are calculated as an annualized asset-based fee. Clients may terminate the agreement at any time. The Advisory Fee is negotiable.

Minimums: The minimum account size is $100,000 for most models but may be waived at CSM's discretion. Other models may carry minimum account sizes of either $250,000 or $750,000.

3. MAP BAYMOUNT

Program Co-Sponsors: Capitol Securities Management Inc. and Raymond James

Program Portfolio Manager: Michael Via (CSM)

Overview: MAP Baymount Portfolios are designed to address specific needs within the context of a client's overall equity investment universe. Each portfolio is constructed and maintained according to three established models based on a set of shared criteria including but not limited to: 1) A security screening process utilizing the William O'Neil & Company database encompassing over 15,000 equities; 2) Emphasis on fundamental characteristics including but not limited to earnings per share, sales and profit margin growth rates, on a real basis as well as on a relative basis; 3) Employment of a proprietary GARP (growth at a reasonable price) valuation overlay ; 4) Relative security price performance within the overall universe and within respective sectors: and 5) Observation and adherence to specific technical stock indicators such as 90-day and 200-day simple moving averages. The program is constructed on the Ambassador platform at Raymond James, but is managed by a CSM Portfolio Manager.

Each portfolio is primarily composed of securities, ranging from 25 to 70 positions, and is fluidly managed on a daily basis. Positions may be added, deleted or adjusted at any time at the manager's discretion. New equity positions are weighted at between 1.5% and 4% of the portfolio. The portfolio is intended to be fully invested at all times (cash holdings at 0-10%). Emphasis is placed on stock selection with specific industry and sectors weightings receiving secondary consideration. Periodic rebalancing will be performed when deemed appropriate by the Portfolio Manager. It is not based on pre-determined dates. Client goals and objectives will be taken in to consideration when rebalancing is performed in a client's account. Additionally, securities may be added or removed at any time. Portfolio asset allocations for the model may vary from account to account due to a client's specific needs.

Cost of Services: The client pays an Advisory Fee for the advisory services offered under this program. The Advisory fee is paid to CSM. The total Advisory fee for the program can range from 0.60% to 2.0%. The program fee ranges from 0.60%-0.70% fee that is deducted from the total Advisoryfee. The Custodian, Portfolio Manager, and CSM all receive a portion of the program fee. The remaining portion of the Advisory Fee is shared by CSM and the IAR based upon the provisions of a contract between the two parties. Fees are charged monthly (effective July 1, 2019), in advance, based upon account value and are calculated as an annualized asset-based fee. Clients may terminate the agreement at any time. The Advisory Fee is negotiable.

Account Minimums: The minimum account size is $100,000 but may be waived at CSM's discretion.

4. MONUMENT SELECT

Program Sponsor: Capitol Securities Management Inc.

Program Portfolio Manager: Portfolio Managers are IARs of CSM

Overview: Monument Select is an Advisory Fee-Based Program with the flexibility of being a client directed account, with one of CSM's advisory representatives assisting with the investment recommendations or allowing the CSM Advisory Rep to manage portfolio on a discretionary basis. The investment strategy(ies) utilized by the Portfolio Manager may include, but is not limited to:

Long-term purchases: We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when we believe the securities to be currently undervalued and/or we want exposure to a particular asset class over time, regardless of the current projection for this class. A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The risk with short-term investment vehicles is they may be subject to purchasing power and your investment's return will not keep up with inflation.

Short sales: We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit. The risk when short selling: losses can be unlimited. A security is not limited on how high its price can go.

Cost of Services: The client pays an Advisory Fee for the advisory services offered under this program. The Advisory fee is paid to CSM. The total Advisory fee for the program can range from 0.25% to 2.0%. The custodian charges a program fee up to 0.25%. CSM receives a portion of this fee but the IAR is not compensated. CSM shares the remaining portion of the Advisory fee with the IAR based upon the provisions of a contract between the two parties. Fees are charged monthly, in advance, based upon account value and are calculated as an annualized asset-based fee. Clients may terminate the agreement at any time. The Advisory Fee is negotiable.

Account Minimums: The minimum account size is $25,000 but may be waived at CSM's discretion.

5. AMBASSADOR

Program Co-Sponsors: Capitol Securities Management, Inc. and Raymond James

Program Portfolio Manager: Portfolio Managers are IARs of CSM

Overview: Advisory Fee-Based Program with the flexibility of being a client directed account, with one of CSM's advisory representatives assisting with the investment recommendations or allowing the CSM Advisory Rep to manage portfolio on a discretionary or non-discretionary basis. If you delegate discretionary authority to CSM, your IAR assumes all investment duties on your behalf and exercises discretion with respect to your account. You will not be consulted prior to your IAR effecting transactions in your account. If you retain discretionary authority, as you do in a "non-discretionary" Ambassador account, you are responsible for approving which investments and in what quantities are to be purchased or sold in your account. The minimum accounts size is $15,000.

Cost of Services: The client pays an Advisory Fee for the advisory services offered under this program. The Advisory fee is paid to CSM. The total Advisory fee for the program can range from 0.20% to 2.0%. The custodian charges a program fee up to 0.20%. CSM receives a portion of this fee but the IAR is not compensated. CSM shares the remaining portion of the Advisory fee with the IAR based upon the provisions of a contract between the two parties. Fees are charged monthly (effective April 1, 2023), in advance, based upon account value and are calculated as an annualized asset-based fee. Clients may terminate the agreement at any time. The Advisory Fee is negotiable.

Account Minimums: The minimum account size is $15,000 but may be waived at CSM's discretion.

6. CAPITAL GROUP COMPANIES WRAP FEE PROGRAM

Program Co-Sponsors: Capitol Securities Management Inc.and Capital Group Companies

Program Portfolio Manager: IAR Managed

Overview: American Funds offerings may be selected on a non-discretionary basis by the CSM advisor of applicable accounts, custodied at American Funds. The program invests exclusively in funds from American Funds. The program is constructed on the Capital Group Companies platforms with American Funds, but is managed by a CSM Portfolio Manager.

Cost of Services: The client pays and Advisory Fee of 0.50% and any applicable one-time set up fees or annual fees levied by American Funds. The underlying funds in the program have internal expenses that are set by American Funds that are also charged to the client and that are detailed in the prospectus. Fees are charged quarterly in advance, based upon account value and are calculated as an annualized asset-based fee. Clients may terminate the agreement at any time. The Advisory Fee is non-negotiable.

Account Minimums: The minimum account size is $250 or by prospectus.

GENERAL INFORMATION ABOUT FEES

A client, in choosing an arrangement under the Program, should be aware that the Program might cost the client more or less than purchasing such services separately, depending on the type of arrangement selected. Please read carefully the full descriptions of each type of arrangement in the Program and the Cost of Services sections. A client should be aware that mutual funds, annuities, non-traded real estate investment trusts, and syndicate offerings held in an advisory account may contain separate fees (including but be not limited to 12b-1 fees) that the client will be charged that are not included in the Advisory fee. These fees will increase the net cost to the client.

A client should also be aware that when a fee is charged instead of commissions for investment services, the fee might be more than the person recommending the program would receive if done on a commission basis. Therefore, the person may have a financial incentive to recommend a fee program over a commission program. This factor depends on the trading frequency of the IAR or Portfolio Manager selected who is making the investment decisions. CSM's fees and charges are negotiable.

Advisory fees do not cover all custodial service charges and the client should be aware that additional fees from the custodian may apply. A list of additional fees that the custodian may charge can be found on the Schedule of Fees document which is provided to the client when the account is opened. Additionally, all fees charged will be listed on the account statement provided to the client on a monthly or quarterly basis. The firm also includes on the statements a list of all possible fees that may be charged by the custodian annually.

While we have designed reasonable controls to monitor the accuracy of advisory Fees, it is your responsibility to verify the accuracy of your advisory Fees, including the advisory fee rate applied to your account(s).

Account Maintenance Fee: A retirement account (such as a SEP IRA, Roth IRA, IRA) will incur an annual account maintenance fee. This fee is charged directly to your account by Raymond James. CSM receives a portion of this annual maintenance fee.

Limited Negotiability of Advisory Fees: We retain the discretion to negotiate alternative fees on a client-by-client basis. The specific annual fee is identified in the investment management agreement between the IAR and each client. Client facts, circumstances and needs are considered in determining the fee schedule.
These include:

- Complexity of the client;
- Assets to be placed under management;
- Anticipated future additional assets;
- Related accounts;
- Portfolio style;
- Account composition; and
- Reports, among other factors.

You will pay costs and fees whether you make or lose money on your investments. Costs and fees will reduce any amount of money you make on your investments over time. Please make sure you understand what costs and fees you are paying. We make detailed information available to you regarding the investments and services we offer through prospectuses, applications, agreements, subscription documents. We encourage you to carefully review the information before you make an investment decision.

Proxy Voting: Neither CSM nor portfolio manager(s) are obligated to take any action with respect to the voting proxies, except as regards to ERISA accounts. Clients may delegate the voting proxies to the hired sub-advisors in accordance with applicable regulations at the time. With respect to ERISA accounts, CSM will NOT vote proxies unless the plan documents specifically designated the Advisor has having responsibility voting proxies. To direct us to vote a proxy in a particular manner, clients should contact Katie Hallberg by telephone at 804.612.9700.

Aggregation of Related Fee Based Accounts (For accounts custodied at Raymond James): We aggregate fee-based accounts for billing purposes based primarily on information provided by financial advisors and clients. It is your obligation to notify your financial advisor if there are accounts that you believe should be included as "related." Upon your request, we will aggregate your related fee-based accounts for billing purposes so that each account pays a Fee under the disclosed program fee schedule that is calculated on the basis of the total combined Account Value of all related accounts ("Relationship Value"), although, we reserve the right to determine whether accounts are "related." In general, related accounts are typically combined based on how you instruct your financial advisor to link your accounts for the delivery of account statements, trade confirmations, and other forms of client communications (for example, the combination of accounts contained in an account statement delivery packet delivered to a unique address). However, your financial advisor may consider additional accounts even when account statements are being delivered to multiple addresses. Combining related accounts effectively acts as a discount to the standard program fee schedule by allowing you to achieve a lower breakpoint rate as your Relationship Value increases. As a result, it is important for you to consult with your financial advisor, as factors other than the social security number or tax identification number may be considered by the financial advisor when combining accounts for fee billing purposes.

Non-Billable Assets (For accounts custodied at Raymond James): Certain securities or other investments may be held in your Advisory account and designated as non-billable assets. There are two primary categories of non-billable assets: Client-designated and Raymond James-designated ("RJ-designated"). Client-designated non-billable assets may be designated by financial advisors that do not wish to collect an advisory fee on certain assets, while RJ-designated non-billable assets are designated by our custodian, Raymond James. For example, a financial advisor may make an arrangement with you to hold a security or investment that the financial advisor did not recommend. Or you may wish to hold a security or investment for an extended period of time and do not want your financial advisor to sell the security for the foreseeable future. In these cases, your financial advisor may elect to waive the Fee on this investment or security but allow it to be held in your advisory account. Assets designated by you as temporarily exempt from the advisory fee fall into the Client-designated category. Alternatively, we may determine that certain securities and other investments may be held in an advisory account but are temporarily not eligible for the Fee (mutual funds, market-linked notes and market-linked certificates of deposit, and unit investment trusts ("UITs") purchased with a front-end sales charge through us within the last two years, and certain primary market offerings with embedded commissions). Certain mutual funds converted to advisory fee eligible share classes may become eligible if held at least one year, subject to certain conditions. Certain primary market offerings with embedded commissions become eligible for fee billing, if held for at least one year from the trade date where commissions were incurred. Non-billable assets are not included in the Account Value when calculating the applicable advisory fee.

Billing on Cash Balances Held in Ambassador Accounts: If the cash sweep and foreign currency balances ("cash") (not non-sweep money market funds) exceeds 20% of the Account Value as of the last business day of the quarter ("the valuation date") for three (3) consecutive quarterly valuation dates, the amount in excess of 20% is excluded from billing (the "Cash Rule"). For example, an Ambassador account that held 30% of the Account Value for three (3) consecutive billing valuation dates (March 31st, June 30th, and September 30th) would have the amount in excess of 20% excluded from the Account Value upon which Fees are applied. For simplicity of illustration, assuming an account was valued at $100,000 for all three (3) quarterly billing periods, with $30,000 held in cash, the September 30th valuation date would exclude $10,000 of the cash from the Account Value when assessing the Fee.

The exclusion of excess cash from the Fee is intended to benefit clients holding substantial cash balances (as a percentage of the total individual Account Value) for an extended period of time. The portion of the account held in cash experiences negative performance when the applicable Fee charged is higher than the return received on the cash sweep balance.

Within the Ambassador account, the Cash Rule applies on an individual account basis. The Cash Rule may pose a financial disincentive to a financial advisor as the portion of cash sweep balances in excess of 20% is excluded from the Fee charged to the account. This may cause a financial advisor to recommend a reallocation of your account from cash to advisory fee eligible investments, including money market funds, or to recommend against raising cash, to avoid the application of the Cash Rule and therefore receive a Fee on the full account value. You may direct your financial advisor to raise cash by selling investments or hold a predetermined percentage of your account in cash at any time.

Termination of Agreement/Refund of Fees: Your advisory agreement with us for each of our advisory Programs may be terminated at any time upon providing notice to us. There is no penalty for terminating the advisory agreement. Upon termination, you will receive a refund of the portion of the prepaid Fee that has not yet been earned by us and, where applicable, the Manager. Neither we nor the Manager, as applicable, will have any further obligation to recommend or take any action with respect to the securities or other investments or cash remaining in the account. You may provide instructions to either liquidate the securities or other investments or to hold these securities and other investments in a brokerage account. Upon termination of your managed account, you would generally be permitted to continue holding the institutional class of a fund but are unable to make additional investments.

Additional Expenses Not Included in The Asset Based Advisory Fee: All fees paid to CSM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee, or 12b-1 fees. If the fund also imposes sales charges, a client will pay either an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our Firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Clients should also understand that the shares of certain mutual funds offered in these programs may impose short-term trading charges for redemptions (typically 1%-2% of the amount redeemed) made within short periods of time. These short-term charges are imposed by the funds (and not CSM) to deter "market timers" who trade actively in fund shares. Clients should consider these short-term trading charges when selecting the program and/or mutual funds in which they invest. These charges, as well as operating expenses and management fees, will increase the overall annual cost to the client by 1%-2% (or more), and are available in each fund's prospectus.

Clients should be aware that ETFs incur a separate management fee, typically 0.20%-0.40% of the fund's assets annually (although individual ETFs may have higher or lower expense ratios), which is assessed by the fund directly and not by CSM. This management fee is in addition to the ongoing advisory fee assessed by CSM and will generally result in clients which utilize an SMA Manager or Investment Strategy that invests in ETFs paying more than clients utilizing one that invests in individual securities, without taking into effect negotiated asset-based fee discounts, if any. Certain ETFs may be classified as partnerships for U.S. federal income tax purposes, which may result in unique tax treatment, including Schedule K-1 reporting.

Certain no-load variable annuities and indexed annuities may be purchased in or transferred into accounts may be charged an asset-based advisory fee. The annual advisory fees charged for these no-load variable annuities are in addition to the annual management fees and operating expenses (which are typically higher than either mutual funds or ETFs) charged by the insurance companies offering these products.

You may also incur charges for other account services, which we can provide at your election that are not directly related to the advisory, execution, and clearing services provided by us as part of the wrap fee program. Our advisory fee does not cover the expenses, charges, and costs listed below (not an all-inclusive list).

- Certain dealer mark-ups and odd lot differentials.
- Mark-ups, mark-downs, spreads, underwriting fees, selling concessions, or other transaction charges associated with a principal transaction effected by us or our affiliate with respect to a transaction.
- Taxes (including unrelated business taxable income in retirement accounts and financial transaction taxes).
- IRA custodial fees.
- Safekeeping fees.
- Debit interest charges: If you incur a cash debit or deficit in your account, you will pay interest on the negative balance in your account, even if your account is not a margin account. The rate varies depending on the size of the average debit balance and you will be responsible for the debit interest accrued in the account. Please refer to your account opening documents for additional information.
- Charges/interest for maintenance of margin and/or short positions.
- Fees for legal or courtesy transfers of securities and other investments.
- Offering concessions, and any other fees and expenses for purchases of public offerings of securities and certificates of deposit, as more fully disclosed in the prospectus and offering documents.
- Trade away commissions: When a third-party Manager elects to trade away and there are brokerage commissions or other charges associated with the transaction, your overall program costs increase.
- Fund and annuity operating costs and expenses and Fund distribution fees.
- Transfer fees.
- Return deposit items (check/ACH).
- Wire fees (outgoing).
- Annual pledged account fees, for accounts where assets held in the account are pledged as collateral.
- Any other charges imposed by law or otherwise agreed to by you with regard to transactions in your account

Surrender Charges or CDSC: If client transfers a previously purchased investment into a CSM accounts, such as a mutual fund, annuity or alternative investment, or liquidates the previously purchased investment and transfers the proceeds into an account, client may be charged a fee (sometimes called a surrender charge or CDSC) upon the sale or redemption in accordance with the investment product's prospectus. In many cases, the CDSC is only charged if a client does not hold the security for the minimum period of time. In particular, if a client transfers a previously purchased mutual fund (such as a Class C share) into an account that is subject to a CDSC, then the client will pay that charge when the mutual fund is sold.

Clients participating in SMA programs may be charged various program fees in addition to the advisory fee charged by the Firm. Such fees may include the investment advisory fees of the Money Manager, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a fee for advisory, brokerage and custodial services. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by the Custodian and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which a Money Manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Advisory fees do not cover all custodial service charges and the client should be aware that additional fees from the Custodian may apply. A list of additional fees that the Custodian may charge can be found on the Schedule of Fees document which is provided to the client when the account is opened. Additionally, all fees charged will be listed on the account statement provided to the client on a monthly or quarterly basis. The Firm also includes on the statement a list of all possible fees that may be charged by the Custodian annually.

12b-1 Fees (MAP, Monument Select, and Baymount Accounts): As CSM is a registered broker/dealer as well as a registered investment adviser, the Firm may accept commissions in addition to advisory fees for the sale of mutual fund shares, as set forth in the prospectus for each security. A 12b-1 fee is an annual marketing or distribution fee charged by a mutual fund. The 12b-1 fee is considered to be an operational expense and, as such, is included in a mutual fund's expense ratio. 12b-1 fees are comprised of two distinct charges: a service fee and a distribution/marketing fee. 12b-1 fees are generally between 0.25% and 1% (the maximum allowed) of a fund's net assets, with service fees and distribution/marketing fees limited to 0.25% and 0.75%, respectively. CSM currently does not receive any portion of 12b-1 fees receivedfor mutual fund shares purchased or held in CSM advisory accounts. Rather, the custodian receives any such fees. CSM periodically exchanges existing advisory fee-eligible mutual fund positions in these accounts for a specific mutual fund share Because the custodian receives 12b-1's for our clients, at this time, a potential conflict exists with the mutual shares classes that our custodian makesavailable to our firm. Use of a more costly mutual fund share class will reduce the performance of a client's account. Please note that CSM and its IARs do not have an incentive to recommend or select mutual fund share classes that have higher 12b-1 fees because their compensation is not affected by the share class selected.

12B-1 Fees Conversion of Mutual Fund Share Classes (Ambassador Accounts): An investment company may authorize us to make available to clients participating in one of our advisory programs a class of shares of a fund with a lower fee structure that we believe is more beneficial to you than the class of shares previously made available in the advisory program. Where an exchange is available, under the authority provided to us under your advisory agreement(s) which may include the Master Advisory Agreement, CSM or Raymond James may effect an exchange to another class of shares of the same investment company fund with the lower fee structure, as promptly as practicable and taking into account the administrative and operational requirements necessary to implement the exchanges.

CSM or Raymond James periodically exchange existing advisory fee-eligible mutual fund positions in existing Ambassador Program accounts for a specific mutual fund share class ("Firm selected share class") in an effort to provide advisory clients with the lowest cost share class available through us. This conversion does not apply to non-wrap eligible, non-billable positions such as C shares or other back-end load shares that may be held in your Ambassador account and which are not eligible for advisory fee billing. Ongoing monthly maintenance conversions are performed by Raymond James to ensure the Firm selected share class has been implemented in your account. CSM and your IAR will retain the 12b-1 fees received from non-wrap eligible, non-billable mutual funds that are not eligible for advisory fee billing. Fees associated with the Firm-selected share class, may be greater than or less than the fees of your existing advisory fee-eligible mutual fund position. You should take into consideration fee expenses when transferring mutual funds to us or maintaining mutual fund positions within your advisory account(s). There is an incentive for your IAR to recommend a certain share class based upon anticipated compensation to the IAR.

On a periodic basis, Raymond James may convert class C shares that have been held at least one year or are otherwise no longer subject to the fund company's CDSC, which is typically 1% of the amount invested, to the Firm-selected share class. The one year holding period is the required minimum holding period typically established by fund companies before the shares become eligible for conversion to another share class without being subject to the CDSC. However, certain funds may require that investors hold the Class C shares longer than or less than one year before these shares are CDSC-free. CDSC-free class C shares held in advisory program accounts automatically convert, on a tax-free basis, to the share class recommended by us on a quarterly basis. For example, a client that holds $50,000 in class C shares purchased 6 months ago that subsequently transfers these shares to his or her Ambassador account is not assessed an advisory fee for 6 months. The shares are subsequently converted by Raymond to the Firm-selected share class the month after they are CDSC-free and once converted are subject to advisory fees. Also, upon conversion of the C share to the Firm-selected share class, the 12b-1 fees (if any) are credited to you on a bi-monthly basis.

Investments held in Ambassador accounts may be comprised of mutual fund shares only (both load-waived and no-load funds), individual equity and fixed income securities and other investments, or a combination of mutual fund shares and individual securities and other investments. With respect to load funds, only the Firm-selected share class of these funds, for which the mutual fund sales charge has been waived, may be purchased and charged an advisory Fee in these Programs. Clients may hold fund shares in an Ambassador account that were originally purchased in a commission-based account and assessed a front-end load at our Firm. However, these shares will be designated as non-billable assets for two years from their original purchase date and generally do not charge an advisory Fee on these assets during this period. Additionally, Raymond James credits 12b-1 fees received to your account on a bi-monthly basis. This two year exclusion period (or "Two Year Rule") has been implemented to avoid clients being assessed both a load or commission and an advisory Fee on the same asset, but only applies to those above mentioned securities and other investments that were purchased through us. For questions about which assets are billable or non-billable, please consult with your IAR.

If you purchased a share class designated as non-billable (or "ineligible") that is subsequently exchanged into a share class that is otherwise eligible for advisory fees (for example, class C shares held for a year (from the trade date where commissions were incurred) and exchanged into a no-load or load-waived class A share as described above), the Two Year Rule will not apply, provided you held the ineligible share class at least one year before converting to an eligible share class and the original load was 1.05% or less or the commission did not exceed $50. The Two Year Rule may create a financial incentive for your IAR to recommend you exchange to an advisory fee-eligible share class. However, per the above example of exchanging C shares to load-waived A shares, this incentive is mitigated by requiring that the C shares must be held for at least one year before they are allowed to be exchanged for A shares, where the back-end load associated with C shares is typically 1%. The Two Year Rule is expressly intended to avoid assessing advisory fees on share classes assessed a load in excess of 1%, where the maximum load is typically in excess of 4%.

Trading Away: Portfolio Managers may elect to execute transactions away from CSM, as they deem appropriate, as part of their best execution responsibilities. Costs and transaction fees arising out of transactions effected by entities other than CSM, including transactions effected through our affiliates or attributable to dealer mark-ups, markdowns or "spreads" (in transactions where CSM or another entity acts as principal for its own account) will be separately borne by the client. A client should also be aware that annuities, non-traded real estate investment trusts, and syndicate offerings held in an advisory account may contain separate fees (including, but not be limited to, 12b-1 fees) that the client will be charged for and are not included in the advisory fee.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to CSM's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our Firm's minimum account requirements will differ among clients.

ERISA Accounts: CSM is deemed to be a fiduciary to advisory clients that are employee benefit plans pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our Firm is subject to specific duties and obligations under ERISA and the Code that include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, CSM may only charge fees for investment advice about products for which our Firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our Firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset CSM's advisory fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Order Flow: Custodians of assets, including Raymond James may also collect revenue from the sale of order flow to other parties. CSM does not participate in this revenue and cannot control what the custodian does with regard to order flow.

Limited Prepayment of Fees: Under no circumstances will CSM require or solicit payment of fees in excess of $1200 six months or more in advance of services rendered.

IAR as Portfolio Manager: When an IAR provides portfolio management services, then no other Money Manager will be involved in the management of the client's account. Typically, when the IAR provides portfolio management services in this capacity, the IAR will receive higher fees compared to arrangements where an outside Money Manager is responsible for the portfolio management of a client's account; therefore, an incentive exists for the IAR to recommend himself as portfolio manager compared to other sub-advisory arrangements.

Cash Sweep Program (For accounts custodied at Raymond James): The cash sweep program is a service that allows clients to earn interest on cash awaiting investment ("Cash Sweep Program"). CSM, through its custodian, Raymond James & Associates, Inc. ("RJA"), offers a deposit sweep called the Raymond James Bank Deposit Program ("RJBDP", which includes a version with Raymond James Bank, N.A. ("RJ Bank"), as the only bank option [discussed below as "RJBDP-RJ Bank Only"]). In addition, RJA offers a cash feature called the Client Interest Program ("CIP") under which, if you select thatfeature in an eligible account, RJA will pay you the same interest rate, as you would receive if you selected RJBDP. Because CIP is an option for some accounts to earn interest on cash awaiting investment, we are including CIP in the Cash Sweep Program. We refer to both RJBDP (including the variations described below) and CIP as "sweep options" throughout this document and our agreements with you.

Your account type determines which of the sweep options are available. Not all sweep options are available for each account type, and some account types have only one sweep option available. The sweep option(s) available for your type(s) of account at the time that you first open an account are set forth in the client agreements that you review and sign at the time of account opening. RJA may amend the Cash Sweep Program to change the sweep options available for any type of account, and in that case, RJA may change the sweep option in one or more of your existing accounts. Your IAR can provide you with additional information about Cash Sweep Program eligibility. If you are purchasing securities, the amount of the purchase will be withdrawn from your sweep option on the settlement date, thereby eliminating the need to deliver funds to us. If you are selling securities, the proceeds are deposited in your sweep option by the day following settlement date, enabling you to begin earning interest on those funds until they are reinvested.

With respect to cash reserves of client accounts, the custodian of the account assets will determine where cash reserves are held. The custodian may offer one or multiple options to different account types (such as non-taxable and managed accounts). In addition, the custodian may, among other things, consider terms and conditions, risks and features, conflicts of interest, current interest rates, the manner by which future interest rates will be determined, and the nature and extent of insurance coverage (such as deposit protection from the Federal Deposit Insurance Corporation ("FDIC") and Securities Investor Protection Corporation ("SIPC")). The custodian may change, modify or amend an investment option at any time by providing the client with thirty days advance written notice of such change, modification or amendment.

Overview of CIP CIP is a short-term alternative for cash awaiting investment, in which RJA holds that cash in your account and pays you interest. Cash in CIP is an obligation solely of RJA whereas the funds on deposit through RJBDP and RJBDP-RJ Bank Only are obligations solely of the banks.

Overview of RJBDP Through RJBDP, which is offered by RJA, uninvested cash in your Raymond James account is automatically deposited, or "swept," intointerest-bearing deposit accounts at banks whose deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per insurable capacity per bank, subject to applicable limitations. RJ Bank, an affiliate of Raymond James, is one of the banksin RJBDP.

For purposes of operation of the RJBDP, every account is categorized into one of five ownership categories:

- Single – accounts owned by a single individual, accounts for a decedent's estate, and accounts for a conservatorship, guardianship, or similar arrangement for an individual.
- Joint – accounts owned jointly by two or more individuals.
- Qualified – accounts for IRAs, retirement plans (both ERISA and non-ERISA), and Section 457 deferred compensation plans.
- Trust – accounts for a trust, whether revocable or irrevocable, that do not fall within the Qualified Ownership Category.
- Other – any account not falling in the above Ownership Categories; this includes accounts for legal entities, municipalities, and government entities, not-for-profits, and sole proprietorships.

For all of your securities accounts enrolled in the multi-bank RJBDP that are in the same ownership category and have the same primary taxpayer identification number (TIN),RJA will deposit up to $245,000 ($490,000 for joint accounts of two or more) in each bank on a predetermined list of banks (the "Bank Priority List," discussed below in the section titled "Overview of RJBDP; Bank Priority List"). Once $3 million ($6 million for joint accounts of two or more) in total has been deposited at the banks from all of your securities accounts enrolled in the multi-bank RJBDP that are in the same ownership category and have the same primary taxpayer identification number (TIN), or once the banks on your Bank Priority List decline to accept further cash, then depending upon the excess funds option you have selected, your excess funds will either remain at RJA in CIP or be directed to a designated "Excess Banks," as described below. If you wish to change your excess funds option selection, please consult with your IAR.

The sweeping by primary TIN described in the preceding paragraph is done within each ownership category rather than across all of the ownership categories taken together. For example, if your TIN is the primary TIN on more than one securities account in each of the Single, Joint, and Trust ownership categories, then the per-bank deposit limits ($245,000, or $490,000 for joint accounts of two or more) and total deposit limits ($3 million, or $6 million for joint accounts of two or more) will be applied separately to (i) all of those Single accounts taken as a group, (ii) all of those Joint accounts taken as a separate group, and (iii) all of those Trust accounts taken as another separate group.

If a bank on your Bank Priority List declines to accept any funds (or any further funds) under RJBDP, then even if that bank is on your

Bank Priority List, you should expect that your cash will not sweep to that bank. You may see which banks hold your cash, and in what amounts, on your periodic account statements, in Client Access, or by contacting your IAR for that information.

In the event most or all of the banks on your Bank Priority List decline to accept any funds (or any further funds) under RJBDP, then it may be the case that little or none of your funds will sweep to banks on your Bank Priority List. The effect upon you may vary depending upon how much funds you have in your account and what excess funds option you have selected for your account. In general, however, the refusal of most or all banks on your Bank Priority List to accept any funds (or any further funds) could result in a significant limitation of the FDIC insurance that may be available to you through RJBDP. If you have more funds than are accepted by banks on your Bank Priority List, and the excess option you have selected is: Excess Banks, then your excess funds will sweep to an Excess Bank on your list. If the amount of your excess funds that sweeps to an Excess Bank is greater than applicable FDIC limits, then those funds will not be subject to either FDIC insurance or SIPC and excess SIPC coverage. If no Excess Bank on your list is accepting excess funds, then your excess funds will not sweep and instead will be held at RJA; in that case, those funds will be subject to SIPC and excess SIPC coverage within applicable limits, and RJA may, if permissible by law and if in compliance with eligibility criteria for CIP as established by RJA, treat those unswept funds as part of CIP, and pay you interest on those funds, subject to all terms and conditions applicable to CIP. CIP, then those funds will be held at RJA in CIP, subject to all terms and conditions applicable to CIP, including the payment of interest and SIPC and excess SIPC coverage within applicable limits.**Thus, the overall amount of potential FDIC insurance protection for which you may be eligible as a result of enrollment in the RJBDP will vary depending upon the number of banks that are accepting RJBDP cash at any point in time, as well as the excess funds option that you choose.**

As a result of RJBDP banks limiting or declining to accept funds, some or all funds of clients who have elected RJBDP may not sweep and instead may remain at RJA (such unswept funds referred to as "Capacity-Limited Unswept Funds"). If, subsequently, additional capacity to sweep funds to banks in RJBDP becomes available but in an amount less than necessary to permit all Capacity-Limited Unswept Funds to sweep to a bank in RJBDP, then RJA may in its sole discretion allocate newly available capacity among clients that have Capacity-Limited Unswept Funds.

Overview of RJBDP (RJ Bank Only)-If your account is enrolled in the RJBDP-RJ Bank Only option, then uninvested cash in your Raymond James account is swept into deposit accounts at RJ Bank, whose deposits, up to applicable limits, are eligible for FDIC insurance. Funds are deposited without limit and without regard to the FDIC insurance limit. Even if RJ Bank continues to accept funds in RJBDP-RJ Bank Only, RJ Bank retains thediscretion to decline to accept funds under the general RJBDP program, whether RJ Bank is designated as one of the banks on a Bank Priority List or is designated as an Excess Bank.

Exceptions
Raymond James may, in its sole discretion, grant exceptions to any of the terms or conditions of the Cash Sweep Program or any sweep option. Such exceptions may include, but are not limited to, terms or conditions related to: (1) any eligibility requirement for a sweep option; and (2) revising the fees RJA receives from participating banks in RJBDP, or revising the rate RJA sets on CIP, such that a particular client receives a higher or lower interest rate on swept cash than what is established through the general rate-determination processes.

Client's Obligation to Monitor
In determining which sweep option to select, if more than one is available, you should consider the features and benefits of each of the available sweep options, including the applicable interest rates as well as the other information disclosed below in this document regarding how each feature works and the revenue and other benefits that Raymond James and its affiliates receive from these sweep options. Any cash coming into your Raymond James account – whether from a deposit by you, a dividend or interest payment, proceeds from thesale of a security, or otherwise – will be held in your selected sweep option until you (or the discretionary manager, if your account is managed) make a decision to use the cash for investment or other purpose. It is important that you monitor the amount of funds in your sweep option, and consider other options you may have for investment of those funds. Your IAR can discuss with you options other than or in addition to the Cash Sweep Program for your assets.

Interest Rates and Interest Rate Tiers
Interest rate tiers applicable across all sweep options. Your interest rate is based on the relationship you have with Raymond James, as well as the interest rate tier ("Interest Rate Tier") for which your accounts are eligible. Eligibility for an Interest Rate Tier is based on the total of (1) the cash balance in RJBDP and (2) the cash balance in CIP (collectively, "Relationship Cash Value"). Your Interest Rate Tier eligibility will be reviewed and adjusted weekly, as necessary (normally after market close on the last business day of the week that the New York Stock Exchange is open ("Aggregation Day")), and is based on your Relationship Cash Value at that time.

Interest rate to be received by clients.
Accounts enrolled in RJBDP, RJBDP-RJ Bank Only, and CIP each utilize the same Interest Rate Tiers and pay the same rate of interest on the cash balances within each Interest Rate Tier. The process by which the interest rate is determined is described below in the separate sections on each sweep option. Clients whose accounts are introduced to RJA by an unaffiliated introducing broker-dealer or investment adviser ("Introduced Clients") will utilize the same Interest Rate Tiers as clients whose accounts are not introduced in that way; but you should expect that the accounts of Introduced Clients will receive a rate of interest on cash balances within each Interest Rate Tier that is different than, and in most cases will be lower than, the interest rate received by clients whose accounts are not introduced in that way. Interest rates may change at any time without notice. Interest rates will be available on the business day (i.e., Monday through Friday if the New York Stock Exchange is open) the rates are set.

Interest Rate Tiers and applicable rates are posted online at raymondjames.com/rates . Rates are also available through Client Access or by contacting your independent firm. Interest will accrue on cash balances from the day funds are swept out of your Raymond James account through the business day preceding the date whenfunds are swept back into your Raymond James account. Interest will be compounded daily and credited monthly. Neither RJA nor any participating banks are required to offer the highest rates available. Interest rates paid on your cash balances may equal, exceed, or be lower than the prevailing market rates. The interest rates paid may be higher or lower than the interest rates available to depositors making deposits directly with a bank or other depository institution in a comparable account. You should compare the terms, interest rates, required minimum amounts, and other features of the Cash Sweep Program with other accounts and alternative investments, anddiscuss your options with your IAR Interest rates will vary based upon prevailing economic and business conditions. In periods of low interest rates, the interest rate to be received by clients enrolled in RJBDP, RJBDP-RJ Bank Only and CIP could be as low as zero; further, in the event of a negative interest rate environment, Raymond James, in its sole discretion, may charge your account (including IRA accounts and accounts subject to ERISA) a fee on all funds that you maintain in your account, whether such funds are deposited through RJBDP, held in CIP, or held in any other way.

Charges or costs to clients selecting a sweep option.
The Cash Sweep Program is offered at no additional charge or cost to clients.

Compensation and other benefits to Raymond James and its affiliates from client cash in the Cash Sweep Program.
Fees paid to RJA by the banks in RJBDP provide RJA a material source of revenue. This revenue is important to the ability of RJA to finance its business activities, and ultimately to the potential profitability of RJA. In addition to the fees received by RJA from the banks, cash balances provide a relatively low-cost source of funds to RJA through CIP and to RJ Bank through RJBDP, and help contribute to our profitability. This revenue and other benefits to RJA and its affiliates increase when more client funds are held in the Cash Sweep Program.

Compensation to CSM in the Cash Sweep Program.
You should expect that Raymond James will share a portion of the revenues it receives from one or more of the sweep options with CSM. The rate of any such revenue sharing may be increased depending upon the aggregate amount of client funds in the Cash Sweep Program by all clients of CSM. Even when Raymond James does not share a portion of the revenues it receives with CSM, the aggregate amount of cash in the Cash Sweep Program by all clients of CSM may be credited to CSM for purposes of determining the overall payout rate that CSM receives from Raymond James; thus, higher aggregate amounts of client funds in the Cash Sweep Program may cause CSM to receive higher compensation on transactions and activities unrelated to the Cash Sweep Program, even when no Cash Sweep Program revenue is shared with CSM. The interest rate that you receive on your cash in the Cash Sweep Program is not impacted by any revenue shared with, or credit received by, CSM. Your IAR does not receive any additional compensation from these programs.

<u>The revenue sharing payments received by CSM are paid to us from the earnings on your uninvested cash or assets within the sweep vehicle. Revenue sharing of this nature is a CONFLICT OF INTEREST because we are incentivized to encourage you to select the money market funds we have recommended when alternatives are available for a lower cost.</u>

<u>Transactional Fees</u>: CSM may have pre-existing advisory clients where the Advisor is the portfolio manager and transaction fees occur that are paid for by the IAR. Transaction charges up to $25 may occur. Because the Advisor pays the transaction charge, there is a conflict of interest. Clients should understand that the cost to the Advisor may be a factor that the Advisor considers when deciding which securities to select and how frequently to place transactions.

<u>Previously Paid Commissions</u>: Clients should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. Client should understand that, after the transfer into an account, an advisory fee will be charged based on the total assets in the account, including the transferred security. Depending on the share class and fee structure of the previously purchased mutual fund, CSM can receive fees such as 12b-1 fees, recordkeeping fees and revenue sharing from the previously purchased mutual fund until the position is liquidated and subsequently invested. In other words, if you paid your IAR or another IAR recently an upfront commission on the previously purchased security, you will be paying a new ongoing advisory fee going forward to your IAR for advice on that same security.

<u>Loss of Benefits</u>: If the client will be funding the account with the proceeds of a sale or liquidation of a variable or fixed annuity, the client should understand that the client may be giving up guaranteed living or death benefits that were provided through the annuity that will not be provided through the CSM advisory account.

<u>Retirement Accounts:</u> We may recommend that you move assets or "roll-over" from an employer-based retirement plan to retirement account offered by our firm. Please be advised of your options, and what this means to you. If you leave your employer you typically have four options (and may engage in a combination of these options):

- leave the money in the former employer's plan, if permitted;
- roll over the assets to your new employer's plan, if one is available and rollovers are permitted;
- roll over to an Individual Retirement Account; or
- cash out the account value.

Each choice offers advantages and disadvantages, depending on your desired investment options and services, fees and expenses, withdrawal options, required minimum distributions, tax treatment, and your unique financial needs and retirement plans. The complexity of these choices may lead you to seek assistance one of our IARs. The options that we offer you will result in revenue to our IARs and our firm. Therefore, we have an incentive to recommend that you "roll-over" your employer plan to us. Please consider each of your options before making a decision.

<u>Additional Cost Considerations</u>: When making cost comparisons, clients should be aware that the combination of multiple investments, advisory services, custodial and brokerage services available through each program may not be available separately or may require multiple accounts, documentation, and fees. If an account within an advisory program is actively traded or the client otherwise does not qualify for reduced commissions or sales charges, the fees may be less expensive than separately paying the commissions and/or sales charges and advisory fees. If an account within an advisory program is not actively traded or the client otherwise would qualify for reduced commissions and/or sales charges, the fees in these programs may be more expensive than if utilized separately. The client's IAR may have a financial incentive to recommend a fee-based advisory program rather than paying for investment advisory services, brokerage, performance reporting and other services separately. A portion of the annual advisory fee is paid to the IAR, which may be more than the IAR would receive under an alternative program offering of CSM or if the client paid for these services separately. Therefore, the client's IAR may have a financial incentive to recommend a particular account program over another. Clients who do not wish to purchase ongoing investment advice or investment management services and who wish to follow a buy and hold strategy, should consider opening a brokerage account rather than a fee-based account. In a brokerage account, a client is charged a commission for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. To ensure the IAR is making appropriate recommendations, CSM conducts reviews of advisory relationships to confirm sufficient documentation of fiduciary services provided is

being maintained by your IAR.

Both CSM and a client's IAR are compensated based on the amount of assets in your account, it creates an incentive for us toincrease your assets or engage in transactions that results in higher total assets in your account.

In addition to compensation, CSM provides IARs with access to financial incentives for affiliating with our firm. These arrangements include, but are not limited to transition assistance, bonuses, deferred compensation arrangements, enhanced pay-outs, repayable business transition or working capital loans, forgivable loans, administrative fee reimbursements, marketing services and materials, and other valuable financial incentives. Based on these arrangements, your IAR is incentivized to recommend that clients open and maintain accounts for advisory and/or brokerage services. These incentives may influence your IAR's recommendation that you transition your account(s) to the firm. Clients should be aware that they do not have to use the services of CSM.

IAR as Portfolio Manager: When an IAR provides portfolio management services, then no other TPMM will be involved in the management of the client's account. Typically, when the IAR provides portfolio management services in this capacity, they will receive higher fees compared to arrangements where an outside TPMM is responsible for the portfolio management of a client's account; therefore, an incentive exists for the IAR to recommend himself as portfolio manager compared to other sub-advisory arrangements.

Conflicts of Interest: CSM will make efforts to reduce potential conflicts of interest but is not responsible for any actions of the custodian(s) or clearing firm(s) with regard to potential conflict of interest issues such as money market funds, the selling of order flow, cash balances, money market funds or other activities that may result in revenue being paid to an outside party.

Non-Cash Compensation: We receive various forms of non-cash compensation from product vendors who sell or issue mutual funds, annuities, insurance, unit investment trusts, and other securities. Among other things, we receive payment of expenses related to training and educational efforts directed towards IARs, including participation in conferences organized or sponsored by us to provide generalized information not specific to any product. And, third party product sponsors reimburse our IARs when they incur expensesrelated to seminars they host for you. You should be aware of these means of compensation before attending investment seminars. Your IAR may also receive meals and entertainment of reasonable and customary value, and gifts up to $100 per issuer or vendor per year.

INVESTMENT STRATEGIES & THE ASSOCIATED RISKS

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when we believe the securities to be currently undervalued and/or we want exposure to a particular asset class over time, regardless of the current projection for this class. A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The risk with short-term investment vehicles is they may be subject to purchasing power risk — the risk that a client's investment's return will not keep up with inflation.

Short sales: We borrow shares of a stock for a client's portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit. The risk when short selling is that losses can be unlimited. A security is not limited on how high its price can go.

Margin transactions: We will purchase stocks for a client's portfolio with money borrowed from a client's account. This allows a client to purchase more stock than the client would be able to with the client's available cash and allows us to purchase stock without selling other holdings. A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in the client's account minus what the client owes the broker falls below a certain level, the broker will issue a "margin call" and the client will be required to sell the client's position in the security purchased on margin or add more cash to the account. In some circumstances, the client may lose more money than the client originally invested. Raymond James charges interest on margin balances and CSM receives a portion of this interest payment. Raymond James also receives compensation by lending securities at market rates. CSM receives a portion of this compensation, which creates a conflict of interest. Additionally, more sophisticated investment strategies such as short sales and margin may be offered in certain advisory account programs (*i.e.*, the Ambassador program). Fees for advice and execution on these securities are based on the total asset value of the account. While a negative amount may show on your statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This could create a conflict of interest where your financial professional benefits from the use of margin creating a higher absolute market value and therefore receiving a higher fee.

Option writing: We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A "call" gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A "put" gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for the client's portfolio. We use "covered calls", in which we sell an option on security the client owns. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price. The Firm uses a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that the client buys and a call option that the client sells) for the same underlying security. This effectively puts a client on both sides of the market, but with the ability to vary price, time and other factors.

The risk associated with options occurs when purchasing securities; a client may pay for the securities in full or may borrow part of the purchase price. In order to borrow funds in connection with the account, the client will be required to open a margin account. The securities purchased in such an account are collateral for the funds loaned. If the value of securities in a margin account decline, the value of the collateral supporting the loan also declines, and, as a result, the lender may be required to take action by means such as issuing a margin call and/or selling securities or other assets in client accounts to maintain necessary level of equity in the account. Additional risks include, but are not necessarily limited to, i) the loss of more funds than were originally deposited into the margin account; ii) the forced sale of securities or other assets in the margin account; and iii) the sale of the client's securities or other assets without contacting the client.

Securities Based Lending (SBL) By Raymond James Bank, N.A.: Through our custodian, Raymond James and their affiliate, Raymond James Bank, offers a securities-based lending ("SBL") service whereby securities may be used as collateral for a loan; however, pricing, features and characteristics differ from margin loans. Generally, SBL may let you borrow against a higher percentage of your assets than margin; however, SBL is not suitable for all clients, may involve a high degree of risk, and market conditions could magnify any potential for loss. The proceeds from an SBL loan cannot be (a) used to purchase or carry securities; b) deposited into a Raymond James investment or trust account; (c) used to purchase any product issued or brokered through oneof our affiliates, including insurance products we offer; or (d) otherwise used for the benefit of, or transferred to, one of our affiliates.

If you were to enter a SBL with Raymond James Bank, then you would pledge securities in one or more of your accounts withus as collateral for the loan. Raymond James Bank, N.A. may on demand require you to repay part or all of any outstanding advance, post additional eligible collateral, and sell or force the sale of the pledged securities without notice. Any required liquidations could interrupt your investment strategies and could result in adverse tax consequences and adverse impacts on your long-term investment goals. Pledging the securities in one or more of your accounts with us would also limit your authority to give certain orders or instructions regarding those accounts or securities, such as an instruction to make free delivery to you or a third party of any of the pledged securities; and Raymond James Bank, N.A. would have authority to take exclusive control of those accounts and securities.

You should expect that Raymond James Bank, will compensate us, and we will compensate your IAR, in connection with the origination of a SBL loan based upon the amount of the loan or the outstanding balance at any time under the loan. The rate of compensation to your financial professional may differ from that of a margin loan. This compensation is a conflict of interest because CSM and your IAR have a financial incentive for you to select Raymond James Bank over other banks.

Because SBL is offered and provided by Raymond James Bank, rather than us, it is important that you thoroughly review the disclosure documents that Raymond James Bank, can provide to you before evaluating whether SBL from Raymond James Bank, is right for you. Additional information regarding SBL is available at raymondjamesbank.com/securities-based-lending.

Fully-Paid Securities Lending: With fully-paid securities lending, our custodian, Raymond James, borrows securities from you, which they may use for any purpose permitted under Regulation T, including to cover a short sale or fail-to-deliver, to satisfy client possession and control requirements, or to further lend your loaned securities to other broker-dealers. Raymond James will pay you a fee for the use of your shares based on the fee schedule contained in the Fully-Paid Lending Master Securities Agreement. In exchange for the loan of securities, Raymond James will provide you with either cash or non-cash collateral, as permissible under applicable regulations. Your account will still show that you own the security position that you have loaned to Raymond James. Loaned securities are not covered by Securities Investor Protection Corporation ("SIPC") insurance. Fees generated by lending shares may not be sufficient to offset losses incurred because the position was not sold in accordance with your investment strategy. Securitieslending takes place in an over-the-counter, negotiated rate market that generally lacks transparency with respect to transactions andprices. Given the nature of this market, we cannot guarantee that you will receive the most favorable rate for lending your loaned securities. Raymond James receives a portion of the total return generated on the transaction, as determined in a separate written agreement between you and Raymond James, and you should expect that Raymond James will share a portion of this compensation with CSM and your IAR. Raymond James will also receive compensation in connection with the use of your loaned securities, including lending your loaned securities to other parties for use with settling short sales, or for facilitating settlement of short sales by Raymond James, their affiliates, and their clients. Raymond James may have an opportunity to earn more compensation when the loaned securities are limited in supply relative to demand. The client does not share in the increased compensation in this scenario.

Product Limitations: We do not offer all the securities and services available across the broad markets due to structure, size, and liquidity of the security or similar characteristics of the security or underlying investments, and decisions made for product offerings by our internal investment team or our custodian, Raymond James. Other firms may offer products and services not available through CSM at lower costs. The scope of products and services offered by IARs may also be more limited than what is available through other IARs. An IAR's ability to offer individual products and services depends on his/her licensing and training. For example, an IAR may only be licensed to provide advisory services, and not brokerage services, or vice versa. You should ask your IAR about the securities or services your IAR is licensed or qualified to sell, and your IAR's ability to service investments that you transfer to CSMfrom another firm. You should also review the licenses held by your IAR by visiting the FINRA Broker Check system at http://brokercheck.finra.org.

All CSM advisory clients should understand that a recommendation of a particular Custodian by CSM constitutes a conflict of interest as CSM anticipates continual operational relationships and revenue streams with the Custodians that we recommend. CSM has performed limited due diligence reviews of these firms, all of which are well established, nationally recognized custodians. By directing brokerage CSM may be unable to achieve most favorable execution of client transactions, and that this practice may cost clients more money.

CSM primarily recommends RJA as the Custodian. There is an additional conflict of interest in that CSM primarily uses only RJA as custodian due to the products, services, revenue-sharing arrangements, marketing and recruiting assistance, and technology programs that RJA provides CSM. Not all firms require clients to direct brokerage.

Mutual Funds available for purchase through CSM are generally limited to fund companies that have agreements in place with our custodian, Raymond James. Our custodian has an incentive to enter into agreements with mutual fund companies that offer the custodian various compensation. Thus, not all mutual funds available to the investing public will be available to you through CSM, including funds with lower fees and expenses. All share classes offered by a fund company are also not always available due to agreements in place with our custodian. This means that lower cost share classes might not be available to you through CSM, even though you might otherwise be eligible to purchase those lower share classes elsewhere.

Variable annuities available for purchase through CSM are limited to commission based variable annuities only. Fee-based annuities are available at most insurance companies and may cost less than commission-based annuities. Fee-based annuities not offered at CSM which presents a conflict of interest. You should be aware that you may be eligible to purchase fee-based annuities at a lower cost than commission based annuities elsewhere.

RISK OF LOSS

All investment strategies inherently expose our clients to various types and varying degrees of risk, including loss of principal. Below we discuss other risks associated with investing in securities.

Political Risks. Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.

General Market Risks. Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.

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.

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.

Manager Risk. The risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy

Derivatives Risk. Investments in futures and options are considered "derivative" investments. A small investment in derivatives could have a potentially large impact on performance. The use of derivatives involves risks different from or possibly greater than the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value. There is the risk that the hedging technique will fail if changes in the value of a derivative held do not correlate with the portfolio securities being hedged.

Regulatory Risk. Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws can impact the return on these investments.

Concentration Risk. This is the risk of amplified losses that could occur from having a large portion of holdings in a particular investment, asset class, or market segment relative to the investor's overall portfolio.

Risks Related to Investment Term. If a client requires a liquidation of their portfolio during a period in which the price of the security is low, the client may not realize as much value as they might have, had the investment had the opportunity to regain its value, as investments frequently do, or had it been reinvested in another security.

Purchasing Power Risk. Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.

Business Risk. Many investments, including many Index Funds and Target-Date Funds, contain interests in operating businesses. Business risks are associated with a particular industry or company within an industry. For example, oil- drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry 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.

Liquidity Risk. Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while real estate properties are not. Some securities are highly liquid while others are highly illiquid. Illiquid investments carry more risk because it can be difficult to sell them.

Financial Risk. Many investments, including many Index Funds and Target-Date Funds, contain interests in operating businesses. Excessive borrowing to finance a business' operations decreases 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.

Default Risk. This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk. While the principal and accumulated interest of the Prudential Guaranteed Income Fund, expected to be offered by the Plan, are guaranteed by the Prudential Retirement Insurance and Annuity Company, it is nevertheless subject to default risk.

Call Risk*:* The risk that your bond investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.

Management Risk. Investments may vary with the success and failure of investment strategies selected and implemented. If investment strategies do not produce the expected returns, the value of investments may decrease.

Interest Rate Risk Generally, as interest rates rise, the price of a bond will fall, and conversely, as interest rates fall, the price of a bond will rise. The yield offered on bonds is based upon a collective associated-risk evaluation, coupled with a market-determined spread over a similarly traded riskless transaction (historically measured versus a similar maturity Treasury bond). As interest rates fluctuate, the yield on most bonds will be adjusted accordingly.

Purchasing Power Risk: The risk that, over time, inflation will lower the value of the returned principal. This means that an investor will be able to purchase fewer goods and services with the proceeds received at maturity.

Correlation Risk: The risk that the actual correlation (a statistical measure of how two or more variables move in relation to each other) between two assets (or variables) will be different than the correlation that was assumed or expected. Differences between the actual and expected correlation may result in a portfolio being riskier than was anticipated.

Counterparty/Default Risk: The risk that a party to a contract will not live up to (or default on) its contractual obligations to the other party to the contract.

Valuation Risk: The risk that an asset is improperly valued in relation to what would be received upon its being sold or redeemed at maturity.

Tax Risk: The risk that tax laws may change and impact the underlying investment premise or profitability of an investment. The tax overlay services offered and “Direct Indexing” strategies in RJCS for example attempt to keep taxes low for investors but there is not guarantee because of market conditions at that time. Related, strategies involved with lowering taxes have investment risk because of the more custom nature and may not track the appropriate benchmark because of this strategy.

Cybersecurity Risk: CSM and its service providers use computer systems, networks, and devices to carry out routine business operations and employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections used, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach. Intentional cybersecurity breaches include unauthorized access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems ("denial of services"), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause an investment fund, the advisor, a manager, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties.

Technology Risk: Managers or disciplines which invest a portion or all of a portfolio in the technology or biotechnology sectors may be more volatile than those investing in other sectors. The technology and biotechnology sectors have historically demonstrated higher volatility than many other sectors of the equity market. As a result, the securities and other investments selected within these portfolios are typically more speculative in nature and have a greater potential for the loss of capital.

We must rely in part on digital and network technologies to conduct our business and to maintain substantial computerized data relating to client account activities. These technologies include those owned or managed by us as well as those owned or managed by others, such as financial intermediaries, pricing vendors, transfer agents, and other parties used by us to provide services and maintain our business operations. These technology systems may fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond our or our service providers’ control. Technology failures, whether deliberate or not, including those arising from use of third-party service providers or client usage of systems to access accounts, could have a material adverse effect on our business or our clients and could result in, among other things, financial loss, reputational damage, regulatory penalties, or the inability to conduct business.

Risks Associates with Margin Trading. The risks of margin trading include the risk of amplified losses, of a margin call or forced liquidation. In addition, margin accounts charge interest rates that are often substantially higher than commercial lending rates.

Risk Associated with Options. Options carry no guarantees, and there is a possibility of losing the entire principal invested, and sometimes more. As an options holder, clients risk the entire amount of the premium paid. Options writers may face unlimited potential loss, for example, with an uncovered call, since there is no cap on how high a stock price can rise. Options on securities may also be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

Risks Associated with Alternative Investments. Alternative investment products, including real estate investments, notes & debentures, hedge funds and private equity involve a high degree of risk, often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing important tax information, are not subject to the same regulatory requirements as mutual funds, often charge high fees which may offset any trading profits, and, in many cases, the underlying investments are not transparent and are known only to the investment manager. Alternative investment performance can be volatile. An investor could lose all or a substantial amount of the investment. Often, alternative investment funds and account managers have total trading authority over their funds or accounts; the use of a single adviser applying generally similar trading programs could mean lack of diversification and, consequently, higher risk. There is often no secondary market for an investor’s interest in alternative investments, and none is expected to develop. There may be restrictions on transferring interests in any alternative investment. Alternative investment products often execute a substantial portion of their trades on non-U.S. exchanges. Investing in foreign markets may entail risks that differ from those associated with investments in U.S. markets. Additionally, alternative investments often entail commodity trading, which involves substantial risk of loss.

All investment programs carry the risk of loss of principal and there is no guarantee that any recommended investment strategywill meet a client’s objective or the anticipated result of the strategy.Other product/sector specific risks include the following:

Sector-specific investing. Investors considering these programs should recognize that managers/disciplines which invest a portion or all of a client’s assets with a sector emphasis may lead to increased volatility; therefore, a long-term investment horizon of five or more years is recommended. Investors should also be aware that concentrated accounts, also known as “non-diversified” or “focused” accounts, generally hold less than 15 stocks. Therefore, accounts may have over-weighted sector and issuer positions, which may result in greater volatility and risk.

Small-Cap Investing. If you are considering small-cap managers or disciplines in which a portion or all of a client’s assets are invested in these disciplines, you should recognize that the issuers of small-cap securities may not have significant business experience or may have businesses that are still in the early stages of the business life cycle, may be less liquid, may have lower trading volume and greater spreads between the purchase and sale prices of their securities, and may experience greater volatility than securities with larger market capitalizations. The securities and other investments selected for these disciplines will typically be more speculative in nature and thus have greater potential for the loss of principal.

International Investing. If you are considering an international/global manager or discipline in which a portion or all of a client’s assets are invested in international securities, you should recognize that investing in international securities markets involves additional risks not typically associated with domestic securities. Exchange rate fluctuations, currency controls, political and economic instability, and greater volatility are risks commonly associated with international investing. Exchange rate risk between the U.S. dollar and foreign currencies may cause the value of investments to decline. Investing in emerging markets can be riskier than investing in well-established foreign markets. Investments in international disciplines may be subject to foreign financial taxes. Certain strategies gain international investment exposure by investing in ADRs and similar depositary receipts. ADRs are the receipts for the shares of a non-U.S.-based company traded on U.S. exchanges. You should carefully review your asset allocation objectives and risk tolerance before selecting a manager or discipline that invests internationally.

Equity Risk. Strategies that invest in equity securities are subject to the risk that stock prices may fall over short or extended periods of time. Equity markets tend to move in cycles, and the value of each strategy’s equity securities may fluctuate drastically from day-to-day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. These factors contribute to price volatility, which is the principal risk of investing in the strategies we offer.

Fixed Income Risk. Investors considering a fixed income manager or discipline generally seek consistent returns with lower risk, and their tolerance for risk/volatility will accept only infrequent, minimal losses. Because of the less volatile nature of the disciplines, a fixed income investor may have a shorter investment horizon than equity and balanced investors, although the objective can accommodate investors with longer term investment horizons as well. Fixed income and bond fund investors should carefully consider risks such as interest rate risk, credit risk, liquidity risk and inflation risk.

Municipal securities, Municipal securities typically provide a lower yield than comparably rated taxable investments in consideration of their tax-advantaged status. Investments in municipal securities may not be appropriate for all investors, particularly those who do not stand to benefit from the tax status of the investment. Please consult a tax professional to assess the impact of holding such securities on your tax liability.

Mutual funds, ETFs, and other pooled investments. Unlike shares of mutual funds, but similar to other securities and fixed income products, shares of ETFs are bought and sold based on market values throughout each trading day, and do not necessarily trade at NAV. For this reason, ETF shares could trade at either a premium or discount to NAV. ETF shares also may trade at a bid and ask spread, which tends to be wider for ETFs which hold less liquid securities, such as international or high yield bonds or emerging market stocks. Both the premium and discount and bid-ask spreads add to the costs of buying and selling ETFs and may reduce returns associated with those investments. Accounts may invest in ETFs classified as partnerships for U.S. federal income tax purposes, which may result in unique tax treatment, including Schedule K-1 reporting. Prospective or existing clients should consult their tax advisor for additional information regarding the tax consequences associated with the purchase, ownership, and disposition of such investments. Additional information is also available in each ETF’s prospectus, which is available upon request.

Speculative securities and other investments. Investing in speculative securities, such as low-priced stocks and newly issued equity securities, as well as securities of historically unprofitable companies, involves more than average risk and such securities can experience volatile price behavior. For example, with respect to new industries, stocks issued by relatively unproven companies typically have valuations that materially exceed valuations based on traditional business methods. Although prospective investment returns may be higher than normal, only investors capable of sustaining the complete loss of their investments should purchase speculative securities.

Item 5 - Account Requirements and Types of Clients

CSM may offer financial planning and investment advisory services for individuals, high net-worth individuals, trusts, endowments, small businesses, and benefit plans. Our typical clients are those who are experienced and comfortable with saving and investing for their retirement and their family’s future, board members and/or trustees acting on behalf of the trust or organization they represent or business owners looking for an advisory group to assist them in making prudent investment decisions for the firm’s benefit plans. Upon termination of your account, CSM will undertake a review of advisory services provided to you and refund any applicable unearned fees collected. The Wrap Fee Programs offered by CSM do have varying minimum requirements and are listed in the table above.

Item 6 - Portfolio Manager Selection and Evaluation

PORTFOLIO MANAGEMENT SERVICES

Each Portfolio Manager recommended by CSM will direct the investment and reinvestment of the assets in the client's account on a discretionary basis in accordance with the information provided by the client, including any reasonable investment restrictions imposed by the client, and subject to the client meeting the Portfolio Manager's minimum account size. CSM will provide the client with a schedule of Portfolio Managers, which may be modified from time to time, who will be available through the Program. Those Portfolio Managers listed on the current schedule will have entered into agreements with the Platform Firms whereby the Platform Firms will furnish the execution, clearance and administrative services described herein. There are no restrictions on the client contacting or consulting directly with the Portfolio Managers.

<u>Selection of Portfolio Manager</u>: Portfolio Managers are selected for our Managed-Fee accounts after considering the following information:

- Length of time the portfolio manager has been in business.
- Portfolio Manager's performance over the past one, three and five years or longer if available and performance in down markets.
- Whether the key investment professionals who were responsible for the past performance are still at the firm today.
- The Portfolio Manager's style of investing and the level of risk expected.
- Whether the Portfolio Manager is registered as an Investment Advisor with the Securities and Exchange Commission and appropriatestate agencies.

<u>Choosing Portfolio Managers for a Particular Client</u>: After reviewing the client's complete portfolio of investments, CSM's IAR and the client will determine portfolio strategy that will meet the client's investment objectives. At this time, a Portfolio Manager may be recommended (i.e. a growth manager for the growth part of the portfolio).

<u>Replacement of the Portfolio Manager</u>: A Portfolio Manager will be recommended for replacement, if the account's performance ceases to meet the performance expectations of the client and advisory representative, after a suitable period of time.

<u>Portfolio Management Performance Information</u>: The information provided to the client on the Portfolio Manager's performance is from the Portfolio Manager or taken from information supplied to CSM from the Portfolio Manager. CSM has not separately done an analysis of the Portfolio Manager's numbers to verify their accuracy.

<u>Ongoing Review of IARs as Portfolio Managers:</u> Your IAR is subject to ongoing reviews to maintain his or her eligibility to continue offering discretionary management services to you in the Ambassador and Monument Select Programs. These reviews, include, but are not limited to, the following:

- Adherence to product guidelines;
- Completion of applicable continuing education requirements;
- Disclosures provided on CRD report (i.e., disciplinary actions, complaints, outside business activities, etc.); and

Additionally, your IAR is assigned to a supervisor who is responsible for ongoing supervision of his or her investment advisory activities on our behalf.

Item 7 - Client Information Provided to Portfolio Managers

IARs of the Firm are responsible for developing an initial financial profile of the prospective client. Prior to opening an account, the IAR obtains from the client appropriate information (i.e., investment objectives, risk tolerance, time horizon, and any responsible restrictions the client wishes to impose upon the management of the account). This information is captured on a New Account Form. The initial investment strategy is jointly determined based on an assessment of the information provided by the client.

While CSM provides the client with periodic reminders, it is ultimately the client's responsibility to advise CSM of any changes to the information previously provided that might impact the ongoing suitability of any prior determined investment strategy or objectives. Neither CSM nor any third-party investment manager is responsible for independently verifying information or data provided in client's initial or subsequent updates, nor is CSM or any third-party manager responsible for any adverse consequences arising out of client's failure to promptly notify the aforementioned parties. The client understands that the integrity and quality of the respective investment management services to be rendered by CSM or third-party manager are dependent upon the accuracy of the data supplied by the client in the New Account Form. All information provided by the client will be provided to the Portfolio Managers.

Item 8 - Client Contact with Portfolio Managers

Clients have access to a Portfolio Manager through various means acceptable to both parties either in-person, by conference call or email. Access to the Portfolio Manager may be coordinated through the client's IAR. In some cases, geographic difference may dictate that an in-person meeting is not possible and other means must suffice. CSM does not place any restrictions on clients who wish to contact or consult with Portfolio Managers managing their accounts. CSM encourages clients to discuss their accounts with their IAR.

Item 9 - Additional Information

CSM is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. The following are disciplinary events relating to our firm and/or our management personnel:

1. Without admitting or denying the findings and solely for the purposes of settling alleged rule violations, CSM agreed to enter into a FINRA Letter of Acceptance, Waiver and Consent on October 20, 2015 related to findings from routine annual FINRA examinations for a period from 2008 to 2014. The findings were related to the suitability of reverse convertible notes and applicable supervisory procedures; implementation of AML procedures related to the deposit and sale of low priced securities; CIP procedures related to institutional accounts; application of sales charge discounts for certain UIT and mutual fund purchases and applicable supervisory procedures; commission charges on certain equity trades and supervisory procedures related to monitoring these charges; supervisory procedures applicable to private securities transactions; and failure to file an appropriate application for a new business activity. The firm was fined $470,000 and ordered to pay restitution to clients of approximately $226,000.

2. Without admitting or denying the findings and solely for the purposes of settling alleged rule violations, CSM agreed to enter into a FINRA Letter of Acceptance, Waiver and Consent on May 25, 2018 related to findings from a routine annual FINRA examination. The findings were related to the failure on the part of CSM to establish, maintain and enforce a supervisory system and written supervisory procedures reasonably designed to detect and prevent unsuitable short-term trading in Unit Investment Trusts ("UITs") as well as a failure to retain the instant messages for forty-one employees. The firm has been censured, fined $100,000 and ordered to pay restitution to clients of approximately $44,740.

3. On February 14, 2020, Virginia's State Corporation Commission ("Commission") entered a Settlement Order against CSM, in its separate capacity as a broker-dealer, relating to the securities activities of two former registered representatives who engaged in fraudulent activities with clients. The Commission alleged that the fraudulent actions went undetected due in part to supervision failures by CSM. The Commission further alleged that CSM failed to properly establish, maintain, and enforce written procedures and failed to frequently examine all customer accounts to detect and prevent irregularities or abuses. CSM consented, without admitting or denying

any findings, to retain a third-party consultant to conduct a compliance review, to pay a penalty of $75,000 to the State of Virginia and to pay $25,000 to defray the costs of the investigation.

4. On November 5, 2020, without admitting or denying any findings, CSM consented to an order ("the Order") entered by the Securities and Exchange Commission relating to the SEC's share class disclosure initiative. The firm was found to have violated Sections 206(2) and 206(4) of the Investment Advisers Act of 1940 ("Advisers Act") and Rule 206(4)-7. CSM was ordered to cease and desist from violating Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, censured, required to pay a civil monetary penalty in the amount of $55,000 and pay disgorgement and prejudgment interest totaling $203,414. The Order also required CSM to agree to certain undertakings relating to mutual fund share class selection and 12b-1 fees, including reviewing and correcting relevant disclosure documents and evaluating and updating the firms' policies and procedures to prevent violations of the Advisers Act.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

FIRM REGISTRATIONS: In addition to CSM being a Registered Investment Adviser with the SEC and various state regulatory agencies, the Firm is registered as a FINRA member broker-dealer. CSM's principal business is that of a registered securities broker-dealer and it offers other products and services as well as investment advice. CSM's principal officers spend the majority of their time performing management activities in the broker-dealer part of the company. CSM's principals hold management positions in CSFG Insurance Agency, Inc., an insurance agency. CSFG Insurance Agency (CSFG) is a general insurance agency, which is licensed to sell certain insurance and annuity products. Through the financial professionals of its broker-dealer affiliates, CSFG provides product and marketing support for a broad range of insurance products, principally fixed and variable annuities, life insurance, disability insurance and long-term care coverage. Your IAR has a financial incentive to recommend brokerage and insurance services to you through these affiliated entities.

CSM's client base is composed of individuals, pension and profit-sharing plans, trusts, estates, and corporations. Each advisory client receives a monthly statement if there is activity and a quarterly statement, for all accounts maintaining a balance above zero dollars.

IARs involved in determining or giving investment advice or selecting portfolio managers must have passed the FINRA Series 7 or 6 and 66 or the Series 65 tests. For the full background of your specific IAR or a portfolio manager, please see the Form ADV Part 2B.

CSM in its capacity as a registered broker-dealer receives selling commissions for effecting agency and "riskless" principal transactions with people who may be advisory clients. CSM's officers' directors, stockholders, employees, and members of their families may at times have a position in securities recommended. We permit our IARs to engage in outside business activities, upon firm approval, where outside compensation may be received. Some IARs are accountants, real estate agents, insurance agents, tax preparers, or lawyers and some IARs refer customers to other service providers and receive referral fees. As an example, an IAR could sell insurance through a separate business. An IAR may earn compensation, benefits, and non-cash compensation through a third-party insurance agency and may have an incentive to recommend you purchase insurance products away from CSM. If you engage with an IAR for servicesseparate from CSM, you should discuss with your IAR any questions that you have about the separate and/or additional compensation they receive from the outside services. You are under no obligation to do business through an IAR's outside business.

When an IAR joins us, they may also receive compensation in connection with joining our firm. This may include an upfront payment and additional compensation based on the growth in total assets they manage. This creates incentives for IARs to encourage you to move your assets to CSM.

IAR Certifications and Professional Designations. The ability to provide financial advice and conduct sales activities in the securities and insurance industries requires registration with a regulatory body. Conversely, professional designations are generally administered by an issuing organization (independent from us) that determines the criteria needed to earn the designation. Some designations involve fairly rigorous standards to earn and maintain the designation, allow investors to verify the status of individuals claiming to hold that designation, and a few even have a formal disciplinary process. Other designations may have less rigorous requirements. If your IAR holds out a designation, you should discuss with your IAR the meaning of such designation.

MANAGEMENT PERSONNEL REGISTRATIONS: While CSM and the Firm's personnel endeavor at all times to put the interest of our clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation by CSM and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. CSM endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- We disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and,
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

CODE OF ETHICS, INTERESTS IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CSM has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees and affiliates, including compliance with applicable federal securities laws. The Firm and our personnel owe a duty of loyalty, fairness and good faith towards our clients and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code. Those provisions are as follows:

- Our Code of Ethics requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initialpublic offering. Our code also provides for oversight, enforcement and recordkeeping provisions.
- CSM's Code of Ethics further includes the Firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in apersonal or professional capacity.
- A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to khallberg@capitolsecurities.com, or by calling us at 804.612.9700.
- CSM and individuals associated with our firm are prohibited from engaging in principal transactions.
- CSM's policy and practice is to not engage in agency cross transactions in advisory accounts. An agency cross transaction is a transaction in which CSM acts as an investment adviser and broker-dealer for an advisory client and another person on the other side of the transaction.
- Our Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.
- Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different fromthose recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) whichmay also be recommended to a client.
- It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

- No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
- No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
- It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
- Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
- We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
- We have established procedures for the maintenance of all required books and records.
- All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
- We have established policies requiring the reporting of Code of Ethics violations to our senior management.
- Any individual who violates any of the above restrictions may be subject to termination.

REVIEW OF ACCOUNTS

Reviews: While the underlying securities within the Advisory Services accounts are continually monitored, these accounts are reviewed periodically. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts may be reviewed by compliance personnel, designated supervisors, or the IARs.

Reports: In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their broker-dealer, CSM may provide quarterly reports summarizing account performance, balances and holdings if requested by the client.

Since investment goals and financial circumstances change over time, clients should review their investments at least annually with their IAR. Clients are under no obligation to employ a particular product, advisory service or investment strategy.

CLIENT REFERRALS AND OTHER COMPENSATION

From time to time, our Firm and our financial advisors receive from unaffiliated third parties client referrals in exchange for compensation to that third-party (each a "referral arrangement"). Any referral arrangement entered into by our Firm for the solicitation of advisory clients by a third-party that constitutes a "testimonial" or "endorsement" are in accordance with Rule 206(4)-3 1 under the Advisers Act (the SEC's new "Marketing Rule"). Under a referral agreement, a solicitor or "promoter" will receive compensation in the form of a flat fee or as a percentage of advisory fees received by the Firm from the referred client. The details of the particular referral arrangement and a description of the compensation paid to the solicitor will be disclosed to each referred client through a separate written disclosure.

FINANCIAL INFORMATION

CSM has no additional financial circumstances to report. Under no circumstances do we require or solicit payment of fees in excess of $1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. CSM has not been the subject of a bankruptcy petition during the past ten years.

IMPORTANT DISCLOSURE NOTICES

Schedule of Fees

To view a listing of our fees associated with administrative account costs, visit: capitolsecurities.com/client-account-fees-and-charges

Privacy Policy

The Securities and Exchange Commission has adopted enhanced customer privacy rules regarding security and sharing of nonpublic personal and account information of clients. These rules primarily are directed at banks and insurance companies but apply to all financial institutions. As part of these regulations, we are required to issue a "Customer Privacy Notice", discussing information collected from our clients and our procedures on how to best protect that information.

Information Collected- We collect nonpublic personal information about you including, but not limited to, your name, address, social security number, employment, age, marital status, income, net worth, security transactions, interest and dividend payments, money movements, and associated tax reporting information for transactions performed through Capitol Securities Management, Inc. We collect this information through account applications and associated forms, transactions in your account, connections with our website, email communications, and other correspondence.

Safeguarding Your Information- We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic information.

Shared Information- We limit access to nonpublic information about you to only those who need to know that information to provide products and services to you. Capitol Securities utilizes the trade clearing and custody services of Raymond James & Associates, Inc. And Interactive Brokers. Raymond James and Interactive Brokers are responsible for issuing their own privacy statement to be supplied to each customer in addition to this disclosure.

Questions – A full set of detailed procedures regarding customer privacy is available for inspection upon your request. If you have any questions, please contact our Compliance Department at 804.612.9700.

Business Continuity Disclosure

Capitol Securities Management, Inc., has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our business continuity plan.

Contacting Us- If, after a significant business disruption, you cannot contact us as you usually do at 703.821.2010, you should call our alternative number 804.612.9700, or go to our website at capitolsecurities.com. If you cannot access us through either of those means, you should contact our clearing firm, Raymond James & Associates, Inc., at 800.647.7378, or go to their website raymondjames.com. Raymond James will provide you with instructions on how they may assist you with the following: Account balances; Order entry (liquidations only); Fund transfers; Account transfers; Account activity; Tax information and documents; statements and checking requests. You can contact our clearing firm, Interactive Brokers, at 1.877.442.2757 , or go to their website at interactivebrokers.com.

Our Business Continuity Plan- We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our customers to transact business. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

Our business continuity plan addresses: data back-up and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank, and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business. Our clearing firms, Raymond James and Interactive Brokers, back up our important records in geographically separate areas. While every emergency poses unique problems based on external factors, such as time of day and the severity of the disruption, our clearing firms have advised us that its objective is to restore their own operations and be able to complete existing transactions and accept new transactions and payments as soon as practically possible. Your orders and requests for funds and securities could be delayed during this period.

Varying Disruptions- Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to a local site when needed and expect to recover and resume business within one (1) hour. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area and recover and resume business within two (2) hours. In either situation, we plan to continue in business and notify you through our website www.capitolsecurities.com or our customer emergency number, 617-897-8500 how to contact us. If the significant business disruption is so severe that it prevents us from remaining in business, we will ensure our customer's prompt access to their funds and securities.

For more information- If you have questions about our business continuity planning, you can contact us at 703.821.2010.

FORM CRS (Client Relationship Summary)

For additional information about our brokerage and advisory services (including what services are available through Capitol Securities Management, fees, charges, and potential conflicts of interest associated with certain types of accounts), please review Form CRS at capitolsecurities.com/regulatory-disclosures ask your IAR, or call us at 804-612-9700.