

Relationship Summary (Form CRS)

Date: October 28, 2021

Item 1. Introduction

Who we are: CapFinancial Securities, LLC (“CFS”) is an independent broker dealer registered with the US Securities & Exchange Commission under The Securities Exchange Act of 1934 and with FINRA (the Financial Industry Regulatory Authority). We provide brokerage accounts and services to clients of CAPTRUST only. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. There are some suggested questions on the bottom of this page.

Is a Brokerage Account Right for You? There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. You may independently research CFS and other financial professionals using free and simple tools at (www.investor.gov/CRS), which provides educational materials about broker-dealers, investment advisers, and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me?

CFS provides a limited number of brokerage services to clients of CAPTRUST who are also *retail investors*. If your CAPTRUST Financial Advisor is also a registered representative of CFS, your Financial Advisor can offer recommendations on the purchase or sale of mutual funds, variable annuities, insurance and/or limited number of private investments but you make the final investment decisions.

Account Monitoring & Communication: CFS does not offer ongoing account monitoring services like you would get under an investment advisory agreement. Your Financial Advisor may review your account holdings and may or may not make recommendations based upon those reviews. However, this is not considered an account *monitoring* service. CFS is not required to monitor your portfolio or investments on an ongoing basis.

Account Minimums: CFS does not impose minimums on account size, but some investments require minimums.

Limitations on Investment Offerings: CFS recommendations are limited to mutual funds, variable annuities/insurance and private investments such as private placement securities and/or nontraded Real Estate Investment Trusts. Additionally, CFS does not offer or make recommendations on *all mutual funds* or make available *all share classes* of mutual funds offered.

Affiliate Services: CFS has an affiliated registered investment adviser, CapFinancial Partners, LLC (CAPTRUST) that provides investment advisory services, separate and apart from CFS brokerage services described here.

For additional information about CFS brokerage services or CAPTRUST’s advisory services please contact compliance@captrust.com.

Conversation Starters: It is important that you understand whether these services are right for you. Please ask your CFS Financial Advisor these key questions about our different investment advisory services:

- 1) Given my financial situation, should I choose a brokerage account? Why or Why not?
- 2) How will you choose investments to recommend to me?
- 3) What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

Click here for an [explanation of various credentials](https://www.captrust.com/wp-content/uploads/2019/09/Professional-Certification-Designations.pdf) or go to <https://www.captrust.com/wp-content/uploads/2019/09/Professional-Certification-Designations.pdf>

Item 3. Fees, Costs, Conflicts and Standard of Conduct

What fees will I pay? Transaction-based fees. You will pay us a fee every time you buy or sell an investment. This fee, commonly referred to as a commission, is based on the specific transaction and *not the value of your account*. With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “*mark-up*” or “*mark down*”).

Some investments (for example, mutual funds and variable annuities or variable insurance) carry “loads” and/or additional fees that will reduce the value of your investments. You could be required to pay fees when certain investments are sold such as surrender charges for selling variable annuities or certain mutual fund share classes. CFS can earn (a) commissions; (b) upfront fees that you pay to a mutual fund or other product issuer such as an insurance company; (c) servicing fees which are ongoing fees that you pay to a mutual fund or other product issuer, a portion of which is paid to us in connection with your fund account or account balance or (d) other fee sharing in connection with a securities transaction.

Fees/transaction charges differ from one product to another which creates an incentive to recommend products that have higher transaction fees or charges. Depending upon the type of brokerage account, you may also incur periodic account maintenance or IRA custodial fees, as well as processing, service, and account fees upon certain events or occurrences. These types of fees are charged by your account custodian and we do not share in those types of fees. You will incur interest charges if you borrow on margin using a securities-based loan in any of your accounts. Certain investments, such as mutual funds, have embedded fees that are generally paid by you to the companies that sponsor, manage, and/or promote the investment and CFS can share in those fees.

You will pay fees and costs whether you make or lose money on your investments and fees and costs will reduce any amount of money you make on your investments over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay. You may also email compliance@captrust.com with any questions about types of accounts or fees you may be paying.

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

What are your legal obligations to me when providing recommendations? We must abide by certain laws and regulations in our interactions with you. As a broker dealer, we must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. However, **our interests can conflict with your interests:** when we provide recommendations, we must eliminate these conflicts or tell you about them and in some cases reduce them. You should understand and ask about these conflicts because they can affect the recommendations we make.

Here are some of the ways we make money

Third Party Payments: CFS registered representatives can earn commissions on mutual fund and variable annuities and life insurance products.

Revenue Sharing Arrangements: some independent third-party investment managers pay CFS a portion of their management fee to provide shareholder servicing.

Conversation Starter: "How might your conflicts of interest affect me and how will you address them?"

Please email compliance@captrust.com for more info on fees or conflicts. See also [Important Disclosures \(https://www.captrust.com/important-disclosures/\)](https://www.captrust.com/important-disclosures/).

How do your financial professionals make money?

CFS registered representatives can earn commissions on mutual fund, annuities or insurance products or private investments placements. (i.e., differential compensation) when appointed by the client as agent or broker of record. They are not permitted to accept noncash compensation from any product provider.

Item 4. Disciplinary History

Do you or your financial professionals have legal or disciplinary history? Yes. You are encouraged to please visit www.investor.gov/CRS for a free and simple search tool to research CFS and/or our financial professionals.

Conversation Starter: 1) "As a financial professional, do you have any disciplinary history? For what type of conduct?"

Item 5. Additional Information

You may find important information about CFS at [Important Disclosures](https://www.investor.gov/CRS) or you may contact CFS Compliance by emailing compliance@captrust.com to request a complete or updated copy of this Relationship Summary **free of charge.**

You may call compliance toll-free at (800) 216-0645 or email compliance@captrust.com.

Conversation Starter: 1) *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*