

**Part 2A of Form ADV: Firm Brochure**

**Capstone Wealth Management Group, LLC**

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07/11/2025

This brochure provides information about the qualifications and business practices of Capstone Wealth Management Group, LLC. If you have any questions about the contents of this brochure, please contact us at 541-330-0266 or [kevin@capstonewmg.com](mailto:kevin@capstonewmg.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Capstone Wealth Management Group, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

You can search this site by a unique identifying number, known as a CRD number. Our firm's **CRD number is 128097**.

Please note that the term "Registered Investment Advisor" does not imply a certain level of skill or training.

## **Item 2      Material Changes**

This Firm Brochure dated 07/11/2025, provides you with a summary of Capstone Wealth Management Group, LLC's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information. We will revise based on the nature of the information as follows.

1      Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with our revised Brochure that will include a summary of those changes in this Item.

2      Material Changes: Should a material change in our operations occur, depending on its nature, we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

**The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 03/30/2025: None**

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## **Item 4      Advisory Business**

Capstone Wealth Management Group, LLC is an SEC-registered investment adviser with its principal place of business located in Oregon. The Firm is registered with the SEC, but this should not be interpreted as an endorsement by the SEC, nor indicate any level of expertise.

Capstone Wealth Management Group, LLC has been conducting business since 2003. Our firm is a limited liability company formed in the State of Oregon. Our firm has been a registered investment adviser since 2003 and is owned by James Michael Conrads.

Capstone Wealth Management Group, LLC offers the following advisory services to our clients:

### **INDIVIDUAL PORTFOLIO MANAGEMENT**

Our Individual Portfolio Management service provides asset management to clients. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage portfolios using stocks, bonds, money markets, US Treasuries, Exchange Traded funds (ETF's), mutual funds, or other securities.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives in the Investment Advisory Agreement, (i.e., Aggressive, Equity Tilted, Balanced, Conservative, or Capital Preservation), and tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. We propose an investment portfolio to match the risk tolerance agreed upon in the signed Investment Advisory Agreement.

We review all accounts regularly. Accounts are reviewed quarterly, at a minimum . We will periodically rebalance or adjust client accounts under management. The client must notify us of any significant changes to their financial or personal circumstance so that we consider such information in managing the client's investment.

### **Third Party Money Manager**

Some clients have assets in a Third-Party Money Manager program that is managed by AssetMark, Inc. Like our Individual Portfolio accounts, our wrap fee accounts are managed based on the client's investment objectives, financial goals and risk tolerance. We do not manage the account's investment holdings but review the holdings and asset allocation selected by the AssetMark manager of the portfolio to help ensure that it accurately reflects the client's objectives, goals, and risk tolerance. Capstone is not offering the Third-Party Money Manager to new or existing clients.

## FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information, and analysis are considered, as they impact the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all the following areas:

- ☑ PERSONAL: We review family records, budgeting, personal liability, estate information and financial goals.
- ☑ TAX & CASH FLOW: We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- ☑ INVESTMENTS: We analyze investment alternatives and their effect on the client's portfolio.
- ☑ INSURANCE: We review your current insurance coverages to ensure adequate coverage for risk management.
- ☑ RETIREMENT: We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- ☑ DEATH & DISABILITY: We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- ☑ ESTATE: We assist the client in assessing and identifying the potential need of living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

Capstone Wealth Management Group LLC does not provide legal advice.

We gather required information through in-depth personal interviews. The information gathered includes the client's current financial status, tax status, future goals, returns, objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion. Typically, the financial plan is presented to the client in a timely fashion after the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## AMOUNT OF MANAGED ASSETS

As of 3/21/2025, we were actively managing \$197,117,508 of clients' assets on a discretionary basis plus \$35,935,161 of clients' assets on a non-discretionary basis. Included in the non-discretionary total is \$1,079,032 of clients' assets that is overseen by the Investment Representative of Capstone Wealth Management Group, LLC and managed by AssetMark, Inc., a third-party money manager.

### Item 5 Fees and Compensation

Our annual fees for Individual Portfolio Management and Third Party Money Manager accounts are based upon a percentage of assets under management and generally range from **0.65%** to **1.50%**. Fees are generally not negotiable.

Fees cover all transaction costs including trading fees and account annual retirement fees. In addition to the investment advisory fee, when mutual funds are implemented, accounts will incur other charges including 12b (1) fees and other mutual fund annual expenses described in the fund's prospectus. Exchange Traded Funds (ETF's) will also charge an annual expense or other fee listed in the ETF's prospectus. Capstone Wealth Management Group does not receive any compensation from ETF's or mutual funds, including 12b (1) fees. These fees will always be disclosed prior to any investment prior to implementation. We will not invest in mutual funds that are "No Transaction Fees", as they are more expensive to the Investor.

Annualized Fees:

From	To	Per Year
Up to	\$250,000	1.5%
\$250,001	\$500,000	1.25%
\$500,001	\$1,000,000	1.0%
\$1,000,001	\$2,000,000	0.75%
\$2,000,001	\$5,000,000	0.65%
Above	\$5,000,000	Negotiable

Annualized fees are calculated at a family or company level so all assets in that group are aggregated for purposes of determining total Assets under Management for fee calculation. The aggregate total determines the "flat" fee in the above schedule. Example, if the accounts total \$500,000, that total pays the 1.0% fee. We do not use a "tiered" fee schedule.

An Advisors' family may be charged a lower fee than listed on the fee schedule. This is up to the

discretion of the Advisor and implemented only after approval by the Principal and/or the Chief Compliance Officer.

Additionally, Capstone may charge a different fee based on a case-by-case analysis due to extenuating circumstances of the client. This decision is at the sole discretion of Capstone.

**Fees are billed on a quarterly basis and are paid in advance based on the value of the account on the last day of the previous quarter. Fees are automatically deducted from the account (the client can consolidate the fee billing into one account). The fees will be included in the statements sent by Pershing, LLC, the custodian, on a quarterly basis.**

### **Financial Planning**

Capstone Wealth Management Group LLC's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to signing a contract with the client. Fees are calculated in two ways.

One, our Financial Planning fees are calculated and charged on an hourly basis, ranging from **\$150 to \$250** per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

Or two, our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from **\$500 to \$5,000**, depending on the specific arrangement made with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$500 for work that will not be completed within six months. The balance is due upon completion of the plan.

***Financial Planning Fee Offset:*** Capstone Wealth Management Group LLC reserves the discretion to reduce or waive the hourly fee and/or the minimum fixed fee if a financial planning client chooses to engage us for our Portfolio Management Services.

The client is billed upon presentation of the plan for any remainder after deducting any retainer fees.

### **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** A client agreement may be cancelled at any time, by either party, for any reason, upon receipt of **30** days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded once the assets are no longer the responsibility of Capstone and have been transferred by our custodian. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

***Mutual Fund Fees:*** All fees paid to Capstone Wealth Management Group LLC 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 or ETF's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or ETF 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 funds, or ETF,s are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds/ETF's 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.

**Third Party Manager Programs:** Clients participating in third party manager programs will be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. 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.

**ERISA Accounts:** Capstone Wealth Management Group LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) 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 Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Capstone Wealth Management Group LLC 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.

**Advisory Fees in General:** Clients should note that similar advisory services may be available from other registered (or unregistered) investment advisers for similar or lower fees.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Capstone Wealth Management Group, LLC does not charge performance-based fees.

## **Item 7 Types of Clients**

Capstone Wealth Management Group, LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals

- Corporations or other businesses not listed above
- Retirement accounts

## **Item 8      Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

***Fundamental Analysis.*** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

***Technical Analysis.*** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

***Asset Allocation.*** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, alternative investments, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, alternative investments, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

***Mutual Fund and/or ETF Analysis.*** We look at the experience and track record of the manager of the mutual fund or ETF to determine if that manager has demonstrated an ability to invest over time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF to determine if there is significant overlap in the underlying investments held in other asset(s) in the client's portfolio. We also

monitor the funds or ETFs to determine if they are continuing to follow their stated investment strategy.

A risk of mutual funds and/or ETFs analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

***Third-Party Money Manager Analysis.*** We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers to determine if that manager has demonstrated an ability to invest over time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentration and leverage as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we survey the manager's compliance and business enterprise risks, along with any management changes.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies, and management changes.

***Risks for all forms of analysis.*** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**Clients should know that investing in securities of any type involves risk of loss of principal that clients should be prepared to undertake.**

## ***INVESTMENT STRATEGIES***

Our investment strategy is to develop a diversified portfolio that is customized for each client based on their investment objectives, risk tolerance and tax situation. The portfolios primarily use individual stocks, ETF's and mutual funds, but occasionally add individual bonds.

We use independent research from Litman Gregory, Morningstar, Investech and others in developing model portfolio asset allocation and investments. The asset allocation is diversified in multiple asset classes including:

- US Large Cap Equity
- Us Small Cap Equity
- International Equity
- Emerging Market Equity
- Equity Sector Funds
- US Government Bonds
- Municipal Bonds
- Corporate Bonds
- High Yield Bonds
- Convertible Bonds
- Foreign Bonds
- Emerging Market Bonds
- Real Estate
- Preferred Stock
- Commodities
- Alternative Investments
- Managed Futures

We will adjust asset allocation based on changing economic conditions and relative valuation of the individual asset class.

### **Item 9 Disciplinary Information**

We are 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.

Our firm has no reportable disciplinary events to disclose. None of the five Advisers who provide investment advice have any events to disclose. One licensed Adviser does not give investment advice, as he is a CPA, and that is his sole source of income.

### **Item 10 Other Financial Industry Activities and Affiliations**

Our firm and related persons are not engaged in other financial industry activities except for Devon

Gaines, who own Devon Gaines CPA, which shares the office space with us. Devon Gaines does not participate in Capstone's activities nor gives investment advice. He is licensed with the SEC under Capstone to acknowledge he and his firm will abide by the laws that Capstone is subject to.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Capstone Wealth Management Group LLC 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.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports for access persons. Our Code of Ethics also requires the prior approval of any acquisition of securities in an IPO or limited offering (e.g., private placement). Our code also provides for oversight, enforcement and recordkeeping provisions. Management oversees all the activity by the staff and pre-approves the staff's trades, ensuring clients' trades are executed first. All staffs accounts are always held by the custodian and always available for review by the Firm.

Capstone Wealth Management Group LLC'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 access to non-public information, all employees are reminded that such information may not be used in a personal 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 [kevin@capstonewmg.com](mailto:kevin@capstonewmg.com), or by calling us at 541-330-0266.

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 will buy or sell for their personal accounts, at or about the same time, securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may 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. Employees will only buy or sell the same securities as clients at the same time, or after all client transactions have been submitted.

Capstone does not aggregate trades, nor allocate trades for clients.

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. This helps 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:

- 1 No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
- 2 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 because of his or her employment unless the information is also available to the investing public.
- 3 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.
- 4 Our firm requires prior approval for any IPO or private placement investments by related people of the firm.
- 5 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.
- 6 We have established procedures for the maintenance of all required books and records.
- 7 Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
- 8 All our staff, including principals, Advisers, and employees, must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 9 We require yearly delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of any Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

All assets with Pershing Advisor Solutions, LLC, use Pershing, LLC as the Custodian, which clears transactions for Pershing Advisor Solutions, LLC. Pershing LLC is the Custodian and holds all the assets in your accounts.

Pershing, LLC is a subsidiary of the Bank of New York.

Capstone selected Pershing, LLC as the custodian based on the following factors:

- Breadth of services offered vs other custodians
- Speed and accuracy of transactions execution
- Quality of service provided by the custodian vs other options
- Competitive “sweep” options for cash management
- All reports to clients are delivered in a timely and accurate manner.

Capstone Wealth Management Group LLC does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

As a matter of practice, Capstone Wealth Management Group LLC does not block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

## **Item 13      Review of Accounts**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. 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.

The accounts are reviewed by each Investment Advisor Representative, who is responsible for their client base. Trade and account performance is also audited by Kevin Serrapede, Chief Compliance Officer.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from the custodian, we provide Capstone's reports summarizing account performance, balances and holdings, annually, at a minimum. More frequent reports ( in meetings, or quarterly, for example) are more common. The delivery of Capstone's reports reflects the client's preferences as expressed to their Advisor.

### **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

## **Item 14 Client Referrals and Other Compensation**

It is Capstone Wealth Management Group LLC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Capstone Wealth Management Group LLC's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. Since we deduct fees directly from your account, this does constitute a "limited right" to "actual or constructive" custody. We possess no other rights beyond this "limited right". The custodian is aware of this limitation and has protocols to protect custody of your account.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Since the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement. Capstone performs a quarterly audit of the fees after they are withdrawn from accounts. In addition, each Advisor reviews the fees prior to the submission of the fees to Pershing, LLC, the custodian.

In addition to the periodic statements that clients receive directly from their custodians, we also send account performance reports directly to our clients on a regular basis. The performance reports are produced by AssetBook, who receive the data directly from Pershing, LLC, and reconcile the data daily. **We urge our clients to carefully compare the information provided in these statements to ensure that all account transactions, holdings, and values are correct and current.**

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- ☐ determine the security to buy or sell; and/or
- ☐ determine the amount of the security to buy or sell.

Clients give us discretionary authority when they sign a discretionary agreement with our firm and may limit

this authority by giving us written instructions. Clients may also change/amend such limitations by providing us with written instructions.

### **Third Party Money Manager Program**

As previously disclosed in **Item 4** of this brochure, with third party money managers, we do not "manage" client portfolios in the traditional sense of the definition, rather Capstone Wealth Management Group LLC manages the managers of client portfolios within this program. Accordingly, clients participating in this program grant us authority to hire and fire the selected asset manager(s) managing client accounts.

Clients give us the authority for selecting managers when they sign a discretionary agreement with the Third-Party Money Manager's Investment Advisory Agreement and may limit this authority by amending the Investment Advisory Agreement.

Capstone is not directing any other accounts to the existing or a different Third Party Money Manager, as these assets were transferred in 2007 from AssetMark.

### **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the way proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We will provide clients with assistance in obtaining information about the proxy issues if you contact your Adviser with questions.

### **Item 18 Financial Information**

Under no circumstances do we require or solicit a fee payment of more than \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Capstone Wealth Management Group LLC has no additional financial circumstances to report.

Capstone Wealth Management Group LLC has not been the subject of a bankruptcy petition at any time since its inception in 2003.