

Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing

The **fees** associated with *brokerage services* and *investment advisory services* **differ**. It is important for you, the retail investor, to understand the differences.

### ***What investment services and advice can you provide me?***

#### *Investment Management Services*

- We offer you, as a *retail investor*, *Investment Management Services*. For this service, you will pay an on-going **asset-based fee** at the end of each quarter for our services, based on the value of the cash and investments in your advisory account.
- We will discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account(s). All aspects of financial planning (retirement projections, Social Security planning, college funding strategies) are all included in the investment management fee.
- We will meet with you in person at least annually to discuss your portfolio and address any questions or concerns you have or we have.
- We will review your portfolio at least monthly, more as the markets dictate.
- Your investment account(s) with us will allow us to buy and sell investments for you without asking you in advance (a "**discretionary account**").
- To use our Investment Management services, you must have a minimum of \$500,000 of investable assets, or are working towards that minimum. In some cases, we will wave that minimum.
- Our investment advice will cover a limited selection of investment vehicles, namely: stocks, exchange-traded funds, mutual funds, and closed-end funds, all of which are traded on major stock exchanges and none of which are proprietary. We also offer individual bonds, which are not traded on exchanges, but rather purchased using sales brokers.

#### *Hourly Financial Planning Services*

- If you are not interested in our Investment Management services or do not meet our minimums, we offer hourly ad hoc financial planning. Examples of this work are retirement projections, investment portfolio reviews, college funding plans, etc.
- This relationship is dictated entirely by you. We will NOT monitor any aspect of the work we perform for you once we have had the final meeting to discuss the work product.

### ***ASK US:***

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

### ***What fees will I pay?***

*You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.*

- The fees paid by you to us for ad hoc financial planning work is a fixed hourly rate of \$215 per hour. We will present you with an estimate once we have agreed on the scope of the project.
- The fees paid by you to us for managing your assets are a fixed formula: 1.00% on the first \$1,000,000; 0.75% on the next \$1,000,000; 0.50% on the next \$4,000,000; and 0.40% on the assets above \$6,000,000. One quarter of these fees are paid to us at the end of each calendar quarter.



## Capital Financial Advisors of New York, LLC, a Registered Investment Advisor

Registered with the Securities and Exchange Commission

- The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if we do not buy or sell investments in your accounts.
- The amount paid to our firm does not vary based on the type of investments we select on your behalf. It is based on the total value of your assets that we are managing when the quarter ends. The fee reduces the value of your account and will be deducted from your account.
- Some investments (such as mutual funds) impose additional fees, called “Expense Ratios.” Expense ratios are paid to the mutual fund managers or ETF managers for their work in choosing which stocks to hold within the funds. You will pay this fee even if you manage your own investments. We do not benefit from Expense Ratios, and work on your behalf to minimize them.
- The custodian we would use to hold your assets is TD Ameritrade. They do not charge an annual fee for an account, but they do charge up to \$24 to buy certain mutual funds. Again, we do not benefit from these fees, and work on your behalf to minimize them.
- You will pay a fixed transaction fee of \$25 when we buy a bond for you. Included in the price of the bond is also a small commission paid to the bond broker. We receive no additional compensation.

***What are your legal obligations to me when acting as my investment adviser?***

***How else does your firm make money and what conflicts of interest do you have?***

- We are fiduciaries. When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you.

Here are some **examples** to help you understand what this means:

- We benefit anytime you add to the investments we manage. This includes rolling over an account invested elsewhere that may have lower fees.
- We also benefit by you keeping your investments with us, rather than moving to investments we can't manage. For example, it would benefit us for you to get a mortgage to buy a house, rather than take money out of your investments to pay for the house.

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

***How do your financial professional make money?***

- Our professionals are compensated only by the fees you, our retail investors, pay us as previously described.

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

- No, we have had no legal or disciplinary events.

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

Visit [Investor.gov/CRS](http://Investor.gov/CRS) free and simple search tool to research us and other financial professionals.

***Additional Information:***

Please review our website: [cfany.com](http://cfany.com), or call our office at (518)280-0030 for more information, including the most up-to-date Relationship Summary and Firm Brochure.

**ASK US:** Who is my primary contact person? Is he or she a representative of an investment adviser?

Who can I talk to if I have concerns about how this person is treating me?