



8053 XERXES AV S. ■ BLOOMINGTON, MN 55431 ■ 952.926-3000 ■ Toll Free: 866.926.3022 ■ www.capstratcorp.com ■ e-mail: capstrat@comcast.net

Capital Strategies Financial Corporation

8053 Xerxes Avenue S.
Bloomington, Minnesota 55431
Telephone: 952-926-3000
Toll Free: 866-926-3022

Website: www.capstratcorp.com
Email: capstrat@comcast.net

March 31, 2011

This brochure provides information about the qualifications and business practices of Capital Strategies Financial Corporation. If you have any questions about the contents of this brochure, please contact us at 952-926-3000 or www.capstratcorp.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 Capital Strategies Financial Corporation also is available on the SEC's website at www.adviserinfo.sec.gov.

Summary of Material Changes

There have been no material changes since the October 2010 Brochure.

Table of Contents

Advisory Business	4
Fees and Compensation	6
Performance-Based Fees and Side-By-Side Management.....	7
Types of Clients	7
Methods of Analysis, Investment Strategies, and Risk of Loss	8
Disciplinary Information.....	8
Other Financial Industry Activities and Affiliations.....	8
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	10
Brokerage Practices.....	11
Review of Accounts.....	14
Client Referrals and Other Compensation.....	14
Custody	14
Investment Discretion.....	14
Voting Client Securities	15
Financial Information.....	15
Form ADV Part 2b for Each Supervised Person	16

Item 4: Advisory Business

Capital Strategies Financial Corporation (“Capital Strategies”), Owned by Eric Graber, Providing Financial Services Since 1981

As Financial Advisors we believe there are three things we must do for our Clients: Earn their Trust, Prove our Competence and Align Performance & Risk with their Financial Goals and Risk Comfort Level.

CAPITAL STRATEGIES provides fee-only investment management, financial planning and consulting services to individuals, professionals and business owners. We utilize a team approach in analyzing and planning a client’s investment portfolio, financial & estate plan, cash flow, income taxes, and retirement.

OUR GOAL is to provide our clients with the appropriate investment management & financial planning services to help them achieve their lifetime financial goals through growth and preservations of their assets.

OUR MISSION is to work on a partnership basis with our clients to identify and help them achieve their lifetime financial goals through objective financial planning and investment management. We focus on helping our clients build, manage and preserve their assets. We put our clients’ interest first, act with integrity, and strive for excellence in every area of our practice. We believe that our success is not measured by performance statistics but rather by our clients’ success in achieving their goals.

OUR CLIENTS are individuals, professionals and business owners who expect excellence and have achieved it for themselves. Our clients have no desire to manage their investment and financial affairs on a daily basis. They want to simplify their financial lives by developing a long-term professional relationship with a financial advisor with whom they can develop both trust and confidence to help them achieve their financial goals.

We believe in full disclosure of our compensation to our clients which we believe is unusual in our industry. We know that with full knowledge and understanding of all transaction costs our clients can make better informed financial decisions as well as having confidence in our recommendations. We feel that this helps separate our advice from the vast majority of others in the industry.

CAPITAL STRATEGIES PROVIDES FINANCIAL NAVIGATION FOR OUR CLIENTS IN THE FOLLOWING AREAS:

ASSET MANAGEMENT: *“We steer our clients towards appropriate risk to help them achieve reasonable investment returns.”*

We strive to know our clients on a personal basis to fully understand their financial objectives and risk tolerance. We then structure an investment strategy and investment portfolios to accomplish their financial goals. We believe that success can be measured by our clients' ability to sleep well at night regardless of the financial markets' gyrations. We believe in developing client specific investment strategies that emphasize a diversified asset allocation. The primary focus for our clients' investment portfolios is Capital Preservation with Growth a secondary, but important objective.

FINANCIAL PLANNING: *“We guide our clients in achieving financial stability.”*

Together, with our clients, we discover if they can weather a financial storm and help them build a financial lifeboat. As financial planners, our role is to assist our clients in determining if their resources are sufficient to meet their needs.

We believe in the financial planning process. This is the process of identifying our clients' goals, gathering and reviewing their financial data, then designing and implementing a financial plan to help them reach their financial goals. Once the client's plan is in place, it needs to be monitored, reviewed and updated to meet the ever-changing dynamics of the client's life. We understand that not everyone needs a written comprehensive financial and/or investment plan; however, we do believe that everyone can benefit from the financial-planning process.

RISK MANAGEMENT: *“We understand the financial devastation of losing a loved one.”*

We educate our clients about how life and disability insurance products work and how to protect themselves and their families. Unfortunately, most people buy life or disability insurance and don't really know if they've made a good economic decision. As a result, they often pay too much and don't know what they have!

Because we take an analytical approach toward the insurance industry, our clients understand the real economics and financial structure of these products before they purchase them. Principals of the firm may earn commissions from the sale of insurance products. As a fully-disclosed financial advisory firm, we openly explain all costs, fees and/or commissions for any insurance products prior to any transaction. If appropriate, we help our clients select and/or purchase insurance products either through our firm or through someone else.

Types of Investments

Capital Strategies typically provides investment advice on mutual fund shares, and ETFs (exchange-traded funds). Capital Strategies may also provide investment advice on exchange listed securities, securities traded over-the-counter, foreign issuers, certificates of deposit, securities option contracts, REITs (real estate investment trusts), oil and gas interests, and any type of investments held in a client's portfolio at the inception of the advisory relationship. Capital Strategies also provides reviews, analysis and advice on insurance products (including variable annuities and life insurance). This may not be an all-inclusive list.

General Information

All Asset Management Services may be provided on a discretionary or nondiscretionary basis by the Capital Strategies. Discretion means the trading activity within the Client's account(s) may be entered by the Capital Strategies without receiving prior authorization for each trade. This discretion is authorized by the Client in writing (upon signing the specific Asset Management Agreement) and may be revoked at any time by submitting a written request to the Capital Strategies. In most cases, discretion will be utilized. As of December 31, 2010, all of the Capital Strategies' clients are managed on a discretionary basis that totals \$86,105,312. The Client will receive confirmations and statements showing all trading activity in the account(s).

Item 5: Fees and Compensation

FEE SCHEDULE FOR OUR SERVICES

Investment Management

This fee-only service is for the ongoing active investment management services that we provide for our clients. This service is limited to clients with a minimum of \$1,000,000 of investment assets to be managed. This typically includes quarterly and annual reporting on the client's investment portfolio and asset allocation. All fees are based on the total assets under management at end of the proceeding quarter and billed quarterly in advance. Our Annual Asset Management Fees are 1.5% to \$500,000, 1.25% to \$2,500,000, 1% to \$5,000,000, .875% to \$10,000,000, .75% to \$15,000,000 and .65% thereafter. Fees may be negotiated by Capital Strategies or our clients.

Financial Planning

This fee-only service is designed to develop written strategic plans for solving financial problems and/or reaching specific goals depending on the client's needs. There is a one-time fee charged for this initial plan. This fee typically ranges from \$2,500 for an investment & financial plan and/or retirement review to \$10,000 or more for a comprehensive investment and & financial plan.

General Fee Information

Capital Strategies, in its sole discretion, may negotiate to waive its stated account minimum or to reduce/increase any fee. All such fees are payable in arrears upon completion of services rendered. Under no circumstances will Capital Strategies require prepayment of a fee more than six months in advance and in excess of \$1,200.

Asset management fees are typically deducted from clients' accounts at TD Ameritrade or occasionally billed directly to clients as fees are incurred. Clients may select either method. Capital Strategies bills for asset management fees Quarterly.

Financial and investment planning fees are billed to the client one-half in advance and with the remaining fee to be paid upon the completion of the financial and investment plan. Other fees paid by the client are mutual fund management fees which historically have averaged approximately one percent annually when considering a client portfolio inclusively. TD Ameritrade may charge the client a transaction fees for purchasing mutual funds, typically less than ten dollars. Almost all funds used in our client's portfolios are no-load mutual funds, rarely are any commissions paid. When commissions are paid, they are paid to TD Ameritrade and/or the mutual; fund company. No commissions are ever paid to Capital Strategies.

If any fees paid in advance by our clients such as financial and investment planning fees and if the client is dissatisfied with the plan any fees paid by the client for these services are fully refunded. When a client who has engaged Capital Strategies for asset management services upon giving Capital Strategies a written thirty days notice of cancelation of their investment advisory agreement they are entitled to a pro-rata refund from the date of the notice of cancelation for the period of services that the fees have been paid for in advance.

None of the Capital Strategies principals or any supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance-Based Fees and Side-By-Side Management

No Capital Strategies principal, supervised person or employee receives Performance-Based fees. Advice offered may involve investments in mutual funds. Clients are hereby advised that all fees paid for asset management services are separate and distinct from the fees and expenses charged by mutual funds (described in each mutual fund's prospectus) to their shareholders. Clients whose assets are invested in the shares of mutual funds pay with a direct management fee to the investment adviser and an indirect management fee through the mutual fund.

Item 7: Types of Clients

Capital Strategies clients are individuals, professional and business owners. Investment Management services and typically includes a minimum account size of \$1,000,000 while

Financial Planning services require a minimum fee of \$2,500. Capital Strategies, in its sole discretion, may negotiate to waive its stated account minimum or to reduce or increase any fee. All such fees are payable in arrears upon completion of services rendered. Under no circumstances will Capital Strategies require prepayment of a fee more than six months in advance and in excess of \$1,200.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss

Capital Strategies typically uses fundamental and technical analysis to assist with investment decisions. The main sources are websites, financial newspapers and magazines, research material prepared by others, annual reports, prospectuses, and SEC filings. The investment strategies used to implement advice include long and short-term purchases, margin transactions, and option writing, and including covered options or spreading strategies.

Additionally, Capital Strategies may use historical quantitative data on selected assets to determine probable risk/reward factors based on the client objectives and constraints. Capital Strategies may create a computerized portfolio model to assist in asset selection and performance analysis of varying relationships between asset classes.

Capital Strategies shall never have custody of any client funds or securities, as the services of a qualified and independent custodian will be utilized for these asset management services. Capital Strategies does not represent, warranty, or imply that the services or methods of analysis employed by Capital Strategies can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. Investing in securities involves a risk of loss that clients should be prepared to bear.

Each client should review the mutual fund prospectus for the specific risks related to each fund that is held in the client's account.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are related to the Capital Strategies' business or the integrity of Capital Strategies' management.

Item 10: Other Financial Industry Activities and Affiliations

No Capital Strategies' employee has a pending application to register as a registered representative, or as an associated person of a futures commission merchant, a commodity pool operator, or a commodity trading adviser. Capital Strategies does not have a pending application to register as a broker-dealer, a futures commission merchant, a commodity pool operator, or a commodity trading adviser.

Capital Strategies has arrangements that are material to its advisory business with non-related parties as listed below. Although these arrangements are considered material to its business they are not considered "related persons."

PRINCIPAL ADVISORS: All professional advisors or consultants for Capital Strategies who are directly responsible for client accounts are required to have a minimum of ten years of related experience in investments and financial planning and/or an advanced degree in economics, finance, accounting or law.

Eric C. Graber is the President of Capital Strategies Financial Corporation, which he founded in 1981. He has been in the investment business since 1977. He has specialized in financial and investment planning since 1979. Mr. Graber was a registered representative and principal in the securities industry for six years and as an independent investment advisor for over 28 years. He served in the U.S. Army attaining the rank of Captain, as an Engineer Branch Officer, and helicopter pilot. He attended the University of Minnesota.

Mark A. Carlton is an Investment Consultant to Capital Strategies. Mark has worked with Capital Strategies for over twenty years. He has been in the investment business as a securities principal and portfolio manager since 2000. He specializes in investment and economic analysis. Mark holds the designation of Chartered Financial Analyst (CFA) and has a Bachelor's degree from the University of Minnesota.

Timothy J. Goodyear, CFP, CTFA is a Financial Planning Consultant to Capital Strategies. He has worked with Capital Strategies for over ten years. He is a Certified Financial Planner (CFP) and Certified Trust & Financial Advisor (CTFA). He has a MBA in Finance from the University of Minnesota (1994) and a BS in Business Administration from the University of St. Thomas (1988).

Tim has been in the investment management and financial planning business since 1994 and in the financial services industry since 1987. He advises Capital Strategies clients to help them understand their financial goals and counsel them in the design, implementation and monitoring of their financial plans.

Susan G. Isaacson is a tax attorney and accountant specializing in financial and tax planning for high net worth clients from a tax, estate, legal, compensation and retirement perspective for The Johnston Group in Minneapolis. Sue has been a financial planning specialist and tax planning consultant to Capital Strategies for over twenty years. Sue has over 30 years of experience in income tax, estate tax, executive compensation planning and compliance. She has held positions as a Senior Tax Manager focusing on high net worth individual tax and financial services for a Big Four accounting firm, a regional accounting firm. She was also a manager in the personal financial planning department for physicians and executives at the Mayo Clinic Foundation in Rochester, MN. She has experience both as a Trust Officer and practicing Attorney. In addition to her individual clients, Sue has presented many seminars and workshops on estate, income tax, retirement and compensation planning.

Sue is a member of the American Institute of Certified Public Accountants, the Minnesota Society of Certified Public Accountants, The Financial Planning Association, The Minnesota State, Hennepin and Dakota County Bar Associations and Minnesota Women Lawyers.

EDUCATION & CERTIFICATIONS:

BS/BA: Accounting – University of Missouri

JD: University of Minnesota

LLM: William Mitchell College of Law

CPA: Certified Public Accountant – MN

CPA/PFS (Personal Financial Specialist)

CFP: Certified Financial Planner

Douglas K. Flink is an Insurance Consultant to Capital Strategies. He is a Principal and Partner with Foster Klima & Company, LLC. He specializes in the design and analysis of life insurance products to provide specific solutions for individuals and corporations. Mr. Flink has extensive experience in structuring solutions for estate and business planning needs. He has a Bachelor's degree from Concordia College and is a Chartered Life Underwriter (CLU) & Chartered Financial Consultant (ChFC). Doug has worked with Capital Strategies for over seventeen years.

STRATEGIC ALLIANCES: We have developed working relationships with a select number of professional advisors in related fields for the benefit of our clients. The professional advisors we have chosen are individuals and/or firms that we have known and worked with previously. They have a history of proven competence and specific expertise related to our clients' needs. We have found that our clients appreciate referrals to other professionals that we trust and respect. It is one of the intangible, but important services that we feel we provide for our clients.

We also have relationships with attorneys who specialize in estate planning and accountants whose focus is working with clients like ours. These firms specialize in working with high-net-worth individuals and closely held businesses. When appropriate, we are happy to share these professional relationships with our clients. No compensation is paid between any of the firms involved in our "Strategic Alliance" relationships for the referral of clients.

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

Capital Strategies and persons associated with Capital Strategies ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with Capital Strategies' policies and procedures. Capital Strategies has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("Code of Ethics"). In accordance with Section 204A-1 of the

Advisers Act, the Code of Ethics and Policies and Procedures Manual contain written policies reasonably designed to prevent the unlawful use of material non-public information by Capital Strategies or any of its associated persons. The Code of Ethics also requires that certain of Capital Strategies' personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings or private placements. Clients may contact Capital Strategies to request a copy of its Code of Ethics.

If in accordance with the policies and procedures stated within Capital Strategies' Code of Ethics, Capital Strategies' Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Persons) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Capital Strategies clients.

When Capital Strategies is purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Capital Strategies is selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Item 12: Brokerage Practices

Capital Strategies recommends that clients establish brokerage accounts with TD Ameritrade Institutional (through the TD Ameritrade Institutional Program), a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers services that include custody of securities, trade execution, clearance and settlement of transactions. Capital Strategies receives some benefits from TD Ameritrade through its participation in the program. TD and/or Advisory Representatives may receive benefits such as assistance with conferences and educational meetings from product sponsors.

Capital Strategies believes that TD Ameritrade provides the best services at the most reasonable commission rates possible. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker's reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker might charge is permissible if the difference in cost is reasonably justified by the quality of the brokerage services offered.

Certain no-load mutual funds may impose a transaction fee with respect to purchases made through a broker/dealer like TD Ameritrade that clients would not have to pay if they dealt directly with that no-load fund. However, the advantages of a consolidated account with centralized bookkeeping and reporting, direct access to funds with a single telephone call, as well as less expensive commission rates on individual stocks and bonds than those available through a full-service broker far outweigh the small transaction fees. It may be the case that the recommended broker charges a higher fee for a particular type of service, such as commission rates. Therefore, clients may utilize any broker/dealer of their choice and have no obligation to purchase or sell securities through such broker recommended by Capital Strategies. Clients that elect the services of broker/dealers other than those recommended may be subject to additional service fees imposed by Capital Strategies at its discretion and also may not be able to participate in aggregate trading practices.

Advisory clients are hereby advised that they shall have total freedom to effectuate securities transactions with any broker/dealer of their choosing. Individuals associated with Capital Strategies may buy or sell - for their personal account(s) - investment products identical to those recommended to Clients. It is Capital Strategies' policy that employees shall not have priority in any purchase or sale over Clients' accounts. However, since Capital Strategies does not recommend specific securities to Clients, Capital Strategies will generally not encounter this situation.

Clients primarily grant Capital Strategies discretionary authority over the selection of and amounts of securities to be bought and/or sold for their account without obtaining their prior consent or approval from the client. (See Advisory Business Page 4) The trading authority will allow Capital Strategies to take advantage of time-sensitive market conditions in securities, which are consistent with the client's prior stated investment objectives. However, Capital Strategies' investment authority may be subject to specified investment objectives, guidelines, and/or conditions imposed by the client. For example, a client may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry. Capital Strategies does not participate in initial public offerings.

Brokerage for Client Referrals

Typically, clients are referred to TD Ameritrade and Capital Strategies does not receive referrals from TD Ameritrade.

Directed Brokerage

A client may direct Capital Strategies to use a specific broker; however, the broker may not

wish to establish a new relationship with Capital Strategies.

Capital Strategies participates in TD Ameritrade's institutional customer program and Capital Strategies may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Capital Strategies' participation in the program and the investment advice it gives to its clients, although Capital Strategies receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Capital Strategies by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Capital Strategies' related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Capital Strategies but may not directly benefit its client accounts. These products or services may assist Capital Strategies in managing and administering client accounts, including accounts not maintained at TD Ameritrade.

Other services made available by TD Ameritrade are intended to help Capital Strategies manage and further develop its business enterprise. The benefits received by Capital Strategies or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Capital Strategies endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Capital Strategies or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Capital Strategies' choice of TD Ameritrade for custody and brokerage services.

Aggregation of Orders

Capital Strategies may aggregate orders with respect to a security if such aggregation is consistent with achieving best execution for the various client accounts. When orders are aggregated, each participating account will receive the average share price for all transactions in a particular security effected to fill such orders on a given business day. Transaction costs will generally be shared pro rata based upon each account's participation in the transaction. Specific allocations may be chosen based upon an account's existing positions in securities, the cash availability of one or more particular accounts, a partial fill of the aggregated trade, tax reasons, or the required minimum trade lot sizes for foreign securities.

If it is not possible to aggregate a trade, a client may receive a different price on a security transaction and may not be able to purchase or sell the same quantity of a security. In addition, clients that elect the services of broker/dealers other than those recommended may not be able to participate in aggregate trading practices.

Item 13: Review of Accounts

Capital reviews client investment accounts at least on a monthly basis and normally more often by Mark Carlton. On a quarterly basis all client investment account(s) and all assets in their accounts are reviewed with a written report provided to the clients. Clients who are actively involved in ongoing financial and investment planning will have their plans normally reviewed at least annually by Eric Graber, Mark Carlton and/or Tim Goodyear. Capital Strategies will often suggest a planning review when a major life event is reasonably close, such as retirement. Also when there has been an extended period of time since the last financial and investment planning review was done we will contact the client and urge them consider doing a planning review.

Item 14: Client Referrals and Other Compensation

If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this item, economic benefits include sales awards or other prizes.

If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.

Item 15: Custody

Capital Strategies never accepts or has had custody of any client funds. Capital Strategies does send account statements to its clients at a minimum quarterly and urges its clients to compare the account statements they receive from the qualified custodian with those that they receive from Capital Strategies.

Item 16: Investment Discretion

Capital Strategies primarily manages client accounts on a discretionary basis. When the client signs the Asset Management Agreement, the client authorizes Capital Strategies to affect exchanges between the specific investments in accordance with Capital Strategies' buy or sell decisions, without Client's prior approval. Clients will also complete the required forms with the custodian to grant this access. Normally, this is part of the custodian's account application. Clients may limit discretion by providing Capital Strategies a detailed written description of the limitation.

Item 17: Voting Client Securities

Capital Strategies will not vote proxies on behalf of client accounts. Although Capital Strategies may, on rare occasions and only at the client's request, offer clients advice regarding corporate actions and the exercise of proxy voting rights.

Item 18: Financial Information

Capital Strategies does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Capital Strategies does not have any adverse financial information to disclose.



8053 XERXES AV S. ■ BLOOMINGTON, MN 55431 ■ 952.926-3000 ■ Toll Free: 866.926.3022 ■ www.capstratcorp.com ■ e-mail: capstrat@comcast.net

Eric C. Graber
Capital Strategies Financial Corporation
8053 Xerxes Avenue S.
Bloomington, Minnesota 55431
Telephone: 952-926-3000
Toll Free: 866-926-3022

Website: www.capstratcorp.com
Email: capstrat@comcast.net

March 31, 2011

This brochure supplement provides information about Eric C. Graber that supplements the Capital Strategies Financial Corporation brochure. You should have received a copy of that brochure. Please contact Eric C. Graber, Chief Compliance Officer, at 952-926-3000 or www.capstratcorp.com if you did not receive Capital Strategies Financial Corporation's brochure or if you have any questions about the contents of this supplement.

Additional information about Capital Strategies Financial Corporation also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Educational Background and Business Experience

Eric C. Graber

Year of Birth: 1948

Formal Education after High School: Attended University of Minnesota,

Business Background for the Previous Five Years:

Capital Strategies Financial Corporation, President, 12/1981 to Present

Item 3: Disciplinary Information

There are no legal or disciplinary events that are related to the above listed supervised person.

Item 4: Other Business Activities

The above listed supervised person does not have a pending application to register as a registered representative, an associated person of a futures commission merchant, a commodity pool operator, or a commodity trading adviser.

Item 5: Additional Compensation

None.

Item 6: Supervision

Eric C. Graber, Chief Compliance Officer and President, is responsible for monitoring the activities of Capital Strategies' Principal Advisors. (Details about Principal Advisors are disclosed in Item 10 of Form ADV Part 2) Mr. Graber's telephone number is 952-926-3000. Prior to use, Mr. Graber reviews and monitors all written client performance materials and all information received from the Principal Advisors. On a daily basis, Mr. Graber discusses investment strategies and market conditions with the Principal Advisors.