

BPO Capital (BPO)

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of BPO Capital. If you have any questions about the contents of this brochure, please contact us at (703) 625-6833 or by email at: ccmiel@bpo-capital.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 BPO is also available on the SEC's website at www.adviserinfo.sec.gov. BPO's CRD number is: 289812.

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

BPO has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore has the following material changes to report.

- The firm is transitioning from SEC registration to state registration in NC.

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Item 4: Advisory Business

A. Description of the Advisory Firm

BPO Capital, LLC (hereinafter “BPO”) is a Limited Liability Company organized in the State of North Carolina. The firm was formed in March 2018, and the principals are Craig Martin Cmiel, Joseph Hart and Craig Conforti.

B. Types of Advisory Services

BPO Provides the following types of services

Marketing & Distribution Services for money managers

BPO offers ongoing portfolio distribution services based on the needs of Registered Investment Advisors (RIA) and their Investment Advisor Representatives (IAR).

BPO's performs basic due diligence on the third-party managers that we may represent or work with. As part of that due diligence, BPO reviews; past performance, risk measurements, tenure of the management team, back up and processes in place, comparison analysis, fees, custodian and platform capability, tenure, assets under management, and review of third-party research platforms. BPO will verify that all recommended third-party managers are properly licensed, notice filed, or exempt in the states where BPO is recommending their services.

BPO may charge a flat fee for providing overall guidance on a product(s), or for designing a marketing strategy for those products or strategies. The types of services that BPO may provide for guidance may include: review of website and marketing materials, review of investment strategy, placement within broker dealers, custodians, TAMPs, review of fact sheets, strategic partners, advertising options, and other needs that may arise related to the marketing of third-party strategies.

If BPO is acting as a solicitor and distributor, in working with the third-party money manager, it may participate in earning a percentage of the asset management fee based on the amount of assets raised.

Model and Technology Support

Further, BPO may assist RIAs and their IARs with the customization of models based on the needs of the firm. Portfolio management services, TAMPs support, Outsourced Chief Investment Officer (OCIO) allow for BPO to provide guidance to IARs. BPO can support the IAR with the following:

- Investment Strategy
- Manager Due Diligence

- Asset Allocation
- Risk Category
- Asset Selection

If providing model and technology support, BPO may charge the IAR a fee for the outsourced work mentioned above.

Services Limited to Specific Types of Investments

BPO generally limits its investment advice (sales, marketing & distribution) to mutual funds, fixed income securities, real estate funds (including REITs), equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and commodities. BPO may recommend other securities as well to help diversify a portfolio when applicable.

C. Wrap Fee Programs

BPO does not participate in any wrap fee programs.

D. Assets Under Management

BPO has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$0	January 2019

Item 5: Fees and Compensation

A. Fee Schedule

Portfolio Management Fees

For performing sales, marketing, and solicitation, BPO may share in the portfolio management fees with the third-party money manager(s).

B. Payment of Fees

Payment of Portfolio Management Fees

If BPO and the 3rd party money manager establish a “solicitor/distribution” agreement, BPO is paid directly by the third-party money manager as a percentage or portion of their money manager or asset management fee.

The fees that BPO receives are paid directly from the third-party money managers, BPO does not receive any payments from clients or IARs representing those clients.

C. Client Responsibility for Third Party Fees

Individual investors are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by the third-party money managers.

D. Prepayment of Fees

BPO does not collect any prepayment fees from individual investors. BPO collects fees from third-party money managers that we represent. All fees that BPO may receive are in arrears.

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

BPO does not participate in performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

BPO Capital generally provides distribution and marketing services for third party money managers. Those third-party money managers in turn manage assets for IARs located at the following type of institution:

- ❖ Investment Platforms such as Turnkey Asset Management Platforms (TAMPs)
- ❖ RIAs
- ❖ Broker Dealers

Certain products may have a minimum investment amount per their policies. BPO does not have a minimum fee that it charges.

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

A. Methods of Analysis of Investment Strategies

BPO performs basic due diligence on the third-party managers that we may represent or work with. As part of that due diligence, BPO reviews; past performance, risk

measurements, tenure of the management team, back up and processes in place, comparison analysis, fees, custodian and platform capability, tenure, assets under management, and review of third-party research platforms.

B. Material Risks Involved

Third-Party Money Manager Risk

The risks associated with third party money managers include capital market risk, execution risk, liquidity in certain products, succession of the management team, technology, style drift, and other risks associated with investments that at times can become volatile and unpredictable.

Risks of Specific Securities Utilized

BPO works with third-party money managers in a role that includes sales, marketing & distribution of their strategies.

Third-party money managers that BPO works with, may use some of the following, based on their investment style and objective.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in

performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of 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; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

Private equity funds carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

BPO is not registered as a Broker Dealer. BPO has an employee – Joseph Hart - that is registered as a Registered Representative. Additional information about Joseph Hart is also available at <https://brokercheck.finra.org/> website.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither BPO nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither BPO nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

BPO connects third-party money managers to investment advisors.

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

A. Code of Ethics

BPO has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. BPO's Code of Ethics is available free upon request to any third-party money manager, client or prospective client that we may represent.

B. Recommendations Involving Material Financial Interests

BPO does not recommend that clients buy or sell any security in which a related person to BPO has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

BPO does not represent or advise individual clients.

D. Trading Securities At/Around the Same Time as Clients' Securities

BPO does not represent any individual clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

At present, BPO does not use custodians or broker dealers.

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

BPO does not have any individual clients.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

BPO does not have any individual clients.

C. Content and Frequency of Regular Reports Provided to Clients

BPO does not have any individual clients.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

BPO does not receive any economic benefit, directly or indirectly from any third party for advice rendered to BPO clients.

B. Compensation to Non – Advisory Personnel for Client Referrals

BPO does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

BPO does not receive fees from clients and does not have reason to use any form of custody.

Item 16: Investment Discretion

BPO does not have discretion over client accounts at any time.

Item 17: Voting Client Securities (Proxy Voting)

BPO will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

BPO neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither BPO nor its management has any financial condition that is likely to reasonably impair BPO's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

BPO has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

The education and business background of BPO's current management persons/executive officers, Craig Cmiel, Craig Conforti and Joseph Hart, can be found on the individual's Form ADV Part 2B brochure supplement.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the individual's Form ADV Part 2B brochure supplement.

C. How Performance-based Fees are Calculated and Degree of Risk to Clients

BPO does not accept or participate in performance-based fees, which may include fees based on a share of capital gains on or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at BPO or BPO has been found liable in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

None. See Item 10.C and 11.B.