

November 20, 2024

ADV Part 3 - FORM CRS

Item 1

Flagship Capital Management, Inc (“Flagship”) is an SEC Registered Investment Advisor. As an investment advisor, Flagship is compensated for its services, based upon a management agreement with its clients. The management fee is based upon the value of the assets managed by Flagship. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2

What investment services and advice can you provide me?

Flagship provides investment advisory and management services to retail investors. These services can include investment planning for retirement, education and capital purchases and planning for the purchase of homes, cars or other large expenditures. Currently, client custodial investment accounts are established at Charles Schwab and are primarily taxable individual and joint accounts and tax-deferred retirement accounts, such as IRA, Roth IRA or IRA rollovers.

Flagship consults with its clients to establish their individual investment goals and portfolios are created to align with and achieve those goals. Flagship’s client Investment Management Agreement details that investment accounts are managed on a discretionary basis, meaning that Flagship does not need prior client authorization for the purchase or sales of investments. The asset allocation of each portfolio is balanced to accommodate the client’s individual and unique risk tolerance and goals. Investment activity and investors holdings are monitored daily and retirement goals and budgets are established and reviewed quarterly, or annually. Clients may elect to exclude certain types of investments (e.g. tobacco, firearms, etc.) from their portfolios. The Investment Management Agreement may be terminated, without penalty by the client at any time, upon 60 days written notice.

Given my financial situation, should I choose an investment advisory service? Why or why not?

Clients may choose to hire investment advisors because they may lack either the time, training or experience, to effectively nurture their own personal savings. Any type of investment requires planning, analysis and constant monitoring to ultimately achieve the desired goal. As your investment advisor, Flagship’s team of professionals have undergraduate and advanced degrees and certifications in accounting, finance and economics along with decades of investment experience. It is the collective experience of Flagship’s professionals, acting as a team, that provides clients with an advantage towards achieving successful investment results. Conversely, investors may elect to invest on their own to save on the cost of professional management services, or they may not be comfortable granting a third party the authority to select investments on their behalf. Flagship requires a minimum account size of \$250,000 for retail investors interested in becoming clients.

How will you choose investments to recommend to me?

When onboarding a new client, Flagship interviews the client to learn about their investment goals and level of risk tolerance (all investments incur some level of risk). With this information, an appropriate asset allocation is formulated and accordingly, the portfolio is constructed. Typically, such a portfolio consists of cash, equities and fixed income investments, either in the form of individual securities, or investment products, such as exchange traded funds (ETF’s), or mutual funds. Each of these investments are analyzed based upon specific criteria, which include, but are not limited to service or products offered, industry and competition, management competency, profitability and financial strength. More information on our investment recommendation process can be found on our website at flagshipcap.com.

What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

Each member of the investment team holds a Series 65 Registered Investment Advisor license. The Series 65 legally allows an individual the right to give financial advice and charge a fee for their services. Flagship employees' individual resumes, detailing their certifications and levels of education and investment experience are on Flagship's website at flagshipcap.com.

Item 3

What fees will I pay?

Flagship charges a quarterly management fee for its services, based upon the value of the client's portfolio at the end of the preceding quarter. The fee is a fixed percentage of the value of the client's assets, such that as the value of the assets rise or fall, the dollar amount of the fee will track the change in asset value. Certain of the investments selected by Flagship may also have fees, which are payable to third parties. These third-party fees are usually management fees for mutual funds or ETFs, which are included in most portfolios. Currently, purchases of equity securities and ETFs are transacted on a commission-free basis, however certain mutual fund share classes incur a transaction fee, charged by the custodian. This fee structure directly aligns Flagship's compensation with the performance of the client's investments, which creates an incentive for us to achieve the best possible outcome for our clients. 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. See Flagship's fee structure on its [FORM ADV Items 5 A B C D](#).

Help me to 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?

If a new client were to invest \$10,000 with Flagship, after four quarters they would incur \$100 in fees, absent any changes in the portfolio's value due to market returns.

What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?

Flagship has a fiduciary obligation to act in its clients' best interests. Flagship is paid a fee for its services, which is calculated as a fixed percentage of the assets managed by Flagship, on behalf of its clients. This is outlined in the management agreement signed by the client. As the value of assets managed increases, the dollar amount of fees paid to Flagship increases proportionately, thus reducing any conflicts of interests regarding commission fees, or per-transaction compensation.

How might your conflicts of interest affect me, and how will you address them? 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 receive certain benefits from the custodians that we recommend to hold your account assets. There is a conflict of interest when we recommend to you to transfer accounts from other firms to us.

These issues are also disclosed on Flagship's [Form ADV Part 2A](#) and in the SEC's guidance on [Regulation Best Interest](#).

How do your financial professionals make money?

Flagship's employees are paid a yearly salary and a discretionary bonus, which is based upon the financial performance of the company.

Item 4

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

No. Investors may visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research Flagship and its professionals.

Question you may want to ask us: As a financial professional, do you have any disciplinary history? For what type of conduct?

Item 5

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

Flagship uses a team approach to managing its clients' portfolios and advisors do not have their own book of business. All advisors are intimately familiar with a client's portfolio construction and investment objectives and can each competently answer any relevant questions. Flagship's phone number is 610-565-9580. In addition, investors can reach out to any of Flagship's employees via email at any time if they feel they're being treated unjustly (employee emails can be found at flagshipcap.com).

Where can I find additional information about Flagship's advisory services?

Investors can find additional information related to advisory services on our website at: flagshipcap.com and on the [Form ADV](#).

How can I receive a copy of the CRS form?

Investors can find a pdf version of Flagship's form CRS on our website (linked above) or through the Sec's website at: [Form CRS](#). Flagship hand delivers and mails copies of form CRS to investors that prefer a physical copy.