



CAPE INVESTMENT ADVISORY, INC.

Client Relationship Summary Effective February 28, 2024

Cape Investment Advisory, Inc (Cape IA) is an investment adviser registered with the Securities and Exchange Commission. *Investment Advisory services and fees differ from those of a broker dealer's services and fees. As a retail investor, it's important to understand the differences.* This document gives you a summary of the types of services and fees we offer. The SEC offers free and simple tools to research firms and financial professionals at www.investor.gov/CRS. The site also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Cape IA offers advisory services to retail investors inclusive of investment advice, wrap fee programs, and financial planning services (your financial situation is assessed, and advice is provided to meet your goals). Recommendations and strategies are in accordance with each client's best interests based on objectives and risk profile. Monitoring: As part of our standard services, our IARs will at least annually **monitor** your account through transaction and portfolio reviews, and changes in personal conditions whether they are through retirement, marital status, or economic changes.

Investment Authority:

When Cape IA acts as your investment adviser, we may use discretionary or non-discretionary authority as directed by you as the investor. **Discretionary** authority allows Cape IA to supervise and direct your portfolio without prior consultation with you. With **non-discretionary** accounts, you will make the final decision to buy, hold, or sell investments to meet your needs. Cape IA is obligated to follow your investment objectives, guidelines, limitations, or restrictions you have outlined for both types of accounts.

We limit the types of investments that are recommended since not every type of investment vehicle is needed to create an appropriate portfolio. Our firm does not have a minimum account size. Please also see our Form ADV Part 2A ("Brochure"), specifically Items 4, for more information.

Conversation Starters: 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?

Our fees vary depending on the services you receive. If you work with a Cape Investment Adviser Representative, your fee rate depends on the fees agreed upon with your Investment Adviser Representative (max 2.00%). If you select a third-party manager, your fee will include a third-party manager fee set by the manager and paid to them. Portfolio management fees are typically charged quarterly or monthly in arrears. Although some client may choose to pay quarterly in advance. CIA fees are due even if you do not have any transactions. The advisory fee paid to us generally does not vary based on the type of investments selected. Please see Items 4, 5, 6, 7 & 8 of our Brochure.

Additional Fee Information: Some investments (e.g., mutual funds, variable annuities, etc.) impose additional fees (e.g., transactional fees and product-level fees) that reduce the value of your investment over time. You will also pay fees to a custodian that holds your assets. For the wrap fee program, you will not typically pay additional transaction fees and thus

our advisory fee is higher than if you paid transaction fees separately. 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. Please also see our Brochure for additional details.

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?

What are your conflicts of interest when acting as my investment adviser? *When we act as your investment adviser, we must 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. As an example, to help you understand, Cape IA's management fees are asset-based, the amount of assets in your account affects our advisory fee; the more assets you have in your advisory account, the more you will pay us and thus we have an incentive to encourage you to increase the assets in order to increase our fee.

How do your financial professionals make money? Primarily, Cape IA and our financial professionals benefit from the advisory services we provide to you because of the advisory fees we receive from you. This compensation may vary based on different factors, such as those listed above in this Item. Cape IA has two affiliated broker dealers: American Global Wealth Management (AGW) and Cape Securities, Inc (Cape). Some Cape IA representatives are also representatives of AGW and/or Cape. When providing services for the AGW or Cape, representatives receive transaction-based commissions as opposed to an asset-based fees received for services offered through Cape IA. ***It is important for you to understand that Investment Advisory and Brokerage fees and commissions differ.*** Our financial professionals also have the ability to receive commissions when clients purchase insurance products through our firm (life, disability, long-term care, and property and casualty). Please also see Item 10 of our Brochure for additional details.

Disciplinary History

Questions to ask us: As a financial professional, do you have any disciplinary history?

Yes, there are disclosures due to financial professionals having disclosable legal or disciplinary events Please visit www.investor.gov/CRS for a free, simple search tool to research us and our financial professionals.

Additional Information

Questions to ask us: 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?

For additional information on our advisory services, see our ***Brochure*** available at <https://adviserinfo.sec.gov/firm/brochure/146384> and any individual brochure supplement your representative provides. If you have any questions or concerns, need additional up-to-date, or want another copy of this Client Relationship Summary, then please contact us at 678-583-1120.