

Capital Financial Group, Inc.

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FORM ADV PART 2

BROCHURE

This Brochure provides information about the qualifications and business practices of Capital Financial Group, Inc. If you have any questions about the contents of this Brochure, please contact us at (303) 629-7500. 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 Financial Group, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Capital Financial Group, Inc. is 111709.

Capital Financial Group, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Generally, Capital Financial Group, Inc. will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

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Item 4 Advisory Business

Description of Services and Fees

Capital Financial Group, Inc. is a registered investment adviser based in Greenwood Village, Colorado. We are organized as a corporation under the laws of the State of Colorado. We have been providing investment advisory services since 2001. Dennis Leonida is our principal owner. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- **Financial Planning and Consulting Services**
- **Investment Management Program for Advisory Clients (IMPAC)**

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this Brochure, the words "we", "our" and "us" refer to Capital Financial Group, Inc. And the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

Financial Planning Services

We offer broad-based, modular, and consultative financial planning services. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. Following the initial introductory meeting, a fact-finding appointment is scheduled. This appointment typically lasts 1.5 to 3 hours and is intended to uncover your objectives and desires. Following the fact-finding meeting, a fee is determined and a notification is mailed to you with an advisory agreement for the stated fee. The fee includes the initial written financial plan and on-going planning and consulting for a one-year period. We will generally establish a regular planning cycle to work with you in managing specific aspects of the overall financial plan.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

We charge a fixed fee for financial planning services, which generally ranges between \$500 to \$5,000. The fee is negotiable depending upon the complexity and scope of the plan, your financial situation, and your objectives. The fee is invoiced and due within 10 days of receipt of the written report. We will not require prepayment of a fee more than six months in advance and in excess of \$500.

Concluding the initial 12-month period you may retain us on an annual retainer basis, which may include a re-evaluation of your financial plan and on-going planning and consulting. The initial financial planning fee will be fixed for a 12-month period; thereafter, annual retainer fees may be re-negotiated based on the scope and complexity of your financial situation. Our financial planning fee for the initial 12-month period is guaranteed and refundable within 12 months. Our annual retainer fee is not guaranteed and paid in arrears.

If you only require advice on a single aspect of your finances, we offer modular financial planning/general consulting services on an hourly basis. Our rate for such services is \$200 per hour and is negotiable depending on the scope and complexity of the plan, your financial situation, and your objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you in advance and request that you approve the additional fee. Hourly consulting clients may upgrade to annual retainer services. Under such arrangement a fixed fee will be quoted and fees paid under the consulting agreement will be applied toward the annual retainer fee. Hourly fees are due and payable upon completion of the service.

You may terminate the financial planning agreement at any time and receive a full refund by providing our firm with written notice. You will incur a pro rata charge for services rendered prior to the termination of the agreement. Upon receiving cancellation notice, we will refund the entire financial planning or retainer service fee for the current year.

Investment Management Program for Advisory Clients (IMPAC)

Account minimum: \$25,000

The following fees are the maximum fees that you might be charged and may be negotiated to a lower fee subject to our discretion.

The "Investment Management Program for Advisory Clients " ("IMPAC") is a fee-based account, offered and administered through Raymond James Financial Services, Inc. ("RJFS"), in which the Client is provided with ongoing investment advice and monitoring of securities holdings. The IAR will manage the account on a non-discretionary basis (or discretionary, provided certain qualifications are met), according to the Client's objectives. Mutual funds incur expenses for portfolio management services and fund administrative services. These expenses are disclosed in the mutual fund prospectus.

FEE SCHEDULE FOR IMPAC

Account Value	Total Fee
First \$200,000	1.75%
Next \$300,000	1.5%
Next \$4,500,000	1.0%
Over \$5,000,000	1.0% and Negotiable

THREE TIER ASSET CLASS FEE SCHEDULE

Investments Excluding Open-Ended Mutual Funds, Cash and Bonds:

First \$200,000	2.00%
Next \$300,000	1.50%
Next \$500,000	1.00%
Over \$1,000,000	1.00%

Investment Open-End Mutual Funds and Cash:

First \$100,000	1.75%
Next \$100,000	1.50%
Next \$300,000	1.25%

Next \$500,000	0.75%
Over \$1,000,000	0.75%

Investment Bonds:

First \$100,000	1.50%
Next \$100,000	1.25%
Next \$300,000	1.00%
Next \$500,000	0.75%
Over \$1,000,000	0.75%
Over \$5,000,000	Negotiable

The annual asset-based fee is paid quarterly in advance or arrears, as outlined in the Investment Advisory Agreement. For accounts billed in advance, the asset-based fee is billed when the account is opened for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is paid in advance, is based on the account asset value on the last business day of the previous calendar quarter, and becomes due the following business day. For accounts billed in arrears, the asset-based fee is calculated on the account asset value on the last business day of the quarter for the previous quarter.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- We send you an invoice showing the amount of the fee, the value of the assets on which the fee is based, and the specific manner in which the fee was calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

Additionally, there is a nominal Processing Fee for the execution of each trade, as follows:

SECURITY TYPE	PROCESSING FEE
Stocks: Listed and OTC	\$9.95
Closed End Mutual Funds	\$9.95
Exchange Traded Funds	\$9.95
Mutual Funds (applicable to purchases only)	\$30
Real Estate Investment Trusts/Unit Investment Trusts	\$9.95
Preferred Stocks	\$9.95
Options Contracts	\$30
Bonds	\$30

Select fund companies have agreed to pay administrative fees to RJA in consideration for RJA's waiver of the \$30 Processing Fee assessed on certain Account mutual fund purchases ("Participating Funds"). Raymond James financial advisors do not receive any part of these payments. For a list of fund companies that have agreed to pay Raymond James servicing fees for eligible purchases of Participating Funds, please contact us by emailing RJFSCompliance@RaymondJames.com or by calling RIA Compliance at 727-567-5877.

In addition to the foregoing transaction charge, the Client will incur a charge in the amount of \$4.95 per transaction for handling and postage charges. The Client may also incur charges for other account services provided by RJA not directly related to the execution and clearing of transactions including, but not limited to, IRA custodial fees, safekeeping fees, interest charges on margin loans, and fees for legal or courtesy transfers of securities.

The Investment Management Agreement may be terminated by the Client or RJFS at any time upon providing written notice pursuant to the provisions of the Investment Management Agreement. There is no penalty for terminating the Client's account. Upon termination, the Client will receive a refund of the portion of the prepaid asset-based fee which is not utilized for accounts billed in advance. For accounts billed in arrears, the Client may be charged a fee pursuant to the number of days the account was managed for the current quarter. RJFS will not accept instructions to terminate the Agreement unless such instructions are provided in writing by Client.

Investment of Cash Reserves

With respect to cash reserves of advisory Client accounts, the custodian of the account assets will determine where cash reserves are held. The custodian may offer one or multiple options to different account types (such as non-taxable and managed accounts). In addition, the custodian may, among other things, consider terms and conditions, risks and features, conflicts of interest, current interest rates, the manner by which future interest rates will be determined, and the nature and extent of insurance coverage (such as deposit protection from the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation). The custodian may change an investment option at any time by providing the Client with thirty (30) days advance written notice of such change, modification or amendment. As of July 2010, Cash Sweep Options include the Raymond James Bank Deposit Program ("RJBDP"), the Credit Interest Program ("CIP") sponsored by RJA, and a proprietary class of money market funds (the "Eagle Class - JP Morgan Money Market Funds") of the JP Morgan Prime Money Market Fund and JP Morgan Tax Free Money Market Fund, managed by J.P. Morgan Investment Management, Inc. offered by Eagle Asset Management, Inc. ("Eagle," an affiliate of Raymond James).

Raymond James Bank (also an affiliate of Registrant), and the interest rate it offers may differ from the yield on the Eagle Class - J.P. Morgan Money Market Funds and the CIP, but Raymond James Bank generally earns more than the interest it pays on such balances. The Eagle Class - JP Morgan Money Market Funds are offered by Eagle through an agreement with J.P. Morgan. Under the agreement, Eagle, Eagle Fund Services, Inc. and Eagle Fund Distributors, Inc., (together, the "Eagle Affiliates") and Raymond James and its affiliate Raymond James Financial Services, Inc. are compensated by the Eagle Class - JP Morgan Money Market Funds and J.P. Morgan for, among other things, distribution costs, shareholder record-keeping activities, and the coordination and administration of the funds. Raymond James & Associates generally earns a higher rate of interest on CIP balances than the interest rate it pays on such balances. The income earned by the Eagle Affiliates and RJA is in addition to the asset-based fees that RJFS receives from these accounts.

Where an unaffiliated third party acts as custodian of account assets, Client and/or the custodian will determine where cash reserves are held.

Cash balances arising from the sale of securities, redemptions of debt securities, dividend and interest payments and funds received from customers are invested automatically on a daily basis. When securities are sold, funds are deposited on the day after settlement date. Funds placed in a Client's account by personal check usually will not be invested until the second business day following the day

that the deposit is credited to the Client's account. Due to the foregoing practices, RJA may obtain federal funds prior to the date that deposits are credited to Client accounts and thus may realize some benefit because of the delay in investing such funds.

For further information please refer to the Cash Sweep Options disclosure statement, a copy of which is available from your IAR, or is available on the Raymond James public website, www.raymondjames.com.

Cash Rule Conflict

Participants in the IMPAC program with cash or money market investments which exceed 20% of the total market value of Client's account at the time of billing will be included for fee purposes only if the account did not exceed 20% in cash or money market investments at the end of the previous quarter. Otherwise the balance in excess of 20% will not be included in the value of Client's account for fee purposes. If a participant in the IMPAC program has one or more related accounts, the 20% threshold is applied to the aggregate household cash value for fee purposes. This fee billing provision is intended to equitably assess advisory fees to Client assets for which an ongoing advisory service is being provided, and the exclusion of excess cash from the advisory fee is intended to benefit Clients holding substantial cash balances (as a percentage of the total individual account value) for an extended period of time. However, this provision may pose a financial disincentive to an IAR, as the portion of cash or money market investments will not be included in the asset-based fee charged to the account. This may cause an IAR to reallocate a Client account from cash or money market investments to advisory fee eligible investments in order to avoid the application of this provision and therefore receive a fee on the full asset value in a Client's account(s).

For IMPAC accounts, RJFS may elect to absorb all or a portion of the Processing Fee. Certain open-end mutual funds which may be acquired by Clients, may, in addition to assessing management fees, internally assess a distribution fee pursuant to section 12(b)-1 of the Investment Company Act of 1940, or an administrative or service fee ("trail"). Such fees are included in the calculation of operating expenses of a mutual fund and are disclosed in the fund prospectus. However, if the IAR elects to absorb the Processing Fees in **non**-IRA/ERISA accounts, they may also elect to receive trails paid by the fund company, if any, to defray the cost of the Processing Fees they absorb. If such an election is made, there may be a conflict of interest where the IAR may have an incentive to absorb all of the Processing Fees in consideration of the actual or anticipated trails they will receive.

Clients should understand that Raymond James Financial stock (RJF) can be purchased on an unsolicited basis and held in accounts. This could create a conflict of interest due to the financial adviser's personal affiliation with RJF and/or their personal holdings of RJF stock and/or RJF stock options. In addition, RJF holdings are considered non-billable assets which could create a potential disincentive for the financial adviser to recommend to a client that the positions continue to be held.

Clients should understand that certificates of deposit (CDs) from Raymond James Bank may be purchased, with a commission, in the, IMPAC program. These CDs are considered non-billable assets for one year. Due to the financial adviser's affiliation with Raymond James Financial (NYSE-RJF) and Raymond James Bank, being a wholly owned subsidiary of Raymond James Financial, Inc. (NYSE-RJF), a potential conflict of interest may exist.

Clients should understand that the annual advisory fees charged in the IMPAC program is in addition to the management fees and operating expenses charged by open-end, closed-end and exchange-traded funds. To the extent that a Client intends to hold fund shares for an extended period of time, it may be more economical for the Client to purchase fund shares outside of these programs. Clients

may be able to purchase mutual funds directly from their respective fund families without incurring RJFS's advisory fee. When purchasing directly from fund families, Clients may incur a front or back-end sales charge.

Clients should also understand that the shares of certain mutual funds offered in these programs may impose short-term trading charges (typically 1%-2% of the amount originally invested) for redemptions generally made within short periods of time. These short-term charges are imposed by the funds (and not RJFS) to deter "market timers" who trade actively in fund shares. Clients should consider these short-term trading charges when selecting the program and/or mutual funds in which they invest. These charges, as well as operating expenses and management fees, which may increase the overall cost to the Client by 1%-2% (or more), are available in each fund's prospectus.

Clients should also understand that certain no-load variable annuities may be offered in the IMPAC program and may be charged an advisory fee. The annual advisory fees charged for these no-load variable annuities are in addition to the management fees and operating expenses charged by the insurance companies offering these products.

Clients should also understand that more sophisticated investment strategies such as short sells and margins may be offered in the IMPAC program. Fees for advice and execution on these securities are based on the total asset value of the account. While a negative amount may show on a Client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This could create a conflict of interest where an IAR may have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved. In the cases where margin debit interest is charged to a client account, the IAR may receive a portion of the interest charged as a Controlled Asset Fee, presenting a potential conflict of interest.

A Client's total cost of each of the services provided through these programs, if purchased separately, could be more or less than the costs of each respective program. Cost factors may include the Client's ability to:

1. obtain the services provided within the programs separately with respect to the selection of mutual funds,
2. invest and rebalance the selected mutual funds without the payment of a sales charge, and
3. obtain performance reporting comparable to those provided within each program.

When making cost comparisons, Clients should be aware that the combination of multiple mutual fund investments, advisory services, custodial and brokerage services available through each program may not be available separately or may require multiple accounts, documentation and fees. If an account is actively traded or the Client otherwise may not qualify for reduced sales charges for fund purchases, the fees may be less expensive than separately paying the sales charges and advisory fees. If an account is not actively traded or the Client otherwise would qualify for reduced sales charges, the fees in these programs may be more expensive than if utilized separately.

The Client's IAR may have a financial incentive to recommend a fee-based advisory program rather than paying for investment advisory services, brokerage, performance reporting and other services separately. A portion of the annual advisory fee is paid to the Client's IAR, which may be more than the IAR would receive under an alternative program offering or if the Client paid for these services separately. Therefore, the Client's IAR may have a financial incentive to recommend a particular account program over another. IARs do not receive a financial incentive to recommend and sell

proprietary mutual funds versus non-proprietary funds. However, because compensation structures vary by product type, IARs may receive higher compensation for certain product types. In addition, your IAR may receive incentive compensation for utilizing a particular account program.

Clients that terminate the advisory agreement(s) within the first five (5) business days of entering into the advisory agreement will have any advisory fees that were charged refunded back to them.

All above quoted fees may be negotiated within the stated fee schedule; however certain circumstances may dictate an exception from the set range.

Types of Investments

We offer advice on equity securities, warrants, corporate debt securities, certificates of deposit, municipal securities, investment company securities, US Government securities, options contracts on securities and interest in partnerships investing in real estate, oil and gas interests, variable annuities and equity index annuities.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

Assets Under Management

As of March 3, 2012 we manage \$32,606,730 in client assets on a discretionary basis, and \$2,099,876 in client assets on a non-discretionary basis.

Item 5 Fees and Compensation

Please refer to the "Advisory Business" section in this Brochure for information on our advisory fees, fee deduction arrangements, and refund policy according to each service we offer.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through which your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Disclosure Brochure.

Compensation for the Sale of Securities or Other Investment Products

Persons providing investment advice on behalf of our firm are registered representatives with Raymond James Financial Services, Inc., ("RJFS"), a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as a registered

representative is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Capital Financial Group, Inc. is also a licensed insurance broker in the State of Colorado and persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

At our discretion, we may offset our advisory fees to the extent our Associated Persons earn commissions in their separate capacities as registered representatives and/or insurance agents.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

The minimum to open an IMPAC account is \$25,000.

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

Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

- Technical Analysis - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- Short Sales - a securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.
- Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.
- Option Writing - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Technical Analysis - The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

We may use investment strategies that involve buying and selling securities frequently in an effort to capture significant market gains and avoid significant losses during a volatile market. However, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed under the "Advisory Business" section in this Brochure, we recommend all types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Certificates of deposit are generally the safest type of investment since they are insured by the federal government. However, because the returns are generally very low, it's possible for inflation to outpace the return. Likewise, US Government securities are backed by the full faith and credit of the United States government but it's also possible for the rate of inflation to exceed the returns.

Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, more well established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual funds and exchange traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Options and warrants give an investor the right to buy or sell a stock at some future time at a set price. Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited. The main difference between warrants and call options is that warrants are issued and guaranteed by the issuing company, whereas options are traded on an exchange and are not issued by the company. Also, the lifetime of a warrant is often measured in years, while the lifetime of a typical option is measured in months.

A limited partnership is a financial affiliation that includes at least one general partner and a number of limited partners. The partnership invests in a venture, such as real estate development or oil exploration, for financial gain. The general partner does not usually invest any capital, but has management authority and unlimited liability. That is, the general partner runs the business and, in the event of bankruptcy, is responsible for all debts not paid or discharged. The limited partners have no management authority and confine their participation to their capital investment. That is, limited partners invest a certain amount of money and have nothing else to do with the business. However, their liability is limited to the amount of the investment. In the worst case scenario for a limited partner, he/she loses what he/she invested. Profits are divided between general and limited partners according to an arrangement formed at the creation of the partnership.

A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point the contract will terminate and the remainder of the fund accumulated forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as: mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds, and mutual funds do. Some variable annuities offer "bonus credits". These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges) the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

Item 9 Disciplinary Information

Capital Financial Group, Inc., has been registered and providing investment advisory services since 2001. Neither our firm nor any of our associated persons has any reportable disciplinary information.

Item 10 Other Financial Industry Activities and Affiliations

Registrations with Broker-Dealer

Persons providing investment advice on behalf of our firm are registered representatives with RJFS, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation.

Arrangements with Affiliated Entities

In addition to being registered as an investment adviser, our firm is also licensed as an insurance broker. Therefore, persons providing investment advice on behalf of our firm are licensed as insurance agents/brokers. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

These affiliated firms are otherwise regulated by the professional organizations to which they belong and must comply with the rules of those organizations. These rules may prohibit paying or receiving referral fees to or from investment advisers that are not members of the same organization.

These referral arrangements we have with our affiliated entities present a conflict of interest because we may have a financial incentive to recommend our affiliates' services. While we believe that compensation charged by our affiliates are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services and may obtain comparable services and/or lower fees through other firms.

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

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm. Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Dennis Leonida at 303-629-7500.

Participation or Interest in Client Transactions

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this Brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the "Brokerage Practices" section in this Brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

We recommend the brokerage and custodial services of RJFS, a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that RJFS provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by RJFS, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services RJFS provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

Persons providing investment advice on behalf of our firm who are registered representatives of RJFS will recommend RJFS to you for brokerage services. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from RJFS unless RJFS provides the representative with written authorization to do so. Therefore, these individuals are generally limited to conducting securities transactions through RJFS. It may be the case that RJFS charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through RJFS, these individuals (in their separate capacities as registered representatives of RJFS) may earn commission-based compensation as result of placing the recommended securities transactions through RJFS. This practice presents a conflict of interest because these registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use RJFS, we may not be able to accept your account. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

Block Trades

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares

purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

Item 13 Review of Accounts

Dennis Leonida, President/Investment Adviser Representative, and/or John Guigli, Investment Adviser Representative, will monitor your accounts on an ongoing basis and will conduct account reviews at least annually and upon your request to ensure that the advisory services provided to you and/or the portfolio mix are consistent with your current investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

We will not provide you with additional or regular written reports in conjunction with account reviews. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Item 14 Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

As disclosed under the "Fees and Compensation" section in this Brochure, persons providing investment advice on behalf of our firm are licensed insurance agents, and are registered representatives with RJFS, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section.

Item 15 Custody

For clients participating in the IMPAC program, we directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. You may elect, at your discretion, to pay our fee directly to RJF, your account custodian, rather than having our fees directly debited from your account.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a power of attorney, and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you 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 or security. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

Item 17 Voting Client Securities

Proxy Voting

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$500 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Item 19 Requirements for State-Registered Advisers

Refer to the Part(s) 2B for background information about management personnel and those giving advice on behalf of our firm.

Our firm is not actively engaged in any business other than giving investment advice.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the "Performance-Based Fees and Side-By-Side Management" section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will never sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact Dennis Leonida at 303-629-7500, if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Dennis A. Leonida, ChFC, CLU
CRD No: 1073431

Capital Financial Group, Inc.

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Greenwood Village, Colorado 80111

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April 4, 2012

FORM ADV PART 2B

BROCHURE SUPPLEMENT

This brochure supplement provides information about Dennis A. Leonida that supplements the Capital Financial Group, Inc brochure. You should have received a copy of that brochure. Please contact us at 303-629-7500 if you did not receive Capital Financial Group, Inc's brochure or if you have any questions about the contents of this supplement.

Additional information about Capital Financial Group, Inc is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Dennis Adrian Leonida

Year of Birth: 1953

Formal Education After High School:

- University of Northern Colorado, B.S, Education, Economics Minor, 1976
- Chartered Financial Consultant, 2001
- Chartered Life Underwriter, 2000

Business Background Previous Five Years:

- Capital Financial Group, Inc. 01/98 - Present, President / Investment Adviser Representative
- Raymond James Financial Services, Inc. 01/99 - Present, Registered Representative

Certifications:

Chartered Financial Consultant, 2001

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam.

Chartered Life Underwriter, 2000

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take a series of mandatory courses which include, for example, the following: insurance planning, life insurance law, fundamentals of estate planning, planning for business owners, income taxation, group benefits, planning for retirement needs, and investments. Each course has a final proctored exam.

Item 3 Disciplinary Information

Mr. Leonida does not have, nor has he ever had, any disciplinary disclosure.

Item 4 Other Business Activities

Mr. Leonida is a registered representative with Raymond James Financial Services, Inc., ("RJFS"). RJFS is a diversified financial services company engaged in the sale of specialized investment products. In this capacity, Mr. Leonida may recommend securities or insurance products offered by RJFS as part of your investment portfolio. When purchasing securities, Mr. Leonida typically offers the client two methods on how to purchase those securities. One method would be for Mr. Leonida to receive the customary commissions in his separate capacity as a registered representative of RJFS, or Mr. Leonida will charge a flat annual fee for those assets under management with RJFS. Typically, insurance products that are purchased would result in Mr. Leonida receiving the customary commissions for those products. Additionally, Mr. Leonida could be eligible to qualify for incentive awards that RJFS may offer. Typically, these incentive awards include airfare and hotel arrangements paid by RJFS to attend their National Conference based upon Mr. Leonida's production. In no way does Mr. Leonida receive any additional compensation or have an incentive to recommend investment products simply based upon the potential compensation received. Mr. Leonida bases his investment recommendations on the particular investment need of that individual client. Please refer to the Fees and Compensation section and the *Client Referrals and Other Compensation* section of Capital Financial Group, Inc.'s firm brochure for additional disclosures on this topic.

Our firm is a licensed insurance broker in the State of Colorado, and Mr. Leonida is also an independent insurance agent. In this capacity, he can effect transactions in insurance products for his clients and earn commissions for these activities. The fees you pay Capital Financial Group, Inc. for advisory services are separate and distinct from the commissions earned by Mr. Leonida for insurance related activities. Mr. Leonida may have an incentive to recommend insurance products to you for the purpose of generating commissions; however, he determines the need for insurance related programs based upon the needs of that particular client. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Mr. Leonida's receipt of additional compensation as a result of his activities as a registered representative RJFS and licensed insurance agent.

Also, please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Capital Financial Group, Inc.'s firm brochure for additional disclosures on this topic.

Item 6 Supervision

As the Branch Manager for RJFS, John Guigli is responsible for supervising the advisory activities of Dennis Leonida.

As registered representatives of RJFS we are subject to annual audits by RJFS and we are only permitted to conduct our advisory practice in accordance with strict controls and limitations set by RJFS.

In the supervision of our associated persons, advice provided is limited based on the restrictions set by RJFS, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each investment adviser representatives' client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines.

Item 7 Requirements for State-Registered Advisers

Mr. Leonida does not have, or has he ever had, any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization proceeding or administrative proceeding, and has not been the subject of a bankruptcy petition.

Amel John Guigli

CRD No: 715323

Capital Financial Group, Inc.

**8400 E. Prentice Ave., Suite 1100
Greenwood Village, Colorado 80111**

Phone: 303-629-7500

FAX: 303-629-7560

April 4, 2012

FORM ADV PART 2B

BROCHURE SUPPLEMENT

This brochure supplement provides information about Amel J. Guigli that supplements the Capital Financial Group, Inc., brochure. You should have received a copy of that brochure. Please contact us at 303-629-7500 if you did not receive Capital Financial Group, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Capital Financial Group, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Name: Amel John Guigli

Year of Birth: 1952

Formal Education After High School:

- Trinidad State Junior College, A.A., Accounting, 1972
- Colorado State University, B.S., Finance, 1974
- Chartered Life Underwriter, 1984
- Chartered Financial Consultant, 1985

Business Background Previous Five Years:

- Capital Financial Group, Inc., 06/98 - Present, Investment Adviser Representative
- Raymond James Financial Services, Inc., 06/98 - Present, Registered Representative; Branch Manager

Certifications:

Chartered Financial Consultant, 1985

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam.

Chartered Life Underwriter, 1984

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take a series of mandatory courses which include, for example, the following: insurance planning, life insurance law, fundamentals of estate planning, planning for business owners, income taxation, group benefits, planning for retirement needs, and investments. Each course has a final proctored exam.

Item 3 Disciplinary Information

Mr. Guigli does not have, nor has he ever had, any disciplinary disclosure

Item 4 Other Business Activities

Mr. Guigli is a registered representative with Raymond James Financial Services, Inc., ("RJFS"). RJFS is a diversified financial services company engaged in the sale of specialized investment products. In this capacity, Mr. Guigli may recommend securities or insurance products offered by RJFS as part of your investment portfolio. When purchasing securities, Mr. Guigli typically offers the client two methods on how to purchase those securities. One method would be for Mr. Guigli to receive the customary commissions in his separate capacity as a registered representative of RJFS, or Mr. Guigli will charge a flat annual fee for those assets under management with RJFS. Typically, insurance products that are purchased would result in Mr. Guigli receiving the customary commissions for those products. Additionally, Mr. Guigli could be eligible to qualify for incentive awards that RJFS may offer. Typically, these incentive awards include airfare and hotel arrangements paid by RJFS to attend their National Conference based upon Mr. Guigli's production. In no way does Mr. Guigli receive any additional compensation or have an incentive to recommend investment products simply based upon the potential compensation received. Mr. Guigli bases his investment recommendations on the particular investment need of that individual client. Please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Capital Financial Group, Inc.'s firm brochure for additional disclosures on this topic.

Our firm is a licensed insurance broker in the State of Colorado, and Mr. Guigli is also an independent insurance agent. In this capacity, he can effect transactions in insurance products for his clients and earn commissions for these activities. The fees you pay Capital Financial Group, Inc. for advisory services are separate and distinct from the commissions earned by Mr. Guigli for insurance related activities. Mr. Guigli may have an incentive to recommend insurance products to you for the purpose of generating commissions; however, he determines the need for insurance related programs based upon the needs of that particular client. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Mr. Guigli's receipt of additional compensation as a result of his activities as a registered representative RJFS and licensed insurance agent.

Also, please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Capital Financial Group, Inc.'s firm brochure for additional disclosures on this topic.

Item 6 Supervision

Dennis Leonida, President of Capital Financial Group, Inc. is responsible for supervising the advisory activities of Mr. Guigli. However, as the Branch Manager for RJFS, Mr. Guigli's investment activity is monitored by the Sales Supervision Staff of Raymond James Financial Services, Inc.

As registered representatives of RJFS we are subject to annual audits by RJFS and we are only permitted to conduct our advisory practice in accordance with strict controls and limitations set by RJFS.

In the supervision of our associated persons, advice provided is limited based on the restrictions set by RJFS, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each investment advisor representatives' client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines.

Item 7 Requirements for State-Registered Advisers

Mr. Guigli does not have, or has he ever had, any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization proceeding or administrative proceeding, and has not been the subject of a bankruptcy petition.

Alexander A. Leonida
CRD No: 5429993

Capital Financial Group, Inc.

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Greenwood Village, Colorado 80111

Phone: 303-629-7500
FAX: 303-629-7560

April 4, 2012

FORM ADV PART 2B

BROCHURE SUPPLEMENT

This brochure supplement provides information about Alexander Leonida that supplements the Capital Financial Group, Inc., brochure. You should have received a copy of that brochure. Please contact us at 303-629-7500 if you did not receive Capital Financial Group, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Capital Financial Group, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Name: Alexander A. Leonida

Year of Birth: 1983

Formal Education After High School:

- University of Northern Colorado, B.A., English, 2007
- Arizona State University, 06/2003 to 05/2004 - Major English; Minor: History
- Scottsdale Community College, 08/2002 to 05/2003

Business Background Previous Five Years:

- Capital Financial Group, Inc., 06 /2009 - Present, Investment Adviser Representative
- Raymond James Financial Services, Inc., 09/2007 - Present, Registered Representative

Item 3 Disciplinary Information

Mr. Leonida does not have, nor has he ever had, any disciplinary disclosure.

Item 4 Other Business Activities

Mr. Leonida is a registered representative with Raymond James Financial Services, Inc., ("RJFS"). RJFS is a diversified financial services company engaged in the sale of specialized investment products. In this capacity, Mr. Leonida may recommend securities products offered by RJFS as part of your investment portfolio. When purchasing securities, Mr. Leonida typically offers the client two methods on how to purchase those securities. One method would be for Mr. Leonida to receive the customary commissions in his separate capacity as a registered representative of RJFS, or Mr. Leonida will charge a flat annual fee for those assets under management with RJFS. Additionally, Mr. Leonida could be eligible to qualify for incentive awards that RJFS may offer. Typically, these incentive awards include airfare and hotel arrangements paid by RJFS to attend their National Conference based upon Mr. Leonida's production. In no way does Mr. Leonida receive any additional compensation nor have an incentive to recommend investment products simply based upon the potential compensation received. Mr. Leonida bases his investment recommendations on the particular investment need of that individual client. Please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Capital Financial Group, Inc.'s firm brochure for additional disclosures on this topic.

Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Mr. Leonida's receipt of additional compensation as a result of his activities as a registered representative RJFS.

Also, please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Capital Financial Group, Inc.'s firm brochure for additional disclosures on this topic.

Item 6 Supervision

Dennis Leonida, President of Capital Financial Group, Inc. is responsible for supervising the advisory activities of Mr. Leonida.

As registered representatives of RJFS we are subject to annual audits by RJFS and we are only permitted to conduct our advisory practice in accordance with strict controls and limitations set by RJFS.

In the supervision of our associated persons, advice provided is limited based on the restrictions set by RJFS, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each investment advisor representatives' client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines.

Item 7 Requirements for State-Registered Advisers

Mr. Leonida does not have, or has he ever had, any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization proceeding or administrative proceeding, and has not been the subject of a bankruptcy petition.