

CAPITAL INVESTMENT MANAGEMENT, LLC
Doing Business As



Item 1 - Cover Page

FORM ADV PART 2B*

Brochure Supplement:

Professional Background of

Kurt J. Halverstadt

February 2014

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*This brochure supplement provides information about the qualifications of Kurt J. Halverstadt. This is a supplement to The Sullivan Group's brochure which you should have received previously. Please contact the Firm's Chief Compliance Officer, Sean A. Lehmann at telephone: 949-335-7180, if you have not received the brochure or if you have any questions about the contents of this supplement. Additional information about The Sullivan Group is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

KURT J. HALVERSTADT

Born 1959

Education

California State University Sacramento, Sacramento, CA - 1990: B.S. in Business Administration/Finance

FINRA examinations - Series 6, 7, 26, 63, 65

Business Background

08/2009 to Present Capital Investment Management, LLC, dba The Sullivan Group, Roseville, CA
Managing Member

09/2009 to Present Purshe Kaplan Sterling Investments, Albany, NY
Registered Representative

12/2007 to 08/2009 Morgan Stanley & Co., Inc., Roseville, CA
Senior Vice President, Financial Advisor

06/2002 to 12/2007 Wachovia Securities, LLC, Roseville, CA
Managing Director, Financial Advisor

Professional and Community Activities

Kurt volunteers his time as an ad-hoc member of several investment/venture boards and serves as an advisor to a number of local businesses. Kurt has been involved in financing and merger/acquisition activity for several companies headquartered in the greater Sacramento area. Kurt lives in Granite Bay with his wife, Laura, and their four children.

Item 3 - Disciplinary Information

In 2009, Kurt was named in a customer dispute filed against a previous firm wherein a client alleged that his account was charged transaction commissions on trades made just prior to the assets being moved into an advisory, fee-only account. A settlement was negotiated and paid by the previous firm which acknowledged its internal operational error and responsibility for the claim. Kurt was neither notified of nor required to participate in the settlement.

Item 4 - Other Business Activities

Kurt Halverstadt is not involved in any outside business activities.

Item 5 - Additional Compensation

Other than as may have been previously disclosed in the Firm's Form ADV Part 2A, neither the Firm nor any of its employees receive any economic benefit from any non-client for the provision of investment advisory services. Employees are not paid "sales awards" or other prizes for referring clients to the Firm.

Item 6 - Supervision

All Firm personnel are supervised by Sean A. Lehmann, Managing Member and Chief Compliance Officer, and/or Kurt J. Halverstadt, Managing Member whose supervision is ongoing and includes account reviews, trade supervision, annual compliance reviews including the forensic testing of Firm systems, staff meetings and employee reviews.

Item 7 - Requirements for State-Registered Advisors

In August 2011 Mr. Halverstadt filed for personal bankruptcy after a judgment was entered against him in an arbitration filed by a former broker-dealer employer. The action related to the circumstances under which Kurt left the employment at the time he and Sean Lehmann started The Sullivan Group. The arbitration claim did not involve securities trading, client investments or any customer complaint but was employment-related only. Also in 2009, Kurt suffered a judgment related to a disputed credit arrangement with a bank. All outstanding judgments against Mr. Halverstadt were discharged in the bankruptcy proceeding.

Mr. Halverstadt has not been held liable in any proceeding involving claims of fraud, false statements or omissions, theft, embezzlement, other wrongful taking of property, bribery, forgery, counterfeiting, extortion, or dishonest, unfair or unethical practices.