

BROCHURE
(Form ADV Part 2A)



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July 28, 2021

This brochure ("Brochure") provides you with information about the qualifications and business practices of *Capital Endurance Group, Inc.* It contains information that you should consider before becoming a client of our firm.

The information contained herein has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority. Registration of an Investment Adviser does not imply a certain level of skill or training. We have only filed the requisite registration documents with respective governmental entities in the appropriate jurisdictions.

If you have any questions about the contents of this Brochure, please contact us by telephone at (678) 646-6776. Additional information about Capital Endurance Group can be found on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. The Capital Endurance Group CRD/IARD No. is 284793.

MATERIAL CHANGES

Capital Endurance Group Material Changes

This version of our Brochure, dated July 28, 2021, is an interim amendment that reflects our firm's transition to investment advisor registration pursuant to laws and regulations of the U.S. Securities and Exchange Commission (SEC) on July 12, 2021.

The following are the material changes in our annual filing of March 30, 2021:

Advisory Services

Assets under Management

We have updated our assets under management as required by regulations. We currently* manage \$134,471,810 in client assets on a discretionary basis. *Our asset under management calculations are as of December 31, 2020.

Types of Clients

Minimum Investment Value Requirement

We have lowered the minimum investment value requirement from \$1,000,000 to \$500,000 for our comprehensive wealth management engagements.

Clients are required to have a minimum investment value of \$500,000. Nonetheless, we reserve the right to waive the minimum investment requirement based on other criteria (e.g., pre-existing relationships, related accounts, the anticipation of additional assets within the next twelve (12) months, etc.) that we deem pertinent to establishing the advisory relationship.

General Revisions

We have revised some language and content herein to ensure that our disclosures are concise and unambiguous.

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ADVISORY SERVICES

About Our Business

Capital Endurance Group, Inc. (also referred to herein as “we,” “us,” or “our”) is a wealth management firm that provides advice regarding portfolio management strategies and financial planning consultations. Our firm is a Georgia corporation that began managing our clients’ investments and providing financial expertise in December of 2011. We are registered pursuant to the investment advisor regulations of the U.S. Securities and Exchange Commission.

Mr. Patrick M. Dailey is the principal owner, chief compliance officer, and an investment advisor representative of our firm.

Types of Advisory Services

As a wealth management firm, we provide portfolio management strategies that incorporate goals-based financial planning solutions. A detailed explanation of our services is as follows:

1. Comprehensive Wealth Management Services

Our comprehensive wealth management services combine discretionary portfolio management services and financial planning. These services incorporate the financial planning solutions outlined below. Utilizing financial planning techniques allows us to tailor investment advice and design a more personalized asset allocation strategy to meet a client’s specific financial goals and objectives.

Services also include investment advice regarding mutual funds, closed-end mutual funds, exchange-traded funds, fixed income securities, municipal bonds, corporate bonds, publicly-traded real estate investment trusts, exchange-traded notes, commodities, and alternative investments, such as hedge funds and private real estate investments. When implementing comprehensive wealth management services, we typically construct a client’s portfolio holdings using mutual funds and exchange-traded funds.

2. Stand-Alone Limited Engagement Financial Planning Services

For clients interested solely in a financial plan, we offer stand-alone limited engagement financial planning services to help clients reach their financial goals. Our financial plans are developed by evaluating data relative to our client’s financial circumstances, investment goals and objectives, and tax status. Our financial plan or planning report may include but is not limited to information regarding a client’s net worth calculations and cash flow analysis, consumption and debt planning, retirement planning, college planning, advanced education planning, estate planning issues, and wealth transfer matters. We also assess client needs for asset protection and risk management. The financial plan or planning report is delivered within three (3) months of commencing financial planning services.

Our firm will not be responsible for implementing any recommendations in a written financial plan prepared pursuant to a stand-alone limited engagement financial planning services engagement. We will not supervise the implementation of the financial planning recommendations unless a client enters into a separate agreement for comprehensive wealth management services.

If a client who has engaged us for stand-alone limited financial planning services decides to utilize us to implement the recommendations, such an engagement is pursuant to a separate advisory agreement. Clients are advised that our receipt of fees for financial planning services and portfolio management services creates conflicts of interest. When a limited engagement financial planning client engages us for portfolio management services within twelve (12) months of the engagement, we mitigate the conflicts of interest associated with our firm receiving advisory fees for both services by applying the advisory fees paid for stand-alone limited financial planning services to the client’s annual comprehensive wealth management fees.

Please note that clients are not obligated to implement our financial planning recommendations. Moreover, if a client elects to implement our financial planning recommendations, there is no obligation to implement the recommendations through our firm. Clients may implement recommendations with any professional advisor.

Tailored Services

Our advice and services are based on the individual needs of a client after analyzing and thoroughly evaluating each client’s goals, objectives, investment horizon, and risk tolerance. Clients may impose restrictions on investing in certain asset classes or specific types of securities by advising their investment advisor representative of such restrictions.

Wrap Fee Programs

We are not a participant in any wrap fee program.

Assets under Management

We currently* manage \$134,471,810 in client assets on a discretionary basis. *Our assets under management calculations are as of December 31, 2020.

FEES AND COMPENSATION

Advisory Fees

We earn fees and compensation by implementing comprehensive wealth management strategies. Our fees for services are as follows:

1. Fees for Comprehensive Wealth Management Services

Assets Under Management	Rate Applied
First \$0 - \$500,000	1.5%
Next \$500,001 - \$1,000,000	1.0%
Next \$1,000,001 - \$5,000,000	.75%
Next \$5,000,001 and Over	.55%

Sample Fee Calculation

Investments of \$1,750,000

\$ 500,000 @1.5%

\$ 500,000 @1.0%

\$ 750,000 @ .75%

Effective Annual Blended Rate of 1.037%

Annual Fee \$23,975 | Quarterly Fee \$5,993.75

Our comprehensive wealth management fees are negotiable at our sole discretion. The final fee is outlined in our investment management agreement. Additionally, we reserve the right to reduce management fees based upon specific criteria that we deem pertinent (e.g., pre-existing relationships, related accounts, etc.). Please also review the *Types of Clients* section for details regarding our minimum investment requirement.

2. Stand-Alone Limited Engagement Financial Planning Services

Upon engagement for stand-alone limited engagement financial planning services, clients are provided a best-efforts advisory fee estimate. Our best-efforts advisory fee estimate incorporates the most beneficial fee structure for a client as determined by the scope of services, the complexity of the financial plan, or the frequency of planning sessions. We require a payment of fifty percent (50%) of the best-efforts advisory fee estimate, with the remaining balance due upon delivering the financial plan or planning report.

Our fixed fees for stand-alone limited engagement financial planning services range from \$2,000 to \$10,000; however, the minimum fee is \$2,000. Subject to the minimum fee, our fees for stand-alone limited engagement financial planning services are negotiable, and the final fee arrangement is outlined in our financial planning agreement.

Billing Procedures

Our billing procedures for advisory services are as follows:

1. Billing for Comprehensive Wealth Management Services

Our fees for comprehensive wealth management services are billed based on investment assets under management. Advisory fees are billed and due quarterly in advance (i.e., at the beginning of each calendar quarter). Accordingly, we will transmit our advisory fee calculations to the account custodian electronically no later than one week after the beginning of each calendar quarter. Our firm uses trade date valuations (as opposed to the settlement date) to value investment assets for billing purposes. Fee calculations are based on the value of the account(s) as listed on a national securities exchange or the principal market where the securities are traded, at the closing price, as of the last trading day of the calendar quarter. Additionally, billing valuations for fixed income securities often include accrued interest. Furthermore, margin interest, if applicable, will accrue monthly.

Upon signing our investment management agreement, clients provide written authorization to have advisory fees deducted directly from the advisory account(s).

2. Billing for Stand-Alone Limited Engagement Financial Planning Services

Our fees for stand-alone limited engagement financial planning services are billed in advance. Upon engagement for stand-alone financial planning services, we provide clients a best-efforts advisory fee estimate based on the anticipated services. Upon the client's acceptance of the estimate, a fifty percent (50%) deposit of the fee is due to us before commencing services. The advisory fee balance is paid upon delivery of the financial plan or planning report. Financial plans and planning reports are delivered within three (3) months of commencing services.

Upon delivering the financial plan or planning report, we provide a final advisory fee invoice that delineates the total stand-alone limited engagement financial planning services fee (less the fifty (50%) percent deposit) and the remaining balance due for services. Advisory fee invoices are transmitted to clients, either in person, electronically, or by mail, and payment is due upon receipt. Clients pay final advisory fee invoices by mailing a check to our address.

Other Fees & Expenses

Clients will also incur additional third-party fees and expenses ("third party fees") related to the management of investments and advisory service provisions. These fees may include but are not limited to no-load mutual fund ticket charges, brokerage transaction costs, deferred sales charges on previously purchased mutual funds, IRA maintenance fees, and other legal or transfer fees. The account custodians, broker-dealers, mutual fund companies, and others who provide account services charge these fees, and clients are responsible for payment of all third-party fees and expenses. As of the date of this Brochure, our account custodian does not assess transaction costs for trades in equity securities (i.e., stocks, exchange-traded funds, etc.). Also, clients whose assets are invested in mutual funds, exchange-traded funds, money market mutual funds, closed-end funds, and other investment company securities will incur additional expenses. These are direct internal expenses of the investment company that issues the security, but a cost borne by investors (clients). The specific fees and expenses are outlined in the prospectus for each investment company security.

It is important to note that the advisory fees paid to our firm are separate from the maintenance fees and transaction expenses charged by third parties. Please also refer to the *Brokerage Practices* section for information regarding our account custodians.

Refund Policy

Clients may terminate our financial planning or investment management agreement at any time by providing thirty (30) days' advance written notice to us. Upon receipt of a termination request, we will assess fees pro-rata to the date of termination. We refund any unearned portion of prepaid fees within fourteen (14) business days.

Any balance for unpaid fees due to our firm will be collected prior to the disbursement of funds, if applicable. If we are unable to deduct final advisory fees from a client's advisory account(s), such as in the case of an account transfer, we will transmit a final advisory fee invoice to the client, which is due upon receipt. Clients pay final advisory fee invoices by mailing a check to our address.

Other Compensation

We do not accept any compensation for the sale of securities or other investment products. Our investment advisor representatives are not registered in any securities sales capacity.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Our firm does not charge performance-based fees, and we do not conduct side-by-side investment product management.

Nonetheless, our firm's principal officer, Patrick M. Dailey, is responsible for managing client accounts and the portfolios of one or more affiliated entities. Please review the *Other Financial Industry Activities and Affiliations* section for more details. Mr. Dailey earns performance-based fees indirectly as a result of his ownership and financial interests in affiliated entities.

Having financial interest and managing different account portfolios create potential conflicts of interest. Our affiliates have different investment objectives and fee structures, which is likely to incentivize Mr. Dailey to allot more of his time and efforts to one business entity over the other. To ensure that no one entity is disadvantaged, Mr. Dailey evaluates his allocation of time continually and utilizes staff support to ensure an equal commitment to all entities.

As a fiduciary, we endeavor to ensure that investment recommendations are made in accordance with a client's best interest and without consideration of pecuniary, investment, or financial interests when recommending investments offered by affiliates. Our policies and procedures mandate full disclosure of all conflicts of interest.

TYPES OF CLIENTS

We generally provide investment advice to individuals and high net-worth individuals.

We require a minimum investment value of \$500,000 for comprehensive wealth engagements. Nonetheless, we reserve the right to waive the minimum investment requirement based on other criteria that we deem pertinent (e.g., pre-existing relationships, related accounts, the anticipation of additional assets within the next twelve (12) months, etc.). Therefore, there may be clients whose investment values are less than the stated minimum investment value.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Methods of Analysis and Investment Strategies

We have experience researching and investing in all types of securities and asset classes, including common stocks, preferred stocks, warrants, convertible securities, U.S. government securities, corporate bonds, other fixed-income securities, commodities, currencies, and real-estate related assets. We may utilize a range of investment strategies to implement the advice given to clients, including long-term purchases, short-term purchases, active trading, short sales, and options strategies, including covered options, uncovered options, spreads, and straddles. To some extent, we may increase the number and extent of a portfolio's "long" positions by borrowing (e.g., by purchasing securities on margin). Quantitative analytics are utilized in some of our investment activities to assist in selecting securities or managing investment risk.

Tenants of Investment Philosophy

Utilizing advances in Modern Portfolio Theory ("MPT"), we attempt to reduce uncompensated risks in portfolios by selecting only those asset classes whose risks increase expected returns over time. We base asset location on the tax sensitivity of the underlying security and the availability of tax-favorable investment vehicles. We invest in low-cost and low-turnover securities that focus on individual asset classes with little or no style drift. Client portfolio positions will generally be limited to stocks, bonds, mutual funds, and exchange-traded funds. Based on client suitability, we may also recommend affiliated third-party alternative investments to augment investment portfolios.

Material Risks of Methods of Analysis and Investment Strategies

Notwithstanding the method of analysis or investment strategy employed, there is no guarantee that portfolio holdings or investment assets will achieve the desired investment objectives. Clients could lose money by investing based on our strategies, and the client alone will bear such losses. The value of portfolio holdings may be affected by one or more of the following risks, any of which could cause a portfolio's return, price of shares, or yield to fluctuate:

- ❖ *General Market Risk.* Markets can, as a whole, go up or down on various news releases or for no explicable reason. This uncertainty means that, at times, the price of specific securities could go up or down without real cause and may take some time to recover any lost value. Adding additional securities may not help minimize this risk since all securities may be affected by market fluctuations. Market fluctuations will ultimately affect a client's portfolio holdings.
- ❖ *Quantitative Tools Risk.* Some of our investment techniques incorporate or rely upon quantitative models. There is no guarantee that these models will generate accurate forecasts, reduce risks, or otherwise produce the intended results. We review the accuracy of our models periodically.
- ❖ *Interest Rate Risk.* Changes in interest rates will affect the value of a portfolio's holdings invested in fixed-income securities. The value of fixed income securities is more inclined to decrease as interest rates increase. This decrease in value may not be offset by income from new investments or other portfolio holdings. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.
- ❖ *Credit Risk.* An issuer or guarantor of a fixed-income security may be unable or unwilling to make timely payments of interest or principal or honor its obligations otherwise. The issuer or guarantor may default, causing a loss of the entire principal amount of a security. An issuer's credit rating reflects the degree of risk for a particular security. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect its value and a client's portfolio holdings.

- ❖ *Asset Allocation Risk.* The asset classes represented in the composition of a client's portfolio can perform differently from each other at any given time and over the long term. A client's investments will be affected by the allocation among equity securities (e.g., stocks, mutual funds, exchange-traded funds, etc.), cash equivalents, fixed income securities, and occasionally alternative investments. If any asset class that comprises a client's holdings underperforms, the performance of other asset classes may suffer.
- ❖ *Liquidity Risk.* Liquidity risks exist when portfolio holdings or assets are illiquid. Investments that lack liquidity are difficult to purchase or sell at an advantageous price. Real estate investments and alternatives (i.e., private placements, hedge funds, etc.) involve substantial market and credit risks and are also inclined to involve greater liquidity risk.
- ❖ *Investment Company Security Risk.* Investments in investment company securities ("mutual funds") and exchange-traded funds ("ETFs") have risks. This risk disclosure focuses on mutual funds. See specific details regarding ETF risks below. The risks associated with investing in mutual funds involve substantially the same risks as investing directly in the underlying securities (i.e., general market risks, interest rate risks, financial risks, time-horizon risks, liquidity risks, etc.). There is also a risk that a mutual fund may not achieve its investment objective or execute its investment strategy effectively, which may adversely affect the performance of a client's portfolio. Additionally, clients pay a pro-rata portion of the fees and expenses associated with mutual funds, which are likely to impact the value of a client's portfolio holdings.
- ❖ *ETF Risks.* There are risks associated with investing in exchange-traded funds (ETFs) that may be unrecognized. ETFs are offered for all asset classes, industries, sectors, markets, etc.

Passively Managed ETFs represent an interest in a portfolio of securities designed to track an underlying benchmark or index. These ETFs typically seek to track an underlying benchmark or index; the ETF may or may not hold all securities in the underlying benchmark or index. ETFs are also subject to price variations. ETFs trade throughout the day, and market prices are generally at or near the most recent net asset value (NAV). However, certain market inefficiencies may cause the shares to trade at a premium or discount to the stated NAV. For example, a high volume of market sells may cause ETFs to trade below the value of the underlying NAV.

Actively Managed ETFs are designed to outperform an index. These portfolios generally expose a high percentage of its net assets to a fixed list of investments (e.g., U.S. exchange-listed equity securities, U.S. exchange-traded funds that provide exposure to U.S. exchange-listed equity securities, U.S. exchange-listed equity securities of non-U.S. issuers, including the securities of non-U.S. issuers traded on U.S. exchanges in the form of depository receipts, etc.). The ETF may also have exposure to futures, other derivatives, long and short positions, all of which may not perform as expected. These securities are subject to the risk that they may not effectively outperform the index, industry, or other markets that it intends to outperform. In addition to the risk that expenses reduce returns, that ETF portfolio managers' strategies are not successful, that the investment is illiquid, has low trading volume, there is the risk that the investment may not perform as expected, resulting in losses.

Moreover, as with any security, there is no guarantee that an active secondary market for such ETF shares will continue to exist. Also, the redemption of ETFs can be limited. Only an authorized participant (generally broker-dealers that act as liquidity providers) may engage in the creation or redemption transactions of an ETF. Furthermore, ETFs typically have a limited number of broker-dealers that may act as authorized participants. To the extent that authorized participants exit the business or are unable to proceed with creation or redemption orders, and no other authorized participant can step forward, the liquidity of an ETF is likely to be impacted and could face trading halts or delisting.

- ❖ *Non-traditional ETF Risks.* Non-traditional ETFs include leveraged, inverse, or inverse-leveraged ETFs. Levered ETFs seek to deliver multiples of the performance of an underlying index or benchmark for a specified period (usually a single day). Inverse ETFs are generally "short positions" seeking to deliver the opposite of an underlying index or benchmark for a specified period of time. Inverse-leveraged ETFs seek to deliver multiples of the opposite of an underlying index or benchmark for a specified period. Due to the effect of compounding, their performance over more extended periods of time can differ significantly from the performance, which can be magnified in volatile markets. Inverse ETFs reset daily and are designed to achieve their stated objectives daily.

Nontraditional ETFs are not long-term investments. They are extremely speculative in nature and can be quite volatile. Investments in non-traditional ETFs and should be monitored daily to ensure that risks associated with such investments remain appropriate for a client's portfolio holdings, especially during volatile markets when risks intensify.

- ❖ *Municipal Bond Risk.* Municipal securities issuers may face local economic or business conditions (including bankruptcy) and litigation, legislation, or other political events that could significantly affect the

ability of the municipality to make payments on the interest or principal of its municipal bonds. Municipalities issue municipal securities to finance projects, such as education, healthcare, transportation, infrastructure, public services, and conditions in those sectors can affect the overall municipal bond market. Moreover, changes in the financial condition of one municipality may affect the overall municipal bond market. The municipal obligations in which clients invest are subject to credit risk, market risk, interest rate risk, credit spread risk, selection risk, call and redemption risk, and tax risk, and the occurrence of any one of these risks may materially and adversely affect the value of a client's portfolio holdings or assets.

- ❖ *Real Estate Related Securities Risk.* Investing in real-estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; potential lack of availability of mortgage funds; overbuilding; extended vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from the cleanup of, and liability to third parties for damages arising from environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Likewise, investing in real estate investment trusts (REITs) involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not diversified, and are subject to heavy cash flow dependency, default by borrowers, and self-liquidation.
- ❖ *Reliance on Advisor.* The performance of clients' portfolio holdings depends on the skill and expertise of our professional staff to make appropriate investment decisions. The success of client portfolios depends on our firm's ability to develop and implement investment strategies and apply investment techniques and risk analyses to achieve a client's investment objectives. Our firm's subjective decisions may cause portfolios to incur losses or miss profit opportunities that may otherwise have capitalized. For example, our portfolios may include customized investment features that may impact the implementation of specific investment strategies. Additionally, as financial markets evolve, we may decide to invest in other securities when consistent with the specific portfolio strategy.
- ❖ *Business Continuity Risk.* In the event of a significant business disruption, unforeseeable event, or natural disaster that causes a total or partial outage affecting our offices or a technical problem affecting applications or networks, our advisory activities may be adversely impacted. Service providers may also fail to perform, and our ability to conduct business may be curtailed by any disruption in the infrastructure that supports our operations.

To mitigate such risks, we have adopted a business continuity plan to implement recovery strategies designed to maintain critical functions and limit the impact of any business interruption or disaster on client activities or business transactions.

While the foregoing information provides a synopsis of the risks that may affect investments, many other circumstances not described herein could adversely affect the value of investments and portfolio holdings and prevent a clients' portfolio holdings or assets from reaching its stated objective.

INVESTING IN SECURITIES INVOLVES A RISK OF LOSS THAT CLIENTS SHOULD BE PREPARED TO BEAR. CLIENTS MAY LOSE ALL OR A SUBSTANTIAL AMOUNT OF THEIR INVESTMENT.

Recommendation of Specific Types of Securities

We do not focus our advice on or make recommendations relative to any particular type of security. Our advice encompasses an array of securities and investment vehicles.

DISCIPLINARY INFORMATION

Neither our firm nor management personnel has been involved in any industry-related legal or disciplinary event.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Financial Industry Activities

We are not a registered broker-dealer and do not have any application pending to register as a broker-dealer. Additionally, neither our management personnel nor investment advisor representatives are registered as or have applications pending to register as registered representatives of a broker-dealer.

Financial Industry Affiliations

Our firm has an affiliated investment advisor, Capital Endurance Partners, LLC, that operates pursuant to the state of Georgia de minimis exemption. Capital Endurance Partners is also a commodity pool operator that operates pursuant to a Commodities Futures Trading Commission (CFTC) exemption.

Capital Endurance Partners and Capital Endurance Group are under common ownership. Our firm's principal, Patrick M. Dailey, owns both entities. Capital Endurance Partners is also General Partner to Capital Endurance Fund, a limited partnership. Consequently, if we recommend that a client of Capital Endurance Group invest in Capital Endurance Fund, such a recommendation creates conflicts of interest that result from these affiliations.

Other Affiliations

We do not have arrangements with a related person that is a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company, or other pooled investment vehicle (including mutual fund, closed-end investment company, unit investment trust, private investment company, or "hedge fund," and offshore fund), other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, pension consultant, real estate broker or dealer, sponsor or syndicator of limited partnerships not already disclosed herein. Please review *Performance-based Fees and Side-by-Side Management and Participation or Interests in Client Transactions* sections for additional details regarding other affiliations.

Other Investment Advisers

We do not recommend unaffiliated investment advisors to our clients.

CODE OF ETHICS, PARTICIPATION, OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

We require that all employees of Capital Endurance Group act ethically and professionally. Our management persons, investment advisor representatives, and other employees (collectively, "personnel") subscribe to a strict code of ethics. Our Code of Ethics is constructed to comply with the investment advisory laws and regulations that require firms to act as fiduciaries in transactions with their clients. Our inherent fiduciary duty requires that we act solely in our clients' best interests and adhere to standards of utmost integrity in our communications and transactions. These standards ensure that clients' interests are given precedence.

Accordingly, we have implemented comprehensive policies, guidelines, and procedures that promote ethical conduct and practices by all of our personnel. The foregoing has been compiled and is collectively referred to as our Code of Ethics. We adopted our Code of Ethics to specify and prohibit certain types of transactions deemed to create conflicts of interest (or perceived conflicts of interest) and establish reporting requirements and enforcement procedures related to personal securities transactions by our personnel.

Our Code of Ethics, which specifically deals with our fiduciary duty, professional standards, insider trading, personal trading, and gifts and entertainment, establishes our ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust.

We will provide a copy of our complete Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

As indicated, we may recommend that clients, who are accredited investors as defined in Rule 501(a) of Regulation D, and for whom such investments are suitable, invest in an affiliate limited partnership, Capital Endurance Fund, LP. Additionally, our employees, officers, shareholders, members, partners, managers, directors, officers, and other affiliated entities ("related persons") are also likely to be investors. Therefore, when making recommendations of investments owned by affiliate entities, we are recommending investments to clients that our firm has an indirect material interest and that our principal officer has a direct material interest.

As a result of the foregoing, our recommendations create conflicts of interest. Clients are not obligated to invest in limited partnership interests offered through our affiliate and as recommended by our firm.

Personal Trading

Proprietary Trading

At times, we will buy or sell securities for our employees' personal accounts that we recommend to clients. We will always document any transactions that could be construed as a conflict of interest. Conflicts of interest relative to trades for our employees ("personal accounts") may present in many different contexts. Some conflicts of interest related to personal trades include trading ahead to obtain a better transaction execution price than clients, recommendations or trades based on financial interest, trading on information that is not available to the public, or structuring transactions in a manner so that the results are profitable for employees' accounts. To mitigate or remedy any conflicts of interest or perceived conflicts, we monitor internal trading reports for adherence to our Code of Ethics.

Simultaneous Trading

From time to time, we are likely to buy or sell investments for the personal accounts of our employees at or around the same time as clients. As summarized above, our Code of Ethics requires us to (1) act in accordance with all applicable federal and state regulations, (2) act in the best interest of clients, (3) pre-clear transactions in private placements, or initial public offerings, and (4) review personal securities transactions by employees to confirm adherence. Our chief compliance officer performs the personal securities transaction reviews. In any instance where similar securities are purchased or sold, we will uphold our fiduciary duty by ensuring that transactions are beneficial to clients' interests.

BROKERAGE PRACTICES

Selection and Recommendation

Capital Endurance Group makes the recommendation of account custodians after evaluating several factors. The factors include but are not limited to relatively low fees and expenses, execution capabilities, reputation, access to securities markets, and expertise in handling brokerage support processes. We may also consider the availability of other products and services that benefit our clients, many of which are not typically available to retail (non-advisory) clients.

Our firm maintains custodial services agreements with Fidelity Brokerage Services, Inc. ("Fidelity") and Charles Schwab & Co. (hereinafter, "Schwab"). Fidelity and Schwab are registered broker-dealers (members of FINRA and SIPC). These firms are qualified account custodians ("account custodians"). We are participants of Fidelity's and Schwab's institutional services platforms for independent investment advisors. Schwab's platform is known as Schwab Advisor Services™. Fidelity's platform is known as Fidelity Wealth Institutional Services or "FWIS".

Capital Endurance Group is independently owned and is not affiliated with Fidelity or Schwab.

We recommend an account custodian based on the best fit for our clients, which includes an evaluation of cost implications and a client's previous custodial relationships. While we recommend that clients use either Fidelity or Schwab as an account custodian, clients ultimately decide whether to do so and open an account by entering into an account agreement directly with Fidelity or Schwab. We do not open the account, although we may assist clients in doing so. As outlined in the *Other Fees & Expenses* section, there are other costs and expenses related to managing the investment assets of clients' accounts and advisory service provisions.

More information about Schwab

Schwab does not generally charge clients separately for custody services. It is usually compensated by charging transaction fees on trades and assessing account maintenance fees. Schwab is also compensated by the interest it earns on the uninvested cash (i.e., Schwab money market mutual funds) in client accounts and may be compensated by a client's investments in other products and services offered through Schwab Advisor Services™.

Schwab also makes available other products and services that benefit our firm but may not directly benefit clients' accounts. Services provided by Schwab are not otherwise contingent upon our firm committing any specific amount of business to Schwab. The products and services assist us in managing and administering our clients' accounts. Such services include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provides access to client account data (such as duplicate trade confirmations and account statements)

- Facilitates trade execution and allocate aggregated trade orders for multiple client accounts
- Provides pricing and other market data
- Facilitates the payment of our fees from our clients' accounts
- Assists with back-office functions, recordkeeping, and client reporting

Additionally, Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Our firm may receive some of the services listed above, and in other cases, Schwab will arrange for third-party vendors to offer these services. Schwab may also discount or waive its fees for some of the services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as the occasional business entertainment of our personnel.

Fidelity offers similar services and benefits as Schwab. Both platforms provide ancillary soft dollar benefits to support our clients' advisory accounts and certain operational processes. The ancillary soft dollar benefits include but are not limited to duplicate client confirmations and bundled duplicate statements, access to a trading desk serving platform participants exclusively, access to block trading, which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts, mechanisms to facilitate the deduction of advisory fees directly from client accounts, access to an electronic communication network for order entry and account information; receipt of compliance publications, and access to other products and services that are generally available to only institutional platform participants.

Therefore, as a result of our established service agreements, cost implications, operational support, custodial and other services, we will recommend either Fidelity or Schwab to clients for advisory transaction support services.

Notwithstanding our existing services agreements, we reserve the right to use other or additional firms for custodial services.

1. Soft Dollar Benefits

As of the date of this Brochure, we have not entered into any agreement with any account custodian, broker-dealer, or any other third party to receive soft dollar credits. Soft dollar credits are earned from clients' securities transactions as a result of an increase in transaction costs or commissions and subsequently used to pay for the research or other products or services provided by an account custodian. Therefore, although we receive ancillary soft dollar benefits, our firm does not earn soft dollar credits.

More importantly, our receipt of ancillary soft dollar platform benefits does not relieve us of our duty to act in the best interest of clients, which includes, among other things, seeking best execution of trades for client accounts.

2. Brokerage for Client Referrals

We do not receive client referrals from broker-dealers or other third parties in exchange for using any particular broker-dealer.

3. Directed Brokerage

(a) As previously stated, we recommend account custodians based on their ability to maximize trading efficiencies and provide cost-effectiveness for our clients. We will seek to achieve the most favorable results relative to trading costs, allocating funds, and rebalancing clients' investments.

(b) We do not permit clients to direct brokerage.

Order Aggregation

We may (but are not obligated to) block or aggregate orders for all advisory accounts, including personal accounts, to execute transactions in a more timely, equitable, cost-effective, and efficient manner. When we block or aggregate trades, purchase and sale orders are averaged as to price and allocated among accounts proportionally. This practice is reasonably likely to result in an administrative convenience for our firm and an overall economic benefit to clients. Clients benefit relatively with an averaged purchase or sell execution prices, lower transaction expenses, beneficial timing of transactions, or a combination of these and other factors.

If we decide that order aggregation is in the best interest of clients, before aggregating trades, we will prepare a written allocation statement specifying each advisory account that will participate in the aggregated order and the anticipated allocation among the accounts if the order is filled in its entirety. If the order is partially filled, allocations will be made according to our judgment of each client's best interest, and such allocation decisions will be documented. For example, if an order is filled partially, client orders will be allocated before any personal account allocations. Each account participating in a block trade will pay or receive the average price for all shares included in the transactions for such securities on that day, to include applicable transaction costs.

Any change to an allocation must treat each client fairly and equitably and must be explained in writing and approved by our chief compliance officer promptly (generally no later than one hour) after the opening of the markets on the trading day following the day the order was executed.

Our firm does not receive any additional compensation or remuneration as a result of order aggregation. The chief compliance officer will review transactions periodically to detect and prevent inefficiencies that result from non-compliance with our order aggregation policies and procedures.

REVIEW OF ACCOUNTS

Periodic Reviews

Our criteria for reviewing client accounts are as follows:

1. Comprehensive Wealth Management Reviews

We review client account portfolios no less than annually and more frequently at the request of any client. Each investment advisor representative of the firm reviews the client accounts under his purview. Our review methodology consists of ongoing monitoring and analysis to determine whether clients' portfolios and strategies continue to align with stated investment goals and objectives. If reallocation of investments is necessary, we will buy or sell investments that align with a client's investment strategies, goals, and objectives.

2. Review of Stand-Alone Limited Engagement Financial Plans

Clients who engage us for stand-alone limited engagement financial planning services are provided updates to financial plans or planning during meetings (e.g., in-person, by telephone, or electronic/virtual communications) throughout the engagement. During review meetings, we request updates from clients regarding previously provided financial information or data. After engagement termination, supplemental services are available for an additional fee. Clients who wish to engage us for comprehensive wealth management service must do so within twelve (12) months of the stand-alone limited financial planning services engagement.

Intermittent Review Factors

Periodic reviews may be triggered by substantial market fluctuation, economic, business, or political events, or by changes in a client's financial status (such as retirement, termination of employment, relocation, or inheritance). Clients should contact us to initiate an intermittent review upon the occurrence of any of the foregoing events.

Client Reports

We issue separate written reports to clients regarding account performance at least quarterly. In addition to performance data, the reports may include statements of gains and losses and a financial markets summary. Please review our performance statements carefully, comparing the asset values in our reports to the asset values in the account custodian's statements.

In addition to our performance reports, clients receive transaction confirmations from the account custodian shortly after trading activity (buys or sells). The account custodian also sends monthly statements for each month in which there is trading activity. If there is no trading activity during any month, clients will receive quarterly account statements detailing account activity.

CLIENT REFERRALS AND OTHER COMPENSATION

Economic Benefits for Advisory Services

We do not have any arrangement to receive economic benefits from any third party for providing advisory services to our clients.

Compensation for Client Referrals

We do not compensate any person for client referrals.

CUSTODY

Custodian of Assets

Our firm does not hold physical custody of client funds or securities. We require that qualified account custodians hold client assets. For more information regarding the account custodians (broker-dealers) that service our clients' accounts, please review the *Brokerage Practices* section for more details.

Our firm has indirect custody of client funds and securities because of our authorization and ability to deduct advisory fees directly from clients' accounts. Nonetheless, we have implemented safeguard requirements by ensuring the safekeeping of clients' funds and securities by a qualified custodian.

We also have indirect custody of client funds and securities due to utilizing asset movement authorizations to process account disbursements at a client's request. To ensure the safekeeping of assets subject to movement authorizations, we have implemented the requisite account custodian internal control procedures for safeguarding client assets.

Account Statements

Client account statements are mailed or sent electronically by the account custodian. Clients are advised to carefully review account statements, comparing asset values, holdings, allocations, performance, and advisory fees on current statements to those in previously received statements and confirmations.

INVESTMENT DISCRETION

Discretionary Authority

It is customary for our firm to exercise discretionary authority to manage and direct clients' investment assets (i.e., accounts, funds, and securities). This authority is granted upon a client's execution of our investment management agreement.

Discretionary authority is to make and implement investment decisions regarding a client's investment assets (i.e., accounts, funds, or securities) without prior consultation with a client. Such investment decisions include determining the types and dollar amounts or percentages of securities to be bought or sold and reinvesting investment assets. All investment decisions implemented under discretionary authority are made in accordance with a client's stated investment objectives. At any time during our advisory engagement, clients may advise us in writing of any limitations on our discretionary authority.

While we do allow clients to advise us of the desire to impose restrictions on investing in securities in specific industries or countries, etc., and dollar amounts or percentages of investments in the foregoing, such restrictions will generally not apply to the management of the underlying securities in mutual funds and exchange-traded funds, if applicable. Therefore, clients may be limited in imposing limitations in that some restrictions may affect the outcome of our investment management strategy. We will address each request on a case-by-case basis.

VOTING CLIENT SECURITIES

Our firm does not cast proxy votes on behalf of clients. We may provide information for clarification of the issues presented in proxy solicitation materials; however, our clients are responsible for casting proxy votes. Clients are also responsible for directing shareholder action items relative to mergers, acquisitions, tender offers, bankruptcy proceedings, and other types of events about the securities held in accounts managed by us.

Clients receive proxy solicitation and information regarding shareholder action items by mail or electronically from the account custodian or security issuer's transfer agent. Clients must follow the instructions for voting that are included with the mailing or electronic delivery.

FINANCIAL INFORMATION

Balance Sheet Requirement

Our firm does not require or solicit prepayment of more than \$1,200 in advisory fees per client, six (6) months or more in advance. Moreover, we do not meet any custody requirements that would require submitting our balance sheet with this filing.

Discretionary Authority, Custody of Client Funds or Securities and Financial Condition

We utilize discretionary authority to supervise and direct the investments of clients' accounts. Additionally, we have indirect custody of client funds and securities because of our authorization and ability to deduct advisory fees directly from clients' accounts. More importantly, we do not have any financial condition that will impair our ability to meet contractual commitments to clients.

Bankruptcy Petition Filings

Our firm has not been the subject of a bankruptcy petition at any time during the past ten (10) years.

ADDITIONAL DISCLOSURES

This section covers additional disclosures, including conflicts of interest related to our advisory business, not specifically mentioned previously. If you have any questions regarding the disclosures or conflicts of interest listed below, please do not hesitate to request additional details or clarification.

Retirement Plan Rollovers

Existing clients or prospective clients leaving an employer typically have four (4) options regarding assets in an existing retirement plan:

1. roll over the assets to the new employer's plan, if available, and rollovers are permitted;
2. leave the assets in the former employer's plan if allowed;
3. roll over the assets to an Individual Retirement Account ("IRA"); or
4. cash out the account value (adverse tax consequences may be applicable).

If we recommend that a client roll over retirement plan assets into an account to be managed by our firm, such a recommendation creates a conflict of interest because we will earn an advisory fee as a result of the rollover. As a fiduciary, we are required to ensure that such a recommendation is in a client's best interest.

CFP Board Disclosures

Our firm employs CERTIFIED FINANCIAL PLANNER™ professionals, Patrick M. Dailey, CFP®, Paul M. Delaney, CFA®, CFP®, Matthew S. Emerich, CFP®, and Ross A. Hughes, CFP®. The Brochure supplements for Messrs. Dailey, Delaney, Emerich, and Hughes outline specific details regarding conferment of the CFP® professional designation. Accordingly, we also adhere to the CFP Board's Standards of Professional Conduct.

We encourage clients to review all of the information outlined in this Brochure that serves as our disclosure document. We welcome any questions that clients may have regarding our advisory services (see Item 4, Advisory Services), compensation (see Fees and Compensation), and affiliations (see Other Financial Industry Activities and Affiliations).

Should any material changes occur to the information outlined in this Brochure, updates will be provided to clients within a reasonable time frame, generally within thirty (30) days as required by advisory regulations. We acknowledge our responsibility to adhere to the standards established by the CFP Board's Standards of Professional Conduct, including the duty of care of a fiduciary, as defined by the CFP Board.