

**Capital Markets IQ, LLC**  
**FORM ADV, PART 3 - RELATIONSHIP SUMMARY**

<b>Item 1. Introduction</b>
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Capital Markets IQ, LLC is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

<b>Item 2. Relationships and Services</b>
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*What investment services and advice can you provide me?*

**Description of Services:** CMIQ offers investment advisory services to retail investors regarding equity and debt securities held in brokerage accounts at qualified custodians. CMIQ does not make available or offer advice only with respect to proprietary products, or a limited menu of products or types of investments. Our services include managing retail client accounts such as selection and investing assets held in accounts based on the clients expressed goals and restrictions. We also conduct due diligence and advise on alternative investments but such investments are made directly by the client. The minimum relationship size of a retail client is \$100,000, unless otherwise agreed by management.

As part of your standard services, we monitor your investments periodically as we believe appropriate. We do not monitor your investments constantly or even daily.

CMIQ accepts discretionary authority to manage your account when you sign our investment management agreement. In such situations, we hold limited trading authorization from you to execute transactions on your behalf that we believed are in accordance with your written investment guideline. We may direct the selection of the brokers and the execution of the trades.

You authorize us to take the following actions **without** obtaining your specific consent:

- Determine the types and amount of securities to be bought and sold
- Determine when to buy or sell securities
- Determine the price to buy or sell securities
- Select the broker-dealer to be used for any transactions
- Agree to commission rates to be paid

You may place limitations on the limited trading authorization and it is revocable by you at any time. CMIQ also offers non-discretionary services in which you make the ultimate decision regarding the purchase or sale of investments.

**Additional Information:** You can find more detailed information about our services in our Form ADV, Part 2A Firm Brochure (Items 4 and 7) <https://adviserinfo.sec.gov/firm/summary/134921> ([Firm Brochure](#)).

**Conversation Starters:** Ask your financial professional:

- “Given my financial situation, should I choose an investment advisory service? Why or why not?”
- “How will you choose investments to recommend to me?”
- “What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?”

<b>Item 3. Fees, Costs, Conflicts, and Standard of Conduct</b>
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*What fees will I pay?*

Our fees are negotiable and once agreed are set forth in your investment management agreement. We do not have a standard fee schedule because each client is free to negotiate its own fees with us. This means clients may pay different fee types or amounts (more or less) for the same services. While we may charge fixed fees, our primary fee structure for retail clients is an on-going percentage of assets under management charged quarterly in arrears. The more assets there are in your advisory account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your account. In addition to our principal fees and costs, you will pay to other parties custodian fees, account maintenance fees, fees related to mutual funds and variable annuities, and other transactional fees and product-level fees. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. 1

**Additional Information:** More detailed information about our fees and costs can be found in our Form ADV, Part 2A – Firm

Brochure (specifically Items 5.A, B, C and D) <https://adviserinfo.sec.gov/firm/summary/134921> ([Firm Brochure](#)).

**Conversation Starter:** Ask your financial professional:

- “Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?”

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

**When we act as your investment adviser**, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

- Proprietary Products: Investments that are issued, sponsored, or managed by CMIQ or our affiliates. One of our financial professionals is an owner of the sponsor of a private fund. Receiving asset management fees and a carried interest in a private fund gives a financial professional an incentive to recommend investment products based on compensation received, rather than on your needs. He may have an incentive to favor the fund over other securities when advising you in situations where an investment in the fund would provide him greater compensation.
- Third-Party Payments: Some of our financial professionals sell insurance products for unaffiliated agencies. They face conflicts of interest when advising and managing your securities accounts at the same time they are selling you insurance products. Receiving commissions from insurance companies gives them an incentive to recommend products based on compensation received, rather than on your needs. They may have an incentive to favor insurance products over securities when advising you in situations where insurance products would provide them greater compensation.

**Conversation Starter:** Ask your financial professional:

- “How might your conflicts of interest affect me, and how will you address them?”

**Additional Information:** More detailed information about our conflicts of interest can be found in our Form ADV, Part 2A Firm Brochure <https://adviserinfo.sec.gov/firm/summary/134921> ([Firm Brochure](#)).

*How do your financial professionals make money?*

We pay your financial professional a percentage of the fees you pay our firm. All compensation is in cash.

Some of our advisors offer unaffiliated service such as insurance products and private funds which are paid fees directly by other parties. You can find more detailed information about the conflicts related to these unaffiliated services in our Form ADV, Part 2A Firm Brochure (Item 10 of Part 2A) <https://adviserinfo.sec.gov/firm/summary/134921> ([Firm Brochure](#)).

#### **Item 4. Disciplinary History**

*Do you or your financial professionals have legal or disciplinary history?* Yes. Any disciplinary information is disclosed in our Form ADV (Item 11 of Part 1A or Item 9 of Part 2A) and/or in Items 14 A–M on Form U4 (Uniform Application for Securities Industry Registration or Transfer), or in Items 7A or 7C–F of Form U5 (Uniform Termination Notice for Securities Industry Registration) for your individual advisor. You may visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research CMIQ and your financial professionals.

**Conversation Starter:** Ask your financial professional:

- “As a financial professional, do you have any disciplinary history? For what type of conduct?”

#### **Item 5. Additional Information**

Retail investors can find additional information about our investment advisory services and request up-to-date information and a copy of the *relationship summary* by contacting us at 310.882.6380 ext. 103 or [legal@capitalmarketsiq.com](mailto:legal@capitalmarketsiq.com)

**Conversation Starter:** Ask your financial professional:

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