

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

Item 1. Introduction

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 you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me?

Description of Services: We offer investment advisory services to retail investors regarding equity and debt securities held in brokerage accounts at qualified custodians. We also conduct due diligence, provide administrative services and advise on alternative investment decisions, but such investments are made directly by you. We do 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 client's expressed goals and restrictions. 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 it appropriate. We do not monitor your investments constantly or even daily.

We accept discretionary authority to manage your account when you agree to our terms of service. In such situations, we hold limited trading authorization from you to execute transactions on your behalf that we believe are in accordance with your investment guidelines. We may direct the selection of the brokers and the execution of the trades. You authorize us to take the following actions and make these decisions **without** obtaining your specific consent:

- Determine the types and number 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. We also offer non-discretionary services in which you make the ultimate decision regarding the purchase or sale of investments. Non-discretionary services include alternative investments. We offer business consulting and financial planning services for additional and separate compensation.

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>.

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?”

Item 3. Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Our fees are negotiable. 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 flat or hourly fees, our primary fee structure for retail clients is an on-going percentage of assets under management charged quarterly for the prior quarter services. The more assets there are in your advisory account, the more you will pay in fees, and we will 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.

Additional Information: 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. **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>.**

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

- **Proprietary Products:** Investments that are issued, sponsored, or managed by our firm or our related persons. Three of our financial professionals are owners/managers of unaffiliated private real estate or oil & gas entities. Receiving management fees and a carried interest in a private entity gives these financial professional an incentive to recommend investment products based on compensation received, rather than on your needs. They will have an incentive to favor their private entity over other securities when advising you in situations where an investment in the entity would provide them 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 as 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 will have an incentive to favor insurance products over securities when advising you in situations where insurance products would provide them greater compensation.

Our chief compliance officer is an attorney that represents certain issuers which offer securities that we recommend to clients. This is a conflict of interest which you should ask questions about, as applicable.

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>.**

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 services such as insurance products and private investments which are paid fees directly by other parties or the private entity. 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>.

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 for a free and simple search tool to research our firm 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

You 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 or 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?”