



Form CRS/Form ADV Part 3 - Customer Relationship Summary - February 17, 2021

Capital Portfolio Management, Inc., is broker dealer and financial services company, founded in 1992. Capital Portfolio is a Registered Investment Adviser, a registered Broker-Deal and members of FINRA and SIPC.

Depending on your individual needs and investment objectives, we can provide you with services in a brokerage account, an investment advisory account, or both. Brokerage and investment advisory services and fees differ and it is important for you to understand these differences.

Tools are available to research firms and financial professionals at Investor.gov/CRS, which also offers education about broker-dealers, investment advisers, and investing.

Broker-Dealer Brokerage Accounts	Registered Investment Adviser Advisory Accounts
What investment services and advice can you provide me?	
<p>Our brokerage services include buying and selling securities, variable annuities and indexed annuities. With brokerage services, we do not provide ongoing monitoring of your account. However, we review your account before making recommendations to ensure we act in your best interest. Through our clearing firm and qualified custodian, we will provide statements on a quarterly, monthly or annual basis.</p> <p>We make investment recommendations, but we do not exercise discretion in your brokerage account unless specifically outlined in a discretionary account agreement signed by you.</p> <p>There is no minimum to open a brokerage account, but some products may have minimum investment amounts.</p>	<p>Our Advisory services include financial planning programs and Third-Party Asset Manager Programs (TPAM). We offer advisory services to individuals (including high net worth individuals), corporations, retirement accounts, trusts and other institutions.</p> <p>We may offer both discretionary and non-discretionary advisory accounts and offer both Sub-Advised TPAMs where we serve as primary investment advisor and Solicitor where we are paid a fee and do not provide ongoing investment advice. You must have a minimum of \$25,000 in order to invest and an advisory account with us.</p> <p>For more detailed information on the products and services we offer, including limitations, visit our Form ADV, Part 2A Brochure at cpminvestments.com.</p>
When we make a recommendation of a particular product or strategy, you should know that we offer a limited selection of investments. Other firms may offer a wider range of choices, including lower cost choices.	

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Key Questions to Ask Your Financial Professional:	
<ul style="list-style-type: none"> • Given my financial situation, should I choose and investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not? • What is your relevant experience, licenses, education and other qualifications? What do those qualifications mean? • How will you choose investments to recommend to me? 	
What Fees Will I pay?	
<p>When you transact business in a brokerage account, you will pay a transaction-based fee, generally known as a commission. Commission charges are based on the size, product type, complexity and liquidity of each transaction. The commission is based on the specific transaction, not the value of your account. With Stocks, mutual funds and exchange-traded funds this fee is a commission. For a bond, the fee might be part of the price you pay for the investment. With mutual funds this fee reduces the value of your investment. Certain investments, such as mutual funds and annuities, impose additional fees that reduce the value of your investment over time.</p> <p>With some investments such as certain mutual funds share classes and annuities, you may have to pay fees, such as surrender charges, when you sell the investment. Commissions are disclosed to you on transactions confirmations or, for annuity and mutual funds purchases within the prospectus or statement of understanding. In a brokerage account, more transactions result in us charging you more fees. We therefore have an incentive to encourage you to engage in transactions.</p> <p>In brokerage accounts, we also typically charge custodian, account maintenance and other transaction and product fees. These fees are generally charged annually.</p>	<p>When you open an advisory account, you will pay an ongoing asset-based fee for our services, based on the value of the cash and securities held within your account. Asset management fees are billed either monthly or quarterly in advance or arrears. The asset-based fee is based on the value of the account and is not tied to any specific transactions. The fee also does not generally vary based on the type of investments. The asset-based fee reduces the value of your account.</p> <p>For wrap fee advisory accounts, the asset-based fee covers most transaction and custody costs, and as a result wrap fee advisory accounts are charged more than non-wrap fee advisory accounts.</p> <p>Some investments such as mutual funds and ETFs impose additional fees that will reduce the value of your investment over time. The more assets you have in an advisory account, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees.</p> <p>In advisory accounts, we also typically charge custodian fees, account maintenance fees, and transaction and product fees.</p>

Broker-Dealer Brokerage Accounts	Registered Investment Adviser Advisory Accounts
<p>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. Make sure you understand what fees and costs you are paying.</p>	
<p>Key Question to Ask Your Financial Professional:</p>	
<ul style="list-style-type: none"> • 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? 	
<p>What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?</p>	
<p><i>When we provide you with a recommendation</i> 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.</p>	
<p>In a brokerage account, we make money by selling you securities and investment products. Because we get paid when you complete transactions, we have an incentive to encourage you to purchase more products and make more frequent purchases. Certain products, including mutual funds and annuities, include continuing payments known as “trails.” We have an incentive to recommend those investment products, even if other investments available to you have lower costs or may perform better.</p> <p>For some products we receive higher compensation than on other products. We have an incentive to encourage you to buy products that pay us more, even if other options might be better for you.</p> <p>When our interests conflict with your interest we try to mitigate these conflicts or tell you about them, and in some cases, take steps to eliminate them.</p>	<p>In an advisory account, when our interests conflict with your interests, we must tell you about them so that you can decide whether or not to agree to them or eliminate the conflict.</p> <p>Conflicts could result in you paying more for your investments, or bringing additional assets into your advisory account, than you would if the conflict did not exist.</p> <p>In an advisory account we are paid a fee based on the total assets in your account. We could have an incentive to encourage you to maximize the total assets in your account through investing with us or adding cash or other investments to your account. We could also have an incentive to engage in transactions that result in higher total assets in your account.</p>

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Key Question to Ask Your Financial Professional:			
<ul style="list-style-type: none"> • How might your conflicts of interest affect me, and how will you address them? 			
How Does your financial professional make money?			
For brokerage accounts, your financial professional is paid a percentage of the selling compensation (commissions, markup, markdowns, loads) as well as trailing compensation.		For adviser accounts, your financial professional is paid a percentage of the total assets under management.	
Your financial professional may receive additional non-cash compensation such as travel to special conferences based on their performance or total revenue generated, including reimbursement for certain expenses.			
Do you or your financials have legal or disciplinary history?			
Yes, you can visit investor.gov/CRS for a free and simple search tool to research more information about our firm and your financial professional.			
Key Question to Ask Your Financial Professional:			
<ul style="list-style-type: none"> • As a financial professional, do you have any disciplinary history? For what type of conduct? 			
Additional Information			
You can find additional information regarding our brokerage and advisory services by visiting our website, cpminvestments.com . If you need any other up-to-date information or would like a copy of our relationship summary, call us at (410) 667-4575.			
Key Question to Ask Your Financial Professional:			
<ul style="list-style-type: none"> • 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? 			