

Relationship Summary – Form ADV Part 3
CapSouth Partners Inc. (dba CapSouth Wealth Management)
3.28.2024

Item 1: Introduction

CapSouth Partners Inc., dba CapSouth Wealth Management, (“we” or “us”) is an Investment Advisor registered with the Securities and Exchange Commission. Investment advisory services and fees are different than those of a broker-dealer, and it is important for a retail investor (“you”) to understand these differences.

Free & simple tools are available at investor.gov/CRS through which you can research firms and financial professionals and can find educational materials about broker-dealers, investment advisors and investing.

Item 2: Relationships & Services

What investment services and advice can you provide me?

We offer investment advisory services to retail investors; our primary services are investment management and financial planning.

- Investment Management services: We can access and review your accounts at any time; we formally review each account at least annually. We have discretionary management authority on most accounts; this means you authorize us to select the investments and the timing of trades. We will manage accounts on a non-discretionary basis if you prefer. Our investment offerings generally include stocks, bonds, ETFs, mutual funds, and cash; we do utilize sub-advisors for some accounts. We will provide investment management services if we manage at least \$250,000 for you; we can lower this amount at our discretion.
- Financial Planning services: We will offer basic financial planning services if we manage at least \$350,000 for you; we can lower this amount at our discretion. Planning services are available at a cost even if we manage no assets for you; fees for these services vary according to your situation & needs. We can access and review your financial plan at any time and will formally review it periodically.

For additional information about the investment advisory services we provide, please see our Form ADV, Part 2A (“[Brochure](#)”) Items 4.B, 7, 13 and 16.

Conversation Starters (questions to ask us or your current financial professional)

1. *“Given my financial situation, should I choose an investment advisory service? Why or why not?”*
2. *“How will you choose investments to recommend to me?”*
3. *“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 normally computed as a percentage of the market value of your assets that we manage as of the end of the previous calendar quarter. The percentage fee that you pay depends upon the level of assets that we manage. This percentage fee declines as the assets that we manage increases; however, the dollar amount of the fee will increase as the assets that we manage increase.

Some clients receive a fee increase or decrease based upon their specific situation and the services that we provide to them. These fees are normally paid in advance; however, if you participate in our Automated Investment Program, these fees will be charged in arrears. In some cases, we charge a fixed dollar fee. We can also charge an hourly fee or fee based upon net worth; these fee arrangements are individually arranged and are not our normal procedure.

Other fees that you are charged may include third-party costs such as custodial fees and transactions costs, sub-advisor fees, and management fees on products such as mutual funds and ETFs. These fees are in addition to fees that you pay us.

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. Please see our [Brochure](#) Item 5 for more information.

Conversation Starter: *“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 often 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:

1. Asset based fees – Because these fees increase as your assets increase, we have an incentive to increase the assets we manage for you and to discourage withdrawals.
2. Insurance products - Some of our advisors are licensed to sell insurance products. We can receive a commission when this is done, and this can lead to an increase of the advisor’s compensation. This creates a conflict of interest for advisors to sell insurance products.
3. FinLife Partners – CapSouth participates in the FinLife Partners program offered by United Capital Advisors, LLC (“UC”). The fees that CapSouth pays to UC to utilize this program will be offset if predetermined amounts of assets are placed in investment strategies managed by UC.

Conversation Starter: *“How might your conflicts of interest affect me, and how will you address them?”*

“How do your financial professionals make money?”

Our financial professionals are paid a combination of salaries, a percentage of company revenue, and a percentage of revenue from new clients. Because they receive a percent of revenue, our financial professionals have an incentive to add clients, increase managed assets, and to place insurance products.

Item 4: Disciplinary History

“Do you or your financial professionals have legal or disciplinary history?”

Yes. You can utilize the free search tool provided at [Investor.gov/CRS](https://investor.gov/CRS) to research us and our financial professionals.

Conversation Starter: *“As a financial professional, do you have any disciplinary history? For what type of conduct?”*

Item 5: Additional Information

For current information about our investment advisory services or to request a copy of our Form ADV Part 3, Relationship Summary, please contact Marshall Bolden, Chief Compliance Officer, at 334.673.8600 or at mbolden@capsouthpartners.com. A current copy of this form, our Brochure, and other information can also be found on our website, <https://capsouthwm.com/>.

Conversation Starter: *“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?”*