

# **Caprin Asset Management, LLC**

## **Customer Relationship Summary as of March 1, 2022**

### Introduction

Caprin Asset Management, LLC (referred to here as “us,” “we,” “our firm”), is an employee owned investment advisor, registered with the Securities and Exchange Commission (“SEC”) since February 1997. We are providing this Customer Relationship Summary as part of Regulation Best Interest. Throughout this summary we have suggested some “conversation starters” which you may wish to discuss with us as you get to know us better. We have identified these items using *italicized* bullet points throughout this summary.

Brokerage and investment advisory services and fees differ- it is important for you to understand the difference. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

### What investment services and advice can you provide me?

We provide investment advice, portfolio management and monitoring of your bond portfolio on the basis of your individual needs and with a focus on capital preservation and income using intermediate and short maturity bond portfolios. We do not hold accounts or custody assets on your behalf. Often our clients are introduced to us by other investment advisors and we often work as sub-advisors or under wrap and dual contract programs with the client’s selected custodian. Our portfolio management team conducts ongoing reviews of accounts to identify those that need rebalancing for consistency with their selected investment strategy. Each account receives a supervisory review no less than annually by Caprin’s Chief Compliance Officer. While we entertain requests for special restrictions for investments in your account, we reserve the right to decline those restrictions. Our firm will exercise discretion as outlined in the contract to which you agree. Discretion means that we will not contact you for trade decisions and other decisions. Generally, our firm invests in limited types of investments, typically focused on municipal and taxable bonds with some use of exchange traded funds and mutual funds as needed. Depending on the program sponsor, the direct relationship you may have, or the investment program through which you elect to participate, there are minimum account sizes that we require to accept an advisory account.

You can find more information about our services in Item 4 of our Form ADV Part 2A brochure, found at <https://caprinbonds.com/wp-content/uploads/2020/03/Caprin-ADV-Part-2.pdf>.

#### **Conversation Starters:**

- *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?*

### What fees will I pay?

Our firm charges asset-based fees for managing your investments. Our asset-based fees are based on the value of your account. This fee is usually charged on a quarterly basis, in advance, as described in your contract and our Firm Brochure. For asset management services, you will also pay fees to the custodian where your assets are held. These fees include transaction, processing, and other costs related to maintaining your account. These fees will be combined with the fees you pay to us if you have entered into a wrap program arrangement sponsored by your custodian. You will only see one charge to cover our fees and the custodian’s fees when participating in a wrap program. There are also transaction and management fees charged by any of the companies that sponsor mutual funds and ETFs, which we purchase for you. When we feel it is in your best interest, we will conduct transactions with securities firms other than your custodian. Those transactions may result in additional costs to be contained in the final charges or proceeds for the transactions. We do not receive or benefit from custodial or outside manager fees or from trades made with other

securities firms . For more information on our fees, refer to Item 5 of our Form ADV Part 2A, which can be found at <https://caprinbonds.com/wp-content/uploads/2020/03/Caprin-ADV-Part-2.pdf>.

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.

**Conversation Starters:**

- *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 is an example to help you understand what this means:

Our firm is only compensated based on the amount of assets we manage for you. We do not receive revenue from outside sources. That does create a financial incentive to increase the total amount of assets we manage.

**Conversation Starter:**

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

You can find more detailed information about our discussion of conflicts of interest in Form ADV Part 2A, available at <https://caprinbonds.com/wp-content/uploads/2020/03/Caprin-ADV-Part-2.pdf>

## How do your financial professionals make money?

Our staff is paid a salary with potential for a general performance bonus. The bonuses can be cash and, on occasion, ownership interests, and they are not based on any specific criteria or formula. Bonuses are determined by our executive management team. We have structured our compensation in an attempt to avoid conflicts of interest.

## Do you or your financial professionals have legal or disciplinary history?

No. Neither our firm nor our associates have disciplinary history. You can learn about our professionals and confirm their legal and disciplinary history at the SEC's free and simple tool at <https://www.investor.gov/CRS>.

**Conversation Starter:**

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

## Where can I go for more information?

For more information about our firm we encourage you to go to our website at [www.caprinbonds.com](http://www.caprinbonds.com). You can obtain or request a copy of the most recent Client Relationship Summary. You can also contact us by phone at (804)648-3333 or email at [compliance@caprinbonds.com](mailto:compliance@caprinbonds.com) to obtain an up-to-date, free of charge Customer Relationship Summary.

**Conversation Starter:**

- *Who is my primary contact person?*
- *Who can I talk to if I have concerns about how this person is treating me?*