

# Item 1: Cover Page

## CapitalWe LLC

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Arlington, VA - 22202

### **Form ADV Part 2A – Firm Brochure**

(818) 519-8306

[www.capital-we.com](http://www.capital-we.com)

Dated March 11, 2022

This Brochure provides information about the qualifications and business practices of CapitalWe LLC, “CapitalWe”. If you have any questions about the contents of this Brochure, please contact us at (818) 519-8306. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

CapitalWe LLC is registered as an Investment Adviser with the State of California. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about CapitalWe is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm’s identification number, 309398.

## Item 2: Material Changes

Since the last annual update of this Brochure, the following changes have been made to this version of the Disclosure Brochure:

- CapitalWe LLC changed Investment Management fees from 0.5% of AUM to 1% of AUM
- CapitalWe LLC changed the minimum fees for Ongoing Financial Planning from \$1,200 to \$3,000 and changed upfront fees from \$200 to \$300
- CapitalWe LLC added the option to pay Ongoing Financial Planning fees monthly in addition to quarterly
- CapitalWe LLC updated the Custodian to Charles Schwab & Co Inc (“Schwab”)

### Future Changes

From time to time, we may amend this Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by securities regulators. Either this complete Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of CapitalWe LLC .

At any time, you may view the current Brochure online at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 309398.

# Item 3: Table of Contents

## Contents

<b>Item 1: Cover Page</b>	<b>1</b>
<b>Item 2: Material Changes</b>	<b>2</b>
<b>Item 3: Table of Contents</b>	<b>3</b>
<b>Item 4: Advisory Business</b>	<b>4</b>
<b>Item 5: Fees and Compensation</b>	<b>7</b>
<b>Item 6: Performance-Based Fees and Side-By-Side Management</b>	<b>9</b>
<b>Item 7: Types of Clients</b>	<b>9</b>
<b>Item 8: Methods of Analysis, Investment Strategies and Risk of Loss</b>	<b>9</b>
<b>Item 9: Disciplinary Information</b>	<b>13</b>
<b>Item 10: Other Financial Industry Activities and Affiliations</b>	<b>13</b>
<b>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b>	<b>14</b>
<b>Item 12: Brokerage Practices</b>	<b>15</b>
<b>Item 13: Review of Accounts</b>	<b>19</b>
<b>Item 14: Client Referrals and Other Compensation</b>	<b>19</b>
<b>Item 15: Custody</b>	<b>19</b>
<b>Item 16: Investment Discretion</b>	<b>20</b>
<b>Item 17: Voting Client Securities</b>	<b>20</b>
<b>Item 18: Financial Information</b>	<b>20</b>
<b>Item 19: Requirements for State-Registered Advisers</b>	<b>21</b>
<b>Form ADV Part 2B – Brochure Supplement</b>	<b>22</b>

# Item 4: Advisory Business

## Description of Advisory Firm

CapitalWe LLC is registered as an Investment Adviser with the State of California. The Limited Liability Company was founded in May 2020 and became registered to perform investment advisory services in California in July 2020. Vrishin Subramaniam is the principal owner of CapitalWe. CapitalWe reports \$326,167 discretionary and no non-discretionary Assets Under Management as of December 31, 2021.

## Types of Advisory Services

### Investment Management Services

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a Client regarding the investment of Client funds based on the individual needs of the Client. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a Client's prior investment history, as well as family composition and background.

Investment Management Services are provided on a discretionary basis. Please see Item 16 of this brochure for more detailed information.

Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations. Fees pertaining to this service are outlined in Item 5 of this brochure.

### Use of Third Party Managers, Outside Managers, or Sub-Advisors (TAMPs)

We offer the use of Third Party Managers, Outside Managers, or Sub-Advisors (TAMPs) for portfolio management services. We assist Clients in selecting an appropriate allocation model, completing the Outside Manager's investor profile questionnaire, interacting with the Outside Manager and reviewing the Outside Manager. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the Client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. Fees pertaining to this service are outlined in Item 5 of this brochure.

### XY Investment Solutions ("XYIS") as a Sub-Advisor

CapitalWe may recommend XY Investment Solutions ("XYIS") CRD# 285967 to manage and/or sub-advise on a portion of or all of the client's portfolio. XYIS builds investment models through a technology solution and supports financial planners with investment strategies based on research, experience, and sound rationale. XYIS primarily allocates Client assets among various mutual funds, exchange-traded funds ("ETFs"). XYIS may also allocate Client assets in individual debt and equity securities, options, and independent investment managers. XYIS's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. XYIS manages Client investments in model portfolios on a discretionary basis.

## **Ongoing Comprehensive Financial Planning**

This service involves working one-on-one with a planner over an extended period of time. Clients get to work with a planner who will work with them to develop and implement their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

Upon desiring a comprehensive plan, a Client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning, and estate planning. Once the Client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the Client. Clients subscribing to this service will receive a written or an electronic report, providing the Client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow-up meeting is required, we will meet at the Client's convenience. The plan and the Client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the Client to confirm that any agreed upon action steps have been carried out. On an annual basis, there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

## **Hourly Financial Planning**

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning involves an evaluation of a Client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information, and analysis will be considered as they affect and are affected by the entire financial and life situation of the Client. Clients purchasing this service will receive a written or an electronic report, providing the Client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The Client and advisor will work together to select specific areas to cover. These areas may include, but are not limited to, the following:

**Business Planning:** We provide consulting services for Clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.

**Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

**College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount.

Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

**Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

**Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

**Financial Goals:** We will help Clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

**Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.

**Investment Analysis:** This may involve developing an asset allocation strategy to meet Clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

**Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years

**Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

**Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with the consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation. We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or

attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

### **Client Tailored Services and Client Imposed Restrictions**

We offer the same suite of services to all of our Clients. However, specific Client financial plans and their implementation are dependent upon the Client Investment Policy Statement which outlines each Client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a Client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients are able to specify, within reason, any limitations they would like to place on discretionary authority as it pertains to individual securities and/or sectors that will be traded in their account, by notating these items on the executed advisory agreement.

### **Wrap Fee Programs**

We do not participate in wrap fee programs.

For clients residing in California: CCR Section 260.235.2 Disclosure: For Clients who receive our Financial Planning services, we must state when a conflict exists between the interests of our firm and the interests of our Client. The Client is under no obligation to act upon our recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through our firm.

## **Item 5: Fees and Compensation**

Please note, unless a Client has received the firm's Disclosure Brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

### **Investment Management Services**

Our standard advisory fee for stand-alone Investment Management services is 1% of assets under management. The annual fees are negotiable, prorated and paid in arrears on a monthly or quarterly basis based on the account value on the last day of the month or quarter.

When a Sub-Advisor is used for Investment Management services, Clients will be billed monthly or quarterly and in arrears for the Sub-Advisor's fee. The fee charged by XYIS will be up to 0.35% of assets under management. The Sub-Advisor will debit the Client's account for both the Sub-Advisor's fee, and CW's advisory fee, and will remit CW's fee to CW. Total fees charged by both parties will not exceed 1.35% of assets under management per year.

No increase in the annual fee shall be effective without agreement from the Client by signing a new agreement or amendment to their current advisory agreement. More information regarding XYIS' fees can be found in their

Form ADV Brochure. XYIS' fees do not differ as a result of the cost of obtaining clients or remitting CapitalWe's fee to CapitalWe.

Advisory fees are directly debited from Client accounts, or the Client may choose to pay by check. Accounts initiated or terminated during a calendar month or quarter will be charged a prorated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

Clients participating in our Ongoing Comprehensive Financial Planning clients are offered Investment Management services at no additional cost, however, Clients will be charged a fee as noted above when a Sub-Advisor is used.

### **Ongoing Comprehensive Financial Planning**

Fees for Ongoing Financial Planning consist of an upfront charge of \$300 (can be waived at firm's discretion) and an ongoing fee that is paid either quarterly or monthly, in arrears, at a rate determined by the following schedule:

1% of AGI (Adjusted Gross Income from most recently-filed tax return) + 0.50% of Net Worth. Net Worth is calculated as follows: Assets - Liabilities = Net Worth. Net worth is defined as the sum of the following assets: Cash & Cash Equivalents, all investment accounts, cash surrender value of life insurance/annuities, raw land and direct rental properties. For purposes of determining a client's Net Worth, CapitalWe excludes the client's main residence and any debts associated with the main residence. Privately-held investments (i.e. businesses, real estate, etc.) are included if the client seeks advice that takes those assets into consideration. CapitalWe will rely on its Clients' estimates of the value of their private assets. Net Worth values are reassessed at least annually on each client's contract anniversary date. Should the fee change as a result of the reassessment, a new advisory contract will be executed.

The minimum annual fee is \$3,000. The fee is negotiable. Fees for this service may be directly debited from investment accounts or paid by electronic funds transfer or check. This service may be terminated with 30 days' notice. Since fees are paid in arrears, no refund will be needed upon termination of the account. For fees paid by electronic funds transfer, debit card or credit card, we use an independent 3rd party payment processor in which the client can securely input their banking information and pay their fee. We do not have access to the client's banking information at any time. The client will be provided with their own secure portal in order to make payments.

The upfront portion of the Comprehensive Financial Planning fee is for Client onboarding, data gathering, and setting the basis for the financial plan. This work will commence immediately after the fee is paid, and will be completed within the first 30 days of the date the fee is paid. Therefore, the upfront portion of the fee will not be paid more than 6 months in advance. In the event of early termination, any unearned portion of the upfront charge will be prorated based on the amount of work completed and refunded to the client. Work that has been completed, in which the adviser has already been paid for, will be provided to the client upon termination.

### **Hourly Financial Planning**

Financial Planning engagements are also offered at an hourly rate of \$250. The fee is negotiable and is due at the completion of the engagement. In the event of early termination by the Client, any fees for the hours already worked will be due. Fees for this service may be paid by electronic funds transfer or check. For fees paid by



electronic funds transfer, debit card or credit card, we use an independent 3rd party payment processor in which the client can securely input their banking information and pay their fee. We do not have access to the client's banking information at any time. The client will be provided with their own secure portal in order to make payments.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

For clients residing in California: CCR Section 260.238(j) Disclosure: Please note, lower fees for comparable services may be available from other sources.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

We do not offer performance-based fees and do not engage in side-by-side management.

## **Item 7: Types of Clients**

We provide financial planning and portfolio management services to individuals, and high net-worth individuals.

We do not have any requirements for opening or maintaining an account in order to engage us to manage Client accounts.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

Our primary methods of investment analysis are Fundamental, Technical, Charting, and Cyclical analysis.

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's

management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that the information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Technical analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

**Cyclical analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Charting analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

### **Modern Portfolio Theory**

The underlying principles of MPT are:

- Investors are risk averse. The only acceptable risk is that which is adequately compensated by an expected return. Risk and investment return are related and an increase in risk requires an increased expected return.
- Markets are efficient. The same market information is available to all investors at the same time. The market prices every security fairly based upon this equal availability of information.
- The design of the portfolio as a whole is more important than the selection of any particular security. The appropriate allocation of capital among asset classes will have far more influence on long-term portfolio performance than the selection of individual securities.
- Investing for the long-term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface.
- Increasing diversification of the portfolio with lower correlated asset class positions can decrease portfolio risk. Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another.

**Use of Outside Managers:** We may refer Clients to third-party investment advisers ("outside managers"). Our analysis of outside managers involves the examination of the experience, expertise, investment philosophies, and past performance of the outside managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that he or she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our Clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange-traded funds.

Passive investment management is characterized by low portfolio expenses (the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

### **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on factors such as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is

written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the Clients invest.

**Mutual Funds:** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

## Item 9: Disciplinary Information

### **Criminal or Civil Actions**

CapitalWe and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

CapitalWe and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

CapitalWe and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of CapitalWe or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

No CapitalWe employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No CapitalWe employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

CapitalWe does not have any related parties. As a result, we do not have a relationship with any related parties.

CapitalWe only receives compensation directly from Clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

## **Recommendations or Selections of Other Investment Advisers**

As referenced in Item 4 of this brochure, CapitalWe recommends Clients to Outside Managers to manage their accounts. In the event that we recommend an Outside Manager, please note that we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5) and will be described to you prior to engagement. You are not obligated, contractually or otherwise, to use the services of any Outside Manager we recommend. Additionally, CapitalWe will only recommend an Outside Manager who is properly licensed or registered as an investment adviser.

## **Disclosure of Material Conflicts**

For clients residing in California, all material conflicts of interest under CCR Section 260.238(k) are disclosed regarding CapitalWe, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

# Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to Clients.
- Competence - Associated persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matters shall reflect the credit of the profession.

- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its associates or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to Clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities At/Around the Same Time as Client’s Securities**

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of CapitalWe to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, CapitalWe will never engage in trading that operates to the client’s disadvantage if representatives of CapitalWe buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **Factors Used to Select Custodians and/or Broker-Dealers**

CapitalWe LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the Client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

#### **1. Research and Other Soft-Dollar Benefits**

We currently receive benefits by nature of our relationships with Charles Schwab & Co Inc and MTG, LLC dba Betterment Securities (“Betterment Securities”).

#### **2. Brokerage for Client Referrals**

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### **3. Clients Directing Which Broker/Dealer/Custodian to Use**

We do recommend a specific custodian for Clients to use, however, Clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing Clients to choose a specific custodian, we may be unable to achieve the most favorable execution of Client

transaction and this may cost Clients money over using a lower-cost custodian. Not all advisors require their clients to direct brokerage.

## **The Custodian and Brokers We Use (Betterment)**

CapitalWe does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us the authority to withdraw advisory fees from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We may recommend that our Clients use MTG, LLC dba Betterment Securities ("Betterment Securities"), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Betterment Securities. Betterment Securities will hold your assets in a brokerage account and buy and sell securities when we and/or you instruct them to. While we may recommend that you use Betterment Securities as custodian/broker, you will decide whether to do so and will open your account with Betterment Securities by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Betterment Securities, then we cannot manage your account on Betterment For Advisors (defined below).

## **Your Brokerage and Custody Costs**

For our Clients' accounts that Betterment Securities maintains, Betterment Securities generally does not charge you separately for custody services but is compensated as part of the Betterment For Advisors (defined below) platform fee, which is a percentage of the dollar amount of assets in the account in lieu of commissions. We have determined that having Betterment Securities execute trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "Factors Used to Select Custodians and/or Broker-Dealers").

## **Services Available to Us via Betterment For Advisors**

Betterment Securities serves as broker-dealer to Betterment For Advisors, an investment and advice platform serving independent investment advisory firms like us ("Betterment For Advisors"). Betterment For Advisors also makes available various support services which may not be available to Betterment's retail customers. Some of those services help us manage or administer our Clients' accounts, while others help us manage and grow our business. Betterment For Advisors' support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Betterment For Advisors' support services:

1. **SERVICES THAT BENEFIT YOU.** Betterment For Advisors includes access to a range of investment products, execution of securities transactions, and custody of Client assets through Betterment Securities. Betterment Securities' services described in this paragraph generally benefit you and your account.
2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Betterment For Advisors also makes available to us other products and services that benefit us, but may not directly benefit you or your account. These products and services assist us in managing and administering our Clients' accounts, such as software and technology that may:
  - a. Assist with back-office functions, recordkeeping, and Client reporting of our Clients' accounts.



- b. Provide access to Client account data (such as duplicate trade confirmations and account statements).
  - c. Provide pricing and other market data.
  - d. Assist with back-office functions, recordkeeping, and Client reporting.
3. SERVICES THAT GENERALLY BENEFIT ONLY US. By using Betterment For Advisors, we will be offered other services intended to help us manage and further develop our business enterprise. These services include:
- a. Educational conferences and events.
  - b. Consulting on technology, compliance, legal, and business needs.
  - c. Publications and conferences on practice management and business succession.

### **Our Interest in Betterment Securities' Services**

The availability of these services from Betterment For Advisors benefits us because we do not have to produce or purchase them. In addition, we don't have to pay for Betterment Securities' services. These services may be contingent upon us committing a certain amount of business to Betterment Securities in assets in custody. We may have an incentive to recommend that you maintain your account with Betterment Securities, based on our interest in receiving Betterment For Advisors and Betterment Securities' services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Betterment Securities as custodian and broker is in the best interests of our Clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities' services and not Betterment For Advisors and Betterment Securities' services that benefit only us.

### **The Custodian and Brokers We Use (Charles Schwab & Co. Inc)**

CapitalWe may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. CapitalWe is independently owned and operated and not affiliated with Schwab.

Schwab provides CapitalWe with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit CapitalWe but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. provide research, pricing and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- i. compliance, legal and business consulting;
- ii. publications and conferences on practice management and business succession;

and

- iii. access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to CapitalWe. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

## **Aggregating (Block) Trading for Multiple Client Accounts**

CapitalWe performs investment management services for various clients. Aggregation is used to avoid differences in prices that might have occurred had such orders been placed independently. CapitalWe aggregates trades if, in CapitalWe's reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to the clients based on an evaluation that each client is benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. Typically, this is something that will occur for client transactions in thinly traded securities. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Outside Managers used by CapitalWe may block Client trades at their discretion. Their specific practices are further discussed in their ADV Part 2A, Item 12.

## Item 13: Review of Accounts

Clients who engage CapitalWe for Investment Management Services and Ongoing Comprehensive Financial Planning will have their account(s) and/or financial plan reviewed regularly on at least an annually basis by Vrishin Subramaniam, Founder and CCO. The account(s) and/or financial plan are reviewed with regards to the Client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of Client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

CapitalWe will not provide written reports to Investment Management Clients.

## Item 14: Client Referrals and Other Compensation

We receive an economic benefit due to the use of Schwab and Betterment as outlined in Item 12. We also receive an economic benefit due to the use of XYIS as outlined above in Item 4,5 and 10. We do not receive additional economic benefits, directly or indirectly, from any other party. We do not , directly or indirectly, compensate any person who is not advisory personnel for Client referrals.

## Item 15: Custody

CapitalWe does not accept custody of Client funds. Client funds are held by a qualified custodian. However, CapitalWe is deemed to have limited constructive custody due to its ability to directly debit investment management fees from Client account(s).

For Client accounts in which CapitalWe directly debits their advisory fee:

- i. CapitalWe will send a copy of its invoice to the custodian at the same time that it sends the Client a copy.
- ii. The custodian will send at least quarterly statements to the Client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The Client will provide written authorization to CapitalWe, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains Client's investment assets. We urge you to carefully review such statements and compare them to your records.

## Item 16: Investment Discretion

For those Client accounts where we provide Investment Management Services, we maintain discretion over Client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to Clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the Client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the Client.

Advisor will have the discretion to facilitate the selection of, and changes to, the Betterment For Advisors portfolio allocation. Betterment For Advisors provides software tools for advisors to facilitate the purchase and sale of securities in the Client's accounts, including the amounts of securities to be bought and sold to align with the Client's goals and risk tolerance, through a series of 101 incremental model portfolio allocations ranging from 0% to 100% in equities.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to Clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of Client funds or securities or require or solicit prepayment of more than \$500 in fees per Client six months in advance.

# Item 19: Requirements for State-Registered Advisers

## **Vrishin Subramaniam**

Born: 1992

### **Educational Background**

- 2014 – Bachelor’s in Engineering, University of Illinois at Urbana Champaign

### **Business Experience**

- 05/2020 – Present, CapitalWe LLC, Founder and CCO
- 01/2020 – Present, Landmark Health, Business Analyst
- 07/2019 - 01/2020, eNoah isolutions Inc, Senior Software Engineer
- 03/2015 - 07/2019, ITC Infotech USA Inc, Systems Analyst

### **Other Business Activities**

Vrishin Subramaniam is currently employed as the Business Analyst at Landmark Health. In his role as a Business Analyst, Vrishin is responsible for bridging the gap between IT and business. This usually involves receiving requirements to build custom software/ new modules in the custom software the company uses. Once the requirements have been analyzed, Vrishin will meet with multiple stakeholders to better understand the needs that are being addressed, identify and bridge gaps, and convert those business requirements to technical needs for the software developments team to develop. This activity accounts for approximately 75% of his time.

### **Performance-Based Fees**

CapitalWe is not compensated by performance-based fees.

### **Material Disciplinary Disclosures**

No management person at CapitalWe LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### **Material Relationships That Management Persons Have With Issuers of Securities**

CapitalWe LLC, nor Vrishin Subramaniam, have any relationship or arrangement with issuers of securities, in addition to what is described in Item 10.



# CapitalWe LLC

2111 Richmond Hwy, Apt 902 S  
Arlington, VA 22202

Dated March 11, 2022

Form ADV Part 2B – Brochure Supplement

## **Vrishin Subramaniam - Individual CRD# 7260268**

Founder and Chief Compliance Officer

This brochure supplement provides information about Vrishin Subramaniam that supplements the CapitalWe LLC (“CapitalWe”) brochure. A copy of that brochure precedes this supplement. Please contact Vrishin Subramaniam if the CapitalWe brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Vrishin Subramaniam is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 7260268.

## Item 2: Educational Background and Business Experience

### **Vrishin Subramaniam**

Born: 1992

#### **Educational Background**

- 2014 – Bachelor’s in Engineering, University of Illinois at Urbana Champaign

#### **Business Experience**

- 05/2020 – Present, CapitalWe LLC, Founder and CCO
- 01/2020 – Present, Landmark Health, Business Analyst
- 07/2019 - 01/2020, eNoah isolutions Inc, Senior Software Engineer
- 03/2015 - 07/2019, ITC Infotech USA Inc, Systems Analyst
- 

## Item 3: Disciplinary Information

No management person at CapitalWe LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

Vrishin Subramaniam is currently employed as the Business Analyst at Landmark Health. In his role as a Business Analyst, Vrishin is responsible for bridging the gap between IT and business. This activity accounts for approximately 75% of his time.

Vrishin Subramaniam’s role at Landmark Health offers a flexible work schedule and he is committed to ensure availability of all Investment Advisor Representatives at times which are convenient for clients. As CapitalWe grows and there is a need to serve more clients, Vrishin Subramaniam will commit a larger portion of time to his role as an Investment Adviser Representative for the firm.

## Item 5: Additional Compensation

Vrishin Subramaniam does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through CapitalWe.



## Item 6: Supervision

Vrishin Subramaniam, as Founder and Chief Compliance Officer of CapitalWe, is the sole investment adviser representative. Should there be additional representatives in the future, Vrishin Subramaniam would be responsible for their supervision. Vrishin Subramaniam is bound by CapitalWe's Code of Ethics. Clients may contact Vrishin Subramaniam at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

Vrishin Subramaniam has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.