

# American Capital Management, Inc. - Form CRS - Client Relationship Summary

## June 30, 2023

### **Item 1. Introduction**

American Capital Management, Inc. (“ACM”) is an investment adviser registered with the Securities and Exchange Commission offering advisory accounts and services. This document gives you a summary of the types of services and fees we offer. Investment advisory services and fees differ, and it is important for you to understand the differences between those fees. Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing.

### **Item 2. Relationships and Services**

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

*Services:* We offer our retail investors discretionary investment advisory services, including executing investment decisions for each investor’s account. When you grant us discretionary authority, you provide us the authority to determine the investments to buy or sell in your account on an ongoing basis. We work with you to identify your investment goals, objectives, and risk tolerance to create a portfolio designed to reach these goals and objectives. We may also work through an intermediary that has a direct relationship with you. You will have the opportunity to place reasonable written restrictions on the types of securities to be held in the portfolio and should notify us in writing of any changes in your financial status, investment objectives, policies or restrictions.

*Monitoring:* All investment advisory accounts are managed by an experienced investment professional and reviewed on an ongoing basis. Additional reviews occur in conjunction with any change in strategy, unusual market volatility, fundamentals of a holding, account cash flows or the needs and objectives of the client. This insures a continuous and highly professional service to all clients. As a result, the overall investment strategy and individual holdings are regularly monitored with specific action taken as necessary in all portfolios.

*Account Minimums & Other Requirements.* We typically have a \$2 million minimum account size, but that is negotiable depending on a number of different factors. We can waive account size and minimum investment requirements at our discretion.

*Additional Information:* For more detailed information on our relationships and services, please see our [ADV Form 2A](#) items 4, 7, 8 and 13. (<https://adviserinfo.sec.gov/firm/summary/110861>)

**Questions to ask us:** “Given my financial situation, should I choose an investment advisory service? Why or why not?”; “How will you choose investments to recommend to me?” and “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?**

*Principal Fees and Costs:* Compensation per annum is 1% of assets, or as stipulated in our investment management agreement. Under certain circumstances, ACM at its discretion may discount management fees. Some existing clients may pay a lower fee than new clients. Fees are payable quarterly, in advance, based upon 1/4 of 1% of the portfolio’s market value as of the last business day of each calendar quarter. ACM receives income only from the management of client assets.

*Other Fees or Expenses –* Certain custodians who hold client assets may also charge a fee. Clients will also incur transaction costs, which are commissions paid to brokers through which ACM processes trades for its accounts. Assets invested in exchange traded funds or mutual funds are charged a fee by the fund managers in addition to ACM’s management fee.

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*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.*

*Additional Information:* For more detailed information on our fees, please see our [ADV Form 2A](#) – items 5, 12 and 14.

Questions to ask us: *“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?**

*Standard of Conduct/Conflicts of Interest:* **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. Because our fees are charged as a percentage, the more assets in your account, the more you will pay in fees, so we have an incentive and will have a conflict of interest to encourage you to increase the assets in your account.

*Additional Information:* For more detailed information, please see our ADV Form 2A.

Questions to ask us: *“How might your conflicts of interest affect me, and how will you address them?”*

### **How do your financial professionals make money?**

Our financial professionals receive a salary and a discretionary bonus based on their own individual performance and the success of the firm. They are not paid based on the amount of your assets they service, the time and complexity of your needs, or the investment options they recommend. In addition, our financial professionals typically participate in incentive plans that seek to align the interest of our investment team members with the success of both our clients and the firm.

### **Item 4. Disciplinary History**

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

No. neither our firm nor our financial professionals have any legal and disciplinary history. You can also visit [www.Investor.gov/CRS](http://www.Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

Questions to ask us: *“As a financial professional, do you have any disciplinary history? For what type of conduct?”*

### **Item 5. Additional Information**

If you have any questions about our investment advisory services or if you wish to request a copy of the relationship summary, please contact Mr. Michael Meagher at 212-344-3300. Additional information about American Capital Management, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for ACM is 110861.

Questions to ask us: *“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?”*