

March 2024

## Introduction

C2P Capital Advisory Group, LLC doing business as Prosperity Capital Advisors (“PCA”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as an Investment Adviser. Brokerage and investment advisory services and fees differ. It is important for a retail investor to understand the differences. There are free tools available for investors to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS). This site also provides educational materials about broker-dealers, investment advisers, and investing.

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

PCA offers investment advisory services to retail investors through its Investment Advisor Representatives (IARs). These services include advice about mutual funds, exchange traded funds, stocks, bonds, money market mutual funds, cash equivalent funds, cash positions, and fee-based variable annuities. Our firm offers the following types of advisory services: financial planning, separately managed accounts, model portfolio services, and consulting. Our services include ongoing monitoring of your investment portfolio as part of our regular services and at least an annual review every calendar year of your investment goals and portfolio. PCA manages your account(s) with discretionary authority. This means that we will be authorized by you to make investment recommendations for your account(s) and buy, sell and manage the securities we have recommended to you with your funds from your account(s). PCA does not limit its recommendations and investment services to proprietary products or any specific types of securities. PCA also operates as a Turnkey Asset Manager Program (TAMP), Sub-advisor and/or Fund Strategist providing asset management and administrative services which are utilized by registered investment advisers, broker-dealers, and other financial institutions (collectively Separate Advisors) for the benefit of their retail investors through your separate advisor. PCA offers model portfolios which your Separate Advisor or PCA IAR can select to invest your assets. As part of PCA’s TAMP offering, PCA retains and provides access to certain third-party investment managers to design and manage model portfolios. Some of these managers are responsible for investment decisions and trade execution in the client accounts. PCA may also bill strategist, subscription and/or administrative fees associated with certain third parties which your Advisor will disclose to you. Your Separate Advisor or PCA IAR is responsible for making suitable recommendations for you and monitoring your account. PCA acts with limited discretionary authority which is limited when managing, trading and billing your assets. This means that we will be authorized by you to execute investment transactions for your account(s) and buy and sell the securities as directed by your Separate Advisor or PCA IAR with your funds from your account(s). PCA does require an account minimum of \$5000. PCA requires retail clients to pay a minimum \$150.00 per year billed on a monthly basis to engage our services. If your stated advisory fees exceed \$150.00 this fee will not be charged. PCA provides investment advisory services to certain broker/dealers’ customers (Brokerage Customers) who provide written consent requesting to receive PCA’s advisory services relating to assets held with the broker/dealer. Brokerage Customers have entered into a written advisory agreement to receive advisory consulting services. Certain Independent Managers may impose more restrictive account requirements and billing practices than PCA. For more detailed information refer to our [FORM ADV 2A](#).

## **CONVERSATION STARTERS**

### **ASK YOUR FINANCIAL PROFESSIONAL:**

- 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? Description of Principal Fees and Costs

PCA offers its services on a fee basis, which may be hourly, subscription or fixed fees as well as fees based upon assets under management (“AUM”). PCA may charge an hourly, subscription or fixed fee for financial planning, consulting, and other services. These fees are negotiable and have historically ranged from a rate of \$100 to \$500 per hour or a fixed fee \$500 to \$15,000 depending upon the level and scope of the services and the professional rendering the financial planning, consulting, and other services. PCA retains the right to modify or waive fees in its sole and absolute discretion, on a client-by-client basis. The total annual AUM fee

typically varies between 0.20% and 2.5% depending upon several factors, including the market value of the AUM and the types of services to be rendered. The fees paid by clients include portions paid to your investment adviser representative, as well as to PCA. The AUM annual fee is prorated and paid monthly in advance based on the prior months average daily balance of the account. When you are charged an asset-based fee, the more assets there are in a retail investor's advisory account, the more a retail investor will pay in fees, and the firm therefore has an incentive to encourage a retail investor to increase the assets in his or her account.

**Description of Other Fees and Costs**

Other fees charged to you that are related to your account are fees paid to the custodian, fees related to mutual funds, sub-adviser, third-party manager, strategist, subscription and/or administrative as well as other transactional and product-level fees.

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. The fees for investment advisory services are described in further detail in our ADV, in particular, Part 2A brochure, Items 5.A., B., C., D. and E.

**What are your legal obligations to me when acting as my investment advisor? 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 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. PCA has an economic incentive to use its , TAMP services, in lieu of selecting other, unrelated investment advisers. Our custodians provide additional services to PCA in their sole discretion and at their own expense, and PCA does not pay any fees to the custodians for the additional services. Advisors may also be licensed insurance agents and may have an incentive to recommend commissionable insurance products. For more detailed information regarding conflicts of interest, please see our [FORM ADV 2A](#) or on our website at <https://prosperitycapitaladvisors.com>.

**How do our financial professionals make money?**

At PCA, our financial professionals are paid a percentage of the client's AUM fee, financial planning fees and non-cash compensation. PCA provides a tiered quarterly cash payment to certain financial professionals based on their total amount of assets under management. Certain advisors are eligible for additional monetary benefits or marketing reimbursement. PCA may occasionally host an advisor conference where they offer non-cash compensation to its financial advisors based on assets, attitude and advocacy. PCA advisors have a fiduciary duty to their clients which mitigates these compensation related conflicts of interests.

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

Yes. While PCA does not have any legal or disciplinary history, certain advisors affiliated with PCA do. Please see [Investor.gov/CRS](http://Investor.gov/CRS) for a free search tool to research PCA and our financial professionals. Our telephone number is (888) 240-0064. Please call us for up-to-date information about our firm and to request a copy of our relationship summary.

**CONVERSATION STARTERS**

**ASK YOUR FINANCIAL PROFESSIONAL:**

- 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?

**CONVERSATION STARTERS**

**ASK YOUR FINANCIAL PROFESSIONAL:**

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

**CONVERSATION STARTERS**

**ASK YOUR FINANCIAL PROFESSIONAL:**

- As a financial professional, do you have any disciplinary history? If so, for what type of conduct?
- Who is my primary contact person?
- Is he or she a representative of an investment adviser?
- Who can I talk to if I have concerns about how this person is treating me?