

**Item 1 - Introduction:** Dividend Assets Capital, LLC (“DAC”) is an SEC-registered investment adviser that provides advisory services. *Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.*

## **Item 2 – Relationship Services**

[What investment services and advice can you provide me?](#)

We offer investment advisory services to retail investors. As part of these services, we provide discretionary advisory services to clients through separately managed accounts, sub-advisory services, sub-advisory services to Wrap Fee Programs, dual contract services and sub-adviser services to registered investment companies. We continuously monitor the underlying securities within all advisory accounts. In addition to statements, we may provide written quarterly reports summarizing account performance, balances and holdings at no added cost to the client. With regard to advisory clients, we generally have discretionary authority to make the following determinations without obtaining the consent of the client before we effect the transactions: (1) securities we buy and sell for the account and (2) the total amount of securities we buy and sell. The client grants this discretionary authority through a clause in our Investment Advisory Agreement. However, we may accept reasonable limitation or restriction to such. We do not have proprietary products that we recommend, nor do we base our advice on a limited menu of products or types of investments. We provide investment advisory services to individuals and high net worth individuals. We require a minimum of \$250,000 in managed assets for new advisory client relationships. At our sole discretion, account minimums may be waived. Assets in related accounts may be grouped to satisfy the minimum account size requirement. For additional information, see Item 4 and Item 8 of our [Form ADV Part 2A](#) brochure.

Key questions to ask:

- 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?

## **Item 3 – Fees, Costs, Conflicts, and Standard of Conduct**

[What fees will I pay?](#)

We charge a fee based on a percentage of a client’s assets under management. For separately managed accounts, fees are made payable monthly or quarterly in arrears and are calculated based on a percentage of the assets in your account at the close of the previous billing period. Clients may elect to be invoiced directly for fees or may authorize us to directly debit fees from the client’s account(s). For clients who participate in wrap programs, fees may be made payable in advance due to the agreement the client has with the wrap program sponsor. It is the sponsor’s responsibility to provide a prorated refund to the client for any prepaid fees in the event the client closes their investment account prior to quarter end. For sub-advisory and dual contract client services, the amount of compensation we receive is negotiated with the Program Sponsor. The total investment advisory fee for sub-advisory and dual contract client services typically covers a management fee, other fund expenses, and a possible distribution fee, although the services provided in these programs vary. The fees charged for these relationships are generally lower than the fees charged to separately managed clients due to the reduced servicing requirements provided by us for sub-advisor and dual contract relationships. You should review the program sponsor’s contract

prior to opening an account with a program sponsor. We will either invoice its clients or directly debit fees from the client's account with the custodian. The more assets there are in your advisory account, the more you will pay in fees; thus, we may have an incentive to encourage you to increase the assets in your account. 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. For additional information, please see Item 5 of our Form ADV Part 2A brochure.

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? 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 interests and not put our interests 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.* While we participate as an investment manager to wrap fee programs, clients should recognize that brokerage transaction costs are generally wrapped in the total fee the client pays to the broker. Trades are executed only with the broker-dealer with which the client has entered into the wrap fee arrangement. Therefore, we are not obligated to seek best execution in wrap fee programs. Certain broker-dealers under clients' wrap fee agreements may obtain best overall execution, but we make no assurance that this is accurate. The client should consider that wrap-fees charged by broker-dealers may exceed the aggregate cost of services were they to be provided separately. For more information about our conflicts, please see Items 10, 12 and 14 of our [Form ADV Part 2A](#) brochure.

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 compensated based on management fees paid by advisory clients, including Wrap Programs which we sub-advise. DAC does not accept compensation for the sale of securities or other investment products.

#### **Item 4 – Disciplinary History**

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

No. A free and simple search tool to research us and our financial professionals is available at [investor.gov/CRS](http://investor.gov/CRS).

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

Additional information about our investment advisory services and an up-to-date copy of the relationship summary is available by contacting us at 843-645-9700.

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?