

# Prime Capital Investment Advisors, LLC

## Form CRS – Relationship Summary, June 2020

### Item 1. Introduction

Prime Capital Investment Advisors, LLC (“PCIA”) is an investment adviser registered with the United States Securities and Exchange Commission since June 23, 2017. We offer investment advice and investment advisory services for a fee. Please note, brokerage and investment advisory services and fees differ and that it is important for the retail investor (you) to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Item 2. Relationships and Services

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

PCIA offers several investment advisory services to retail investors like you including (1) wrap fee management programs (asset management, performance-based asset management, or limited advisory), (2) managed account allocations for individuals and certain 403(b) retirement plan participants, (3) financial planning (including business planning and consulting services), (4) selection of third-party money managers and subadvisors, and (5) seminar(s) for fee(s). For more information about our investment advisory services available to retail investors, please see *Item 4 of PCIA’s Form ADV Part 2A*, *Item 4 of PCIA’s Part 2A Appendix 1 - Wrap Fee Program Brochure for Asset Management Services*, or *Item 4 of PCIA’s Part 2A Appendix 1 - Wrap Fee Program Brochure for Limited Advisory Services*.

**Monitoring:** Portfolio securities and markets are monitored on an on going basis. PCIA’s asset management allocations, strategies, and portfolios for retail investors are reviewed on either a monthly or quarterly basis. Please see *Item 13 of PCIA’s Form ADV Part 2A* or *Item 9 of PCIA’s Part 2A Appendix 1 - Wrap Fee Program Brochure for Asset Management Services*, for more information about how we monitor and review advisory accounts.

**Investment Authority:** We have investment authority (discretion) over your assets invested in (1) PCIA’s Wrap Fee Management Program for Asset Management Services or (2) a PCIA managed account allocation for individuals and certain 403(b) retirement plan participants. This means we have the authority to determine the type and amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. When your assets are invested in portfolios managed by third-party money managers or subadvisors recommended by PCIA, the third-party money manager or subadvisor, not PCIA, has discretion. You, the retail investor, are responsible for the purchase or sale of investments in connection with PCIA’s “non-discretionary” services such as financial planning (including business planning and consulting services), seminar(s) for fee(s), and PCIA’s Wrap Fee Management Program for Limited Advisory Services.

**Limited Investment Offerings:** We do not primarily recommend one type of security to clients. Instead, we recommend investment portfolios designed to be suitable for each client relative to that client’s specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer’s platform. When providing you services, we do not recommend or offer advice on any proprietary products. For a full list of the investment types or products that our firm may provide investment advice on, please see *Item 4 of PCIA’s Form ADV Part 2A* or *Item 6 of PCIA’s Part 2A Appendix 1 - Wrap Fee Program Brochure for Asset Management Services*.

**Account Minimums and Other Requirements:** We generally require a minimum account size to open an account, which will vary by strategy or service chosen. Please see *Item 7 of PCIA’s Form ADV Part 2A*, *Item 5 of PCIA’s Part 2A Appendix 1 - Wrap Fee Program Brochure for Asset Management Services*, or *Item 5 of PCIA’s Part 2A Appendix 1 - Wrap Fee Program Brochure for Limited Advisory Services*, for a full list of account minimums.

**Conversation Starter: 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

#### Q: What fees will I pay?

The amount of fees you pay us will depend on the services we provide you. Our advisory fees are negotiable. PCIA’s fees vary among clients for the services provided due to such differing client needs, circumstances, objectives, services, and other factors that are deemed at the time to be relevant. We utilize wrap fee and non-wrap fee programs to provide asset management. Under a wrap fee program, the fee you pay us covers both our advisory services and the transaction fees imposed by the broker-dealer. Under a non-wrap fee program, you will be charged transaction costs separately. Since a wrap fee covers transaction expenses it tends to be higher than non-wrap fee programs. Our asset-based advisory fees for services to retail investors are charged on a monthly or quarterly (most often) basis, in arrears (most often) or in advance. Performance-based fees are charged in arrears on a quarterly and semi-annual basis. Your exact fee amount and terms will be specified in your agreement with PCIA.

**Fees for PCIA’s Wrap Fee Management Program (for Asset Management Services):** PCIA’s annual advisory fee for asset management services under this Program, excluding (1) PCIA’s Covered Calls Strategy (CCS) and (2) such services pursuant to a Performance-Based Advisory Services Agreement, most often ranges between 1.00% and 1.50%, but will not be below 0.25% or above 2.50%. The annual advisory fee for CCS ranges between 1.50% and 2.20%. The annual advisory fee for “performance-based” asset management services is 0.70% for the Opportunistic Growth Strategy and 1.50% for the Absolute Return Strategy, plus 20% of capital appreciation subject to high-water mark provision.

**Fees for PCIA’s Wrap Fee Management Program (for Limited Advisory Services):** The annual PCIA Wrap Fee rate (%) under this Program is .06% (6 Bps) or \$24, whichever is greater.

**Fees for PCIA’s Managed Account Allocations for individuals and certain 403(b) Retirement Plan Participants:** PCIA’s standard annual fee for 403(b) retirement plan participant managed account allocations generally ranges from 0.25% to 1.00%, and from 0.50% to 1.50% for individuals.

**Fees for PCIA's Financial Planning Services:** PCIA's annual fees for financial planning services most often range between \$500 and \$5,000 (or as an equivalent percentage), but will not exceed \$25,000, and can be on an annual recurring basis depending on your arrangement with PCIA.

**Fees for PCIA's Recommendation and Selection of Third-party Money Managers and Subadvisors:** The portion retained by PCIA in the form of advisory fees will not exceed 1.50%; however, the overall management fee charged by the third-party money manager, which includes the advisory fee retained by PCIA, will exceed 1.50%. PCIA's annual fee for advisory services provided in connection with a sub-advisory arrangement most often ranges between 0.50% and 1.50%, but will not be below 0.25% or above 1.85%. Such fees are generally charged quarterly, in arrears.

**Fees for PCIA Seminars:** PCIA will not charge an attendee a seminar fee greater than \$499. Such fees are charged on a one-time basis.

**Other Fees and Costs:** PCIA's advisory fees do not include fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses is available in each investment company security's *prospectus*. Our advisory fees do not include fees charged by third-party money managers and subadvisors. Please refer to these *firm's disclosure brochures* for more information about their fees. Our advisory fees also do not include other fees and expenses charged by third parties (including your custodian). Please review your *custodian's agreement*.

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.

Please see *Item 5 of PCIA's Form ADV Part 2A, Item 4 of PCIA's Part 2A Appendix 1 - Wrap Fee Program Brochure for Asset Management Services*, or *Item 4 of PCIA's Part 2A Appendix 1 - Wrap Fee Program Brochure for Limited Advisory Services*, for more information about our standard advisory fees and expenses.

**Conversation Starter: 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?**

**Q: 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:* **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 are some examples to help you understand what this means. When we charge "asset-based fees" (most common), we have an incentive to encourage the retail investor to increase the assets in his or her account. This is a conflict of interest. Such arrangements also create an incentive to charge an ongoing investment fee without providing any substantive ongoing investment services. "Performance-based Fee" arrangements create additional conflicts of interest, such as taking unnecessary speculation with client assets in order to earn or increase the amount of the fee. We have a conflict of interest by only offering those third-party money managers that have agreed to pay a portion of their advisory fee to us. A conflict of interest arises when we, including your financial professional, receive expense reimbursement for travel and/or marketing expenses from product distributors and third-party providers. A conflict of interest also arises when PCIA makes recommendations about plan distributions and rollovers ("rollover recommendations"), if it results in PCIA receiving compensation that it would not have received absent the recommendation. Please see *Items 5, 6, and 14 of PCIA's Form ADV Part 2A, Items 4 and 9 of PCIA's Part 2A Appendix 1 - Wrap Fee Program Brochure for Asset Management Services*, or *Items 4 and 9 of PCIA's Part 2A Appendix 1 - Wrap Fee Program Brochure for Limited Advisory Services*, for more information about the conflicts of interest associated with our services and how we control or mitigate them.

**Conversation Starter: How might your conflicts of interest affect me, and how will you address them?**

**Q: How do your financial professionals make money?**

We compensate our investment adviser representatives based on the level of assets that the representative brings in to us. This creates a conflict of interest as it gives your representative an incentive to recommend you invest more in your account with us due to the potential for increased payments. Your financial professional will also be faced with the same conflicts of interest referenced above in **Item 3 of this Form CRS**. Some of PCIA's investment adviser representatives also earn commissions by selling securities, insurance products, or both, in a separate and independent capacity. This receipt of commissions creates a conflict of interest. Please see *Item 14 of PCIA's Form ADV Part 2A, Items 4 and 9 of PCIA's Part 2A Appendix 1 - Wrap Fee Program Brochure for Asset Management Services*, or *Items 4 and 9 of PCIA's Part 2A Appendix 1 - Wrap Fee Program Brochure for Limited Advisory Services*, for more information about the conflicts of interest associated with our financial professionals' receipt of additional compensation and economic and non economic benefits, how they make money, and how we control or mitigate these conflicts.

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

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

Yes, there are PCIA financial professionals with legal or disciplinary history. Please visit [Investor.gov/CRS](#) for a free and simple search tool to research us and our financial professionals.

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

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

To find or request up-to-date information about our firm and its services, and to request a copy of the *Relationship Summary*, please contact us at **800-493-6226** or [pciawealth.com/disclosures](#), or at **Prime Capital Investment Advisors, LLC, Attention: PCIA Compliance, 6201 College Blvd., 7<sup>th</sup> Floor, Overland Park, KS 66211**.

**Conversation Starter: 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?**