

## Client Relationship Summary (as of March 26, 2025)

### **Introduction**

The Caprock Group, LLC (“Caprock”) is registered with the Securities and Exchange Commission as an Investment Adviser. Fees for brokerage and investment advisory services differ among broker-dealers and investment advisers and it is important that you understand the differences. Free and simple tools are available to research firms and financial professionals at [investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

Caprock is a multi-family office that provides a wide array of investment management and advisory services to retail clients, including the families and institutions that we serve. The majority of our investment management services are performed on a discretionary basis in accordance with the terms set forth in our investment advisory agreement. You may impose reasonable written restrictions on this discretionary authority if you elect to. As part of the services we offer, we will continuously monitor your investments and provide advice. We do not limit our investment advisory services to proprietary products but offer our advice on the entirety of your wealth. We continuously monitor and report on the assets we manage for you. Where we are not engaged to provide investment advice on non-managed assets, we will assist with transactions and report on certain securities as part of your overall portfolio. Many of the investments we recommend are only available to clients who meet certain regulatory financial thresholds. Therefore, we require a minimum initial and ongoing account size for portfolio management services, but we can waive this requirement for your family members.

Our service offering revolves around three broad buckets: wealth management, complex family structures and investment management. Wealth management includes the creation, integration and execution of a long-term plan that incorporates estate planning, tax management and coordination, as well as gifting. Complex family structures facilitate the activities required to help clients achieve their unique goals. These include multi-generational wealth transfer and legacy planning, trust and insurance planning, complex balance sheet integration (closely held business transitions, concentrated assets, etc.), and family education. Investment management involves the creation and management of a long-term asset allocation model designed to meet each client’s unique investment objectives. This includes transitional and long-term targets, cash flow management, liquidity management, risk management, manager due diligence and selection, as well as portfolio reporting.

*SEC Comment: “You are encouraged to ask us questions including the following to help you better understand our services: 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?**

Caprock charges an advisory fee that is typically based upon a percentage of assets under advisement, paid monthly in arrears, and calculated based on the total value of the assets we manage for you. Asset based fees create an incentive (and therefore a conflict of interest) to encourage clients to invest additional assets with us, but also align our interest with the client’s interest because we earn more when the client’s portfolio performs better and less when it underperforms. We request the authority from clients to receive these payments directly from the client’s account held at an independent custodian. Fees are based on a mutual understanding of the work and resources necessary to best serve the client. In addition to our fee, clients may incur additional costs related to the management of their

portfolio. This includes custodial fees and those charged directly by investment managers. Caprock's sole source of revenue is the fee we charge clients. We do not solicit or accept placement fees, commissions, revenue sharing or any other form of compensation for recommending or placing capital with any third-party manager, bank, brokerage, custodian, or other service providers.

*SEC Comment: "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 refer to our [Form ADV, Part 2A Brochure](#) for more detailed information about our fees and your investment costs."*

*SEC Comment: "You are encouraged to ask us questions including the following to help you better understand the impact of fees and costs on investments: [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?**

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.

Some of the custodians we invest with (like Schwab and Fidelity) provide Caprock with investment-related and other family office services that benefit Caprock but may not directly benefit every client or their account. These services help Caprock manage and administer our clients' accounts, and include: investment research, produced by the custodian or by third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at those specific custodians. We compensate certain independent third-party solicitors and employees who help Caprock with introductions to potential new clients. These people are paid a fee based on a percentage of the investment advisory fee paid by clients they introduce to Caprock. This is a conflict of interest due to the referral fees paid. One way we mitigate this conflict is by requiring disclosure of this arrangement to you in writing prior to you agreeing to becoming a Caprock client.

*SEC Comment: "You are encouraged to ask us questions including the following to help you better understand our conflicts of interest: [How might your conflicts of interest affect me, and how will you address them?](#)"*

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

Employees receive a base salary and quarterly bonus which is dependent on firm-wide revenue and profit growth. In addition, advisors may receive a percentage of fee-based revenue from the client assets they manage. This is a conflict of interest because it creates an incentive for our financial professionals to recommend our investment advisory services to you. Advisors do not sell products or receive commissions for recommending specific investments to you.

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

No. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

*SEC Comment: "You are encouraged to ask us questions including the following to better understand our disciplinary history: [As a financial professional, do you have any disciplinary history? For what type of conduct?](#)"*

## **Additional Information**

Please refer to our [Form ADV, Part 2A](#) Brochure for more information about our services. You may request updated information and a copy of our Relationship Summary by contacting us at (208) 368-9600 or [contact@caprock.com](mailto:contact@caprock.com).

*SEC Comment: "You are encouraged to ask us questions including the following to help you better understand who to contact with any questions or complaints: 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?"*