



## **Part 2A of Form ADV: Firm Brochure**

### **Capital Resource Advisors LLC**

65 Ruby Lane

Portland, ME 04103

Telephone: (207) 317-6773

E-mail: [Kevin.Li@capitalresourceadvisors.com](mailto:Kevin.Li@capitalresourceadvisors.com)

Web Address: [www.capitalresourceadvisors.com](http://www.capitalresourceadvisors.com)

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This brochure provides information about the qualifications and business practices of Capital Resource Advisors LLC (hereinafter "CRA" or "firm" or "we"). If you have any questions about the contents of this brochure, please contact us at (207) 317-6773 or at [Kevin.Li@capitalresourceadvisors.com](mailto:Kevin.Li@capitalresourceadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, the Maine Office of Securities, or by any other state securities authority.

Additional information about CRA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number 335281.

**Item 2. Summary of Material Changes**

As this is the initial Form ADV Part 2A filing for Capital Resource Advisors LLC, there are no material changes to report.

### **Item 3. Table of Contents**

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#### **Item 4. Advisory Business**

Capital Resource Advisors LLC is a Maine-registered investment adviser with its principal place of business located in Portland, Maine. We were founded in January 2025 and are organized as a Limited Liability Company under the laws of the State of Maine. Kevin Li is the CEO and President, owning 100% of the firm. Erico Galvez serves as the Managing Partner and Chief Compliance Officer and Ross Yip Choy as an Associate.

The Firm is not currently licensed and has no regulatory assets under management. As of August 8, 2025 (a date within the last 90 days), our firm manages the following regulatory assets under management (RAUM):

<b>Type</b>	<b>Amount</b>
Discretionary RAUM	\$0
Non-Discretionary RAUM	\$0
Total RAUM	\$0

## **Financial Planning Services**

We offer comprehensive financial planning services, evaluating a client's current financial state to predict cash flows, asset values, and withdrawal plans. Our financial plans address:

- Personal financial goals and budgeting.
- Tax and cash flow analysis;
- Retirement planning;
- Current investment analysis;
- Estate planning, including trusts and wills;
- Insurance needs (life, health, disability, long-term care);
- Debt management;
- Divorce financial planning if applicable
- Education planning if applicable

Clients receive a written financial plan, typically within six months of engagement, provided all required information is promptly supplied.

## **Wealth Management Services**

Our Wealth Management services combine financial planning, offered annually and renewable by mutual agreement, with continuous portfolio management. Wealth Management services include:

- Personal financial goals and budgeting.
- Tax and cash flow analysis.
- Retirement planning.
- Current and future investment analysis.
- Estate planning, including trusts and wills.
- Insurance needs (life, health, disability, long-term care).
- Debt management.
- Divorce financial planning if applicable.
- Education planning if applicable.
- Risk management.
- Coordination with external advisors.
- Continuous investment portfolio management for goal(s) set out by client.
- Continuous portfolio rebalancing.
- Continuous consultation availability.

- Niche guidance not limited to business ownership succession, philanthropy, and other complex investments requiring accreditation.
- Ability to impose investment restrictions.

Clients receive a written financial plan, typically within six months of engagement, provided all required information is promptly supplied. Advisor tailors investment strategies to clients' financial goals, risk tolerance, and time horizon. Advisor actively monitors and adjusts clients' portfolio to optimize returns, minimize risk, and align with clients' capital needs while ensuring transparency and maintaining fiduciary responsibility.

### **Services in General**

All recommendations are tailored to each client's needs, based on information gathered through questionnaires, electronic communications, and discussions. Our advice primarily involves no load or load-waived mutual funds, ETFs, equities, fixed income securities, and other instruments. We do not participate in wrap fee programs or advise private funds.

### **Item 5. Fees and Compensation**

Capital Resource Advisors LLC is compensated for its advisory services through fees based on assets under management for wealth management services, and through fixed fees for financial planning services. The following sections detail the fee structures for each service.

#### **Wealth Management Services**

##### **Fees**

Our fees for Wealth management services are based on a percentage of assets under management, as follows:

<i>Assets Under Management (\$)</i>	<i>Approximate Annual Fee (%)</i>
Up to \$1,000,000	1.25%
\$1,000,001 to \$5,000,000	1.00%
Over \$5,000,000	0.75%

The management fee shall be paid on a quarterly basis an amount equal to one quarter (25%) of the annual management fee, which will be payable in advance on the first date of each calendar quarter based upon the fair market value of the assets in the Account at close of business on the

last day of the previous quarter. The fee paid to advisor will be prorated for any period of less than one calendar quarter, but a fee shall be due for each such quarter during any part of which Advisor is managing the Account. The quarterly management fee is exclusive of brokerage and transaction costs, account maintenance fees, clearing costs, and other legal or transfer fees assessed by the Custodian.

For the initial quarter, if the Agreement is executed on a day other than the first day of a calendar quarter, the initial fee will be prorated based on the number of days from the date the Account is funded until the end of that quarter, using the initial value of the assets allocated to the Account.

Upon termination of this Agreement, any prepaid unearned fees will be refunded to the Client on a pro-rata basis.

Fees are negotiable at the discretion of the Advisor based on factors such as the size of the account, complexity of the services, or related accounts. Certain assets, such as annuities, insurance products, or specific mutual fund share classes, may be exempt from asset-based fees; please contact the Advisor for details specific to your account. Fees will be deducted directly from the Client's account(s) held at Custodian or as otherwise agreed.

### **Financial Planning Services**

Financial planning fees will be charged as a fixed fee ranging from \$1,000 to \$10,000, based on the client's net worth and complexity of the engagement, and due at the start of the engagement. The Firm will not accept prepayment of fees of \$500 or more six months or more in advance of delivery of the service.

### **Wealth Management Services**

For clients who engage us for wealth management services, which include both Wealth management and financial planning, the fees are based on the assets under management as outlined in the Wealth Management Services fee schedule above. The financial planning component is included as part of the wealth management service at no additional charge.

### **Fees in General**

Fees and account minimums are negotiable based on criteria such as anticipated future assets or client relationships. Discounts may be offered to family members or friends of CRA staff. Related client accounts may be grouped to determine fee levels.

## **Account Termination**

Clients may terminate agreements within five business days of signing for a full refund. Thereafter, termination requires seven days' written notice to our principal's office. Prepaid, unearned fees will be refunded, and earned, unpaid fees will be due upon termination.

If a contract is terminated early, the adviser must give the client a pro rata refund of the prepaid fees less reasonable start-up expenses. Clients may obtain a refund of a pre-paid fee if the agreement is terminated before the end of the billing period by providing written notice. We will determine the amount of the refund by calculating the pro rata portion of the fee based on the number of days services were provided prior to termination, subtracting any reasonable start-up expenses, and refunding the remainder within 30 days.

## **B. Additional Fees**

Our advisory fees are separate from fees charged by mutual funds, ETFs, or Charles Schwab (e.g., transaction, custodial, or brokerage fees). Mutual fund and ETF fees, described in their prospectus, include management fees and possible distribution fees. Clients could invest directly in these funds without our services but would not receive our tailored advice. Clients should review all fees to understand the total cost.

## **C. Brokerage Fees**

Please refer to Item 12 of this brochure for a discussion of brokerage practices.

## **D. Other Compensation**

We or our supervised person(s) do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

We do not charge performance-based fees or engage in side-by-side management.

## **Item 7. Types of Clients**

Our primary clients are high-net-worth individuals with assets exceeding \$100,000. We also serve institutional clients through separately managed accounts (SMAs) and third party money managers. The minimum account size is \$100,000, though this is negotiable.



## **Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss**

### **Methods of Analysis**

We employ the following analyses:

- **Fundamental Analysis:** We analyze a company's financial statements, management, and competitive position to identify undervalued securities. Risks include market mispricing or unforeseen company developments.
- **Mutual Fund/ETF Analysis:** We evaluate the manager's experience, track record, and underlying holdings to ensure alignment with client goals. Risks include past performance not guaranteeing future results and potential overlap in holdings.
- **Technical Analysis:** We study past market movements to predict future price patterns. Risks include ignoring underlying financial conditions, which may lead to underperformance.

### **Investment Strategies**

- **Long-Term Purchases:** We hold securities for a year or longer, seeking undervaluation or asset class exposure. Risks include missing short-term gains or sharp declines in value.
- **Short-Term Purchases:** We may sell securities within a year to capitalize on price swings. Risks include failure of anticipated price movements and higher transaction costs.
- **Diversified Portfolios:** We use equities, fixed income, ETFs, and other instruments to balance risk and return.

### **Risks of Loss**

Investing involves risks, including loss of principal. Our analyses rely on accurate data from companies and public sources, but inaccurate or misleading information could compromise our recommendations. Market, economic, or geopolitical events may cause significant price fluctuations. Clients should be prepared to bear these risks.

## **Item 9. Disciplinary Information**

Capital Resource Advisors LLC. and its employees have no reportable disciplinary events to disclose.

## **Item 10. Other Financial Industry Activities and Affiliations**

Neither CRA nor its employees engage in other financial industry activities or have affiliations with other financial entities.

**Item 11. Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading  
Code of Ethics**

CRA has adopted a Code of Ethics requiring high ethical standards and compliance with securities laws. It includes policies for reviewing employee securities transactions and holdings, requiring prior approval for certain investments (e.g., private placements). A copy is available upon request to Kevin Li at (207) 317-6773 or [kevin.li@capitalresourceadvisors.com](mailto:kevin.li@capitalresourceadvisors.com) or Erico Galvez at (207) 230-4740 or [eric.galvez@capitalresourceadvisors.com](mailto:eric.galvez@capitalresourceadvisors.com) .

## **Personal Trading**

Employees may buy or sell securities recommended to clients, creating a potential conflict of interest. To mitigate this, we:

1. Prohibit employees from trading based on non-public information.
2. Prevent employees from trading ahead of client transactions.
3. Maintain and review employee securities holdings.
4. Prioritize client accounts in partial trade fills.
5. Ensure compliance with federal and state regulations.

Employees violating these policies face disciplinary action or termination.

## **Client Transactions**

We do not recommend securities in which we have a financial interest or engage in principal or agency cross transactions.

## **Item 12. Brokerage Practices**

### **Broker-Dealer Recommendation**

We recommend Charles Schwab as our custodian and broker-dealer based on:

- **Best Execution:** Competitive pricing and efficient trade execution.
- **Custodial Services:** Reliable account management, reporting, and investment options.
- **Reputation:** Strong ethical practices and financial stability.
- **Client Resources:** Research tools and educational materials.

Clients may choose alternative broker-dealers, though this may affect service delivery. We disclose that our recommendation of Schwab may present a conflict of interest, as their services facilitate our operations, though we receive no soft-dollar benefits.

Not all advisers require their clients to direct brokerage. By directing brokerage, you may be unable to achieve the most favorable execution of client transactions, and this practice may cost clients more money.

### **B. Aggregated Trades**

We do not aggregate the purchase or sale of securities for various client accounts. This practice may result in clients not benefiting from potential cost savings or better pricing that could arise from aggregated orders, potentially leading to higher transaction costs for individual clients.

We do not receive soft-dollar compensation or aggregate trades with third-party managers, as we manage accounts directly. All transactions are executed through Schwab, ensuring transparency and competitive pricing.

### **Brokerage Practices**

We do not receive soft-dollar compensation or aggregate trades with third-party managers, as we manage accounts directly. All transactions are executed through Schwab, ensuring transparency and competitive pricing.

## **Item 13. Review of Accounts**

### **Wealth Management Services**

The Chief Compliance Officer (Erico Galvez) and investment advisers (Kevin Li and Erico Galvez) review client accounts periodically, at least quarterly, for consistency with investment strategies, asset allocation, and risk tolerance. Reviews may be triggered by changes in client circumstances, market conditions, or geopolitical events.

### **Reports**

Clients receive written quarterly performance reports from CRA, which include account performance, asset allocation, and transaction summaries. Clients also receive monthly statements from Schwab. These reports are consistent with the content and types of reports discussed in Section 9 of the Wealth Management Agreement.

### **Financial Planning/Wealth Management**

These accounts are reviewed annually or as contracted. Financial planning clients receive a complete written plan, with additional written reports as agreed.

## **Item 14. Client Referrals and Other Compensation**

We do not receive compensation from third parties for providing investment advice or compensate others for client referrals.

## **Item 15. Custody**

CRA does not maintain physical custody of client funds or securities. Client assets are held by Charles Schwab, a qualified custodian, which sends quarterly statements directly to clients. We report custody solely due to our authority to deduct fees or manage third-party disbursements under Standing Letters of Authorization (SLOAs). We comply with Maine's custody rules (Rule 515 § 11).

## **Item 16. Investment Discretion**

For discretionary accounts, clients grant us authority to determine securities and amounts to buy or sell, documented in the investment management agreement. Clients may impose reasonable limitations in writing, which can be amended with written notice.

## **Item 17. Voting Client Securities**

CRA does not vote proxies on behalf of clients. Clients retain proxy voting responsibility, though we may assist upon request.

**Receipt of Proxies**

Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients can contact us with questions about a particular solicitation by calling (207) 317-6773 or emailing [Kevin.Li@capitalresourceadvisors.com](mailto:Kevin.Li@capitalresourceadvisors.com).

**Item 18 – Financial Information****A. Prepayment of Fees**

We do not require or solicit prepayment of more than \$500 in fees per client six months or more in advance.

**B. Financial Condition**

We have no financial impairment that would prevent us from meeting contractual commitments to clients.

**C. Bankruptcy**

We have not been the subject of a bankruptcy petition at any time during the past ten years.

**Item 19. Requirements for State-Registered Advisers A. Principal Executive Officers and Management Persons**

Our firm is required to disclose the formal education and business background of each principal executive officer and management person. Below are the details for our key personnel:

**Kevin Li**  
**(DOB: March 11, 1995)**

**Chief Executive Officer and President**

**Formal Education:**

- University of Southern Maine, Biology Student 01/2013-09/2018
- Deering High School 2009-2013

**Business Background:**

- Morgan Stanley: Client Service Associate 08/2018 to 08/2021
- J.P. Mogan Securities LLC; Licensed Banker: 12/2021 to 04/2022
- Merrill Lynch, Pierce, Fenner & Smith Incorporated; Financial Services Associate: 06/2022 to 03/2025
- Capital Resource Advisors, President, 01/2025 to Present.

**Erico Galvez**  
**(DOB: April 8, 1965)**

**Chief Compliance Officer**

**Formal Education:**

- Bachelors in Finance, Rutgers University New Jersey, 1985 to 1991
- Saint Peters Preparatory School New Jersey, 1980-1984

**Business Background:**

- Charles Schwab & Co., Inc., Investment Advisor; 07/2005 to 04/2023
- Merrill Lynch, Pierce, Fenner & Smith Incorporated; Financial Advisor 03/2023 to 10/2024
- Capital Resource Advisors, Chief Compliance Officer, 01/2025 to Present.

**B. Other Businesses**

Our principal executive officers and management person's are not actively engaged in any other investment-related businesses or occupations.

**C. Performance-Based Fees**

We do not charge performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client). This item does not apply to our business.

**D. Material Disciplinary Events**

Neither the firm nor its management persons have been involved in any arbitration claims or civil, self-regulatory organization, or administrative proceedings related to investment activities. This item does not apply.

**E. Relationships with Issuers**

Neither the firm nor its management have any relationship or arrangement with any issuer of securities. This item does not apply.