



Item 1: Cover Page



EightONE CAPITAL LLC

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FORM ADV PART 2A - FIRM BROCHURE

Dated January 9th, 2023

EightOneCapital.com

This Brochure provides information about the qualifications and business practices of EightOne Capital, LLC, herein referred to as “EOC”. If you have any questions about the contents of this Brochure, please contact us at (281) 229-1051 or our website www.eightonecapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

EightOne Capital, LLC is registered as an Investment Adviser with the State of TX. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about EOC is available on the SEC’s website at www.adviserinfo.sec.gov which can be found using the firm’s identification number 318132.

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Item 2: Material Changes

Since becoming approved on January 25, 2022, the following changes have been made to this version of the Disclosure Brochure:

- Eddie China no longer operates EC Graffix.
- Eddie China's position at Pearland High School now accounts for approximately 50% of their time.

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of EightOne Capital, LLC.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 318132.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (281) 229-1051.

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Item 4: Advisory Business

A. Description of Advisory Firm

EightOne Capital, LLC is registered as an Investment Adviser with the State of TX. We were founded in January of 2022. Eddie Chinaea is the principal owner of EOC. EOC reports \$116,426 in discretionary and \$495,368 in non-discretionary Assets Under Management as of December 2022.

B. Types of Advisory Services

Investment Advisory Services (Outside Manager)

We offer investment advisory services through the use of third-party money managers (“Outside Managers”) for portfolio management services. We assist clients in selecting an appropriate allocation model, completing the Outside Manager’s investor profile questionnaire, interacting with the Outside Manager and reviewing the Outside Manager. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. Fees pertaining to this service are outlined in Item 5 of this brochure.

XY Investment Solutions We may offer the use of XY Investment Solutions (“XYIS”) for portfolio management services. XYIS builds investment models through a technology solution and supports financial planners with investment strategies based on research, experience, and sound rationale. XYIS primarily allocated Client assets among various mutual funds, exchange-traded funds (“ETFs”). XYIS may also allocate Client assets in individual debt and equity securities, options, and independent investment managers. XYIS’s services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. XYIS manages Client investments in model portfolios on a discretionary basis.

Charles Schwab Institutional Intelligent Portfolios™ EOC also provides portfolio management services through Institutional Intelligent Portfolios™, an automated, online investment management platform for use by independent investment advisors and sponsored by Schwab Wealth Investment Advisory, Inc. (the “Program” and “SWIA,” respectively). Through the Program, we offer clients a range of investment allocation models we have constructed and managed, each consisting of a portfolio of exchange traded funds (“ETFs”) and a cash allocation. The client may instruct us to exclude up to three ETFs from their portfolio. The client’s portfolio is held in a brokerage account opened, with our assistance, by the client at SWIA’s affiliate, Charles Schwab & Co., Inc. (“CS&Co”).

EOC is independent of and not owned by, affiliated with, or sponsored or supervised by SWIA, CS&Co or their affiliates (together, “Schwab”). The Program is described in the Schwab Wealth Investment Advisory, Inc. Institutional Intelligent Portfolios™ Disclosure Brochure (the “Program Disclosure Brochure”), which is delivered to clients by Schwab during the online enrollment process.

EOC and not Schwab, is the client’s investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible for determining the appropriateness of the investment allocation model for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis. Schwab’s role is limited to delivering the Program Disclosure Brochure to clients and administering the Program so that it operates as described in the Program Disclosure Brochure.

We have contracted with Schwab to provide us with the technology platform and related trading and account management services for the Program. This platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that helps us determine the

client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio.

Clients should note that we will recommend a portfolio via the System in response to the client's answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and so elects).

We do not receive a portion of a wrap fee for our services to clients through the Program. Clients do not pay fees to Schwab in connection with the Program, but we charge clients a fee for our services as described below under the Fees and Compensation section.

Financial Planning

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they affect and are affected by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for

emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals. In providing employee benefit plan services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, “Excluded Assets”).
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

**We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients’ financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies

and types of investments we may recommend are further discussed in Item 8 of this brochure.

- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.
- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.
**We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

Financial Planning Services are offered through our Comprehensive and Hourly/Project-Based Financial engagements as outlined below:

Comprehensive Financial Planning: This service involves working one-on-one with a planner over an extended period of time. By paying a monthly retainer, clients get continuous access to a planner who will work with them to design their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date. Clients will be provided with an annual service calendar to illustrate the frequency of meetings with EOC, and the topics to be covered throughout the year, including financial planning, income tax planning, investment planning, events and education.

Upon desiring a comprehensive plan, a client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, investments, college planning and estate planning.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax preparation/planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Once the client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow up meeting is required, we will meet at the client's convenience. Implementation of the financial plan is entirely at the discretion of the client. On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

Asset allocation recommendations may be provided as part of a financial plan. Implementation of the recommendations is at the discretion of the client.

Hourly/Project-Based Financial Planning: We provide financial planning services on a limited scope one-time engagement. Hourly/Project-Based Financial Planning is available for Clients looking to address specific questions or issues. The Client may choose from one or more of the above topics to cover or other areas as requested and agreed to by EOC. For Hourly/Project-Based Financial Planning, the Client will be ultimately responsible for the implementation of the financial plan.

Educational Seminars: EOC may provide educational seminars on an "as announced" basis for groups seeking general advice on investments and other areas of personal finance. The content of these seminars will vary depending upon the needs of the attendees. These seminars are purely educational in nature and do not involve the sale of any investment products. Information presented will not be based on any individual person's need, nor does EOC provide individualized investment advice to attendees during these seminars.

Retirement Plan Consulting: EOC will provide retirement plan consulting services in the form of advisory and financial planning services to plan administrators of retirement plans. EOC advises on selection of plan managers and third-party administrators and provides ongoing consulting to the company's fiduciaries as well as at least annual meetings to discuss the performance of the plan. Additionally, EOC is available to assist employees in enrollment in the plan and answer questions related to the available investments.

C. Client Tailored Services and Client Imposed Restrictions

EOC offers the same suite of services to all our clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

D. Wrap Fee Programs

EOC does not participate in wrap fee programs.

E. Amounts of Assets Under Management

EOC does not have any discretionary or non-discretionary assets under management. Assets under management were calculated as of January 2022.



Item 5: Fees & Compensation

Please note, unless a client has received the firm’s disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

Investment Advisory Services

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

Account Value	Annual Advisory Fee
\$0 - \$500,000	1.15%
\$500,001 - \$1,000,000	0.90%
\$1,000,001 - \$2,000,000	0.75%
\$2,000,001 - \$3,000,000	0.60%
\$3,000,001 - \$5,000,000	0.50%
\$5,000,001 +	0.40%

The annual fees may be negotiable in certain cases and are pro-rated. Fees are paid in arrears on a monthly basis. The advisory fee is a tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the month.

Advisory fees are directly debited from Client accounts held at an unaffiliated third-party custodian, or the Client may choose to pay by electronic funds transfer, credit card, or check. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

There is no minimum annual fee for managing individual accounts.

Financial Planning

- Comprehensive Financial Planning - Clients may engage with EightOne Capital to prepare a financial plan designed to help the client with all aspects of financial planning without ongoing investment management after the financial plan is completed.

Comprehensive Financial Planning consists of an upfront charge ranging from \$500 - \$5,000 and an ongoing fee that is paid monthly, in advance, at a rate between \$150 - \$800 per month depending on complexity of the individual client’s needs. The fee may be negotiable in certain cases. This service may be terminated with 30 days’ notice.

Upon termination of any account, the fee will be prorated, and any unearned fee will be refunded to the client.

No increase in the ongoing fees shall be effective without agreement from the client by signing a new agreement or amendment to their current financial planning agreement. Fees for this service may be paid by electronic funds transfer, credit card, or check.

- Project-Based Financial Planning - We offer Project-Based Financial Planning engagements beginning from \$500 - \$7,500. Fees are based on complexity and scope of the project, and may be negotiable in certain cases. Half of the fee is due at the beginning of the process and the remainder is due at completion of work, however, EOC will not bill an amount above \$500 more than 6 months in advance. Fees for this service may be paid by electronic funds transfer, debit/credit card or check.

In the event of early termination any prepaid but unearned fees will be refunded to the Client and any completed deliverables of the project will be provided to the Client and no further fees will be charged.

- Hourly Financial Planning - Clients interested in a limited planning component engagement are assessed an hourly fee. Our rate is \$250 per hour; billed in 15-minute increments, and a partial increment (e.g., seven minutes) will be treated as a whole increment. Prior to entering into an agreement with our firm you will receive an estimate of the overall cost based on your requirements and the time involved. The fee may be negotiable in certain cases and is due upon completion of the engagement. Fees for this service may be paid by electronic funds transfer, credit card, or check.

Educational Seminars

Seminars and speaking engagements are offered to organizations and the public on a variety of financial topics. Fees are based on the content, amount of research conducted, the number of hours of preparation needed, the number of attendees, and will be up to \$5,000 per seminar. Half of the fees are due prior to the engagement, and the other half is to be paid the day of, no later than the conclusion of the Seminar. Fees for this service may be paid by electronic funds transfer, credit card or check.

In the event the Client decides to cancel or change the date of the event for any reason besides weather or similar unforeseen causes, the Client will be responsible for reimbursement of any non-refundable travel expenses already incurred, and will provide payment for 50% of the Speaker's fee if the cancellation occurs within 30 days of the event. In the event that the Speaker must cancel due to health or similar unforeseen circumstances, the Speaker will make all attempts to find a reasonable alternative engagement date and will absorb any incremental additional costs for obtaining alternative travel arrangements. If an alternative date cannot be obtained, the Client will not be responsible for any travel costs already incurred by the Speaker or any portion of the Speaker's fee.

In the event of inclement weather or flight cancellation, the Speaker shall make all reasonable attempts to make alternative travel arrangements to arrive in time for the presentation. If travel proves impossible, or the event is otherwise canceled, the Speaker's fee is waived, but the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred. In the event that the Client decides to cancel or change the date of the event for any reason besides weather or similar unforeseen causes, the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred, and will provide payment for 50% of the Speaker's fee if the cancellation occurs within 30 days of the event.

Educational Seminars may be provided pro-bono at EOC's discretion.

Retirement Plan Consulting

Our standard consulting fee is based on the market value of the assets under management and is calculated as follows:

Account Value	Annual Advisory Fee
\$0 - \$1,999,999	0.50%
\$2,000,000 - \$4,999,999	0.35%
\$5,000,000 - \$9,999,999	0.25%
Above \$10,000,000	Negotiable

Our consulting fees may be negotiable in certain cases and are pro-rated. Fees are paid in arrears on a monthly basis. The fee is a tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the month.

Advisory fees may be paid by electronic funds transfer, credit card, or check. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We 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 & Side-By-Side Management

EOC does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.



Item 7: Types of Clients

EOC provides financial planning and portfolio management services to the following types of clients:

- Individuals
- Families
- High Net-Worth Individuals
- Pension & Profit Sharing Plans
- Corporations or other Businesses
- Charitable Organizations
- Other Investment Advisers

Minimum Account Size

EOC does not have a minimum account size requirement.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

A. Methods of Analysis and Investment Strategies

When clients have us complete an Investment Analysis (described in Item 4 of this brochure) as part of their financial plan, our primary methods of investment analysis are fundamental, technical, cyclical and charting analysis.

- **Fundamental Analysis:** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.
- **Technical Analysis:** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them. Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.
- **Cyclical analysis:** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.
- **Charting Analysis:** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may

not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

- **Use of Outside Managers:** We refer clients to third-party investment advisers ("outside managers"). Our analysis of outside managers involves the examination of the experience, expertise, investment philosophies, and past performance of the outside managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Passive Investment Management

We primarily practice passive investment management. Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

Material Risks Involved

All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear. Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

- **Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.
- **Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended. **Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.
- **Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.
- **Limited Markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.
- **Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.
- **Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.
- **Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.
- **Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

- **Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.
- **Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.
- **Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.
- **Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.
- **Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.
- **Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.
- **Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying

benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which client's invest.

- **Investment Companies Risk** When a client invests in open-end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).



Item 9: Disciplinary Information

Criminal or Civil Actions

EOC and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

EOC and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

EOC and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of EOC or the integrity of its management.



Item 10: Other Financial Industry Activities & Affiliations

Registration as a Broker/Dealer or Broker/Dealer Representative

No EOC employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

No EOC employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

EOC does not have any related parties. As a result, we do not have a relationship with any related parties.

Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

As referenced in Item 4 of this brochure, EOC recommends Clients to TAMPs to manage their accounts. You are not obligated, contractually or otherwise, to use the services of any TAMP we recommend. Moreover, EOC will only recommend a TAMP who is properly licensed or registered as an investment adviser.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc. and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

Code of Ethics Description

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matters shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither our firm, its associates or any related person is authorized to recommend to a client or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

Trading Securities At/Around the Same Time as Client’s Securities

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. We will not trade non-mutual fund securities 5 days prior to the same security for clients.



Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker-Dealers

EightOne Capital LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

1. Research and Other Soft-Dollar Benefits

We currently do not receive soft dollar benefits.

2. Brokerage for Client Referrals

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

We do recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve the most favorable execution of client transactions and this may cost clients money over using a lower-cost custodian.

The Custodian and Brokers We Use (Charles Schwab)

The custodian and brokers we use maintain custody of your assets that we manage, although we may be deemed to have limited custody of your assets due to our ability to withdraw fees from your account (see Item 15 – Custody, below).

We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and custody costs”)

How we select brokers/custodians We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are overall most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate
- fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill

- payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs),
- etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees,
- etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

Your brokerage and custody costs For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees.

Products and services available to us from Schwab Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide our clients and us with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

Services that benefit you Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

Services that may not directly benefit you Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third parties. We may use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide pricing and other market data
- facilitate payment of our fees from our clients’ accounts
- assist with back-office functions, recordkeeping, and client reporting

Services that generally benefit only us Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession

Schwab Intelligent Portfolios™ Program EOC may also utilize for certain lower asset balance clients the Institutional Intelligent Portfolios™ Program platform sponsored by Schwab Wealth Investment Advisory, Inc. (the “Program” and “SWIA,” respectively). SWIA is an unaffiliated SEC registered third party service provider which offers an electronic algorithms platform which ensures client portfolios are aligned with the client’s investment objective and risk tolerance via model portfolios. Under this automated investment advisory program, trading and rebalancing is determined via an algorithm based on model portfolios created by EOC, with cash flows and dividends used to keep the portfolio in balance. Also referred to as “robo-advisory services”, SWIA provides EOC with the technology platform to automate the management of portfolios of ETFs and mutual fund securities, provides sub-advisory services and acts in a discretionary capacity to the client’s account. Any clients that use the Program will receive the SWIA Program Disclosure Brochure (“Program Disclosure Brochure”) from SWIA which includes a more detailed description and additional information.

EOC may also participate in the Schwab Advisor Services (SAS) services program offered to independent investment advisors by Charles Schwab & Company, Inc., (“Schwab”) Schwab and is an unaffiliated SEC-registered broker dealers and FINRA/SIPC member broker dealers. Each offer to independent advisors, services which include custody of securities, trade execution, clearance and settlement transactions. For clients participating in the Schwab Intelligent Portfolios™ Program, clients will utilize the brokerage services of Charles Schwab & Co., Inc. (“CS &Co”) offered to independent investment advisers. CS&Co is also FINRA member and member of SIPC Aggregating (Block) Trading for Multiple Client Accounts.

Aggregating (Block) Trading for Multiple Client Accounts

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. We do not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy to implement all client orders on an individual basis. Therefore, we do not aggregate or “block” client transactions. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.



Item 13: Review of Accounts

Clients who engage us for investment advisory services will have their account(s) reviewed regularly on a quarterly basis by Heriberto Chinaea, Founder and CCO. The account(s) are reviewed with regards to the Client's investment policies and risk tolerance levels.

Events that may trigger a special review would be unusual performance, addition or deletions of Client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

EOC does not provide written performance or holdings reports to Investment Advisory Clients outside of what is provided directly by their custodian as part of their account statements.



Item 14: Client Referrals & Other Compensation

Economic Benefits Provided by Third Parties for Advice Rendered to Clients

EOC does not receive any economic benefit, directly or indirectly from any third party for advice rendered to our clients.

Compensation to Non-Advisory Personnel for Client Referrals

EOC does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

EOC does not accept custody of client funds except in the instance of withdrawing client fees. For client accounts in which EOC directly debits their advisory fee:

- EOC will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- The client will prove written authorization to EOC, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the billing invoices that we provide to you. Our billing invoices may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.



Item 16: Investment Discretion

EOC offers investment advisory services on both a discretionary and non-discretionary basis. For client accounts managed on a discretionary basis, we maintain discretion over client accounts with respect to securities to be bought and sold, the amount of securities to be bought and sold, and EOC will not give advance notice or seek the Client's consent for any changes to the Portfolio. For client accounts managed on a non-discretionary basis, EOC will give advance notice or seek the Client's consent for any changes to the Portfolio.

Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.



Item 17: Voting Client Securities

We do not vote Client proxies. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.



Item 18: Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition.

Balance Sheet

EOC does not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance and therefore do not need to include a balance sheet.

Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither EOC nor its management have any financial conditions that impair our ability to meet contractual and fiduciary commitments to clients.

Bankruptcy Petitions in Previous Ten Years

Neither EOC nor its management have been the subject of a bankruptcy petition in the last ten years.



Item 19: Requirements for State-Registered Advisers

Principal Executive Officers and Management Persons; Their Formal Education and Business Background

EOC currently has only one management person and executive officer; Heriberto Chinaea. Heriberto Chinaea's education and business background can be found on the Supplemental ADV Part 2B form.

Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Heriberto Chinaea's other business activities can be found on the Supplemental ADV Part 2B form.

How Performance Based Fees are Calculated and Degree of Risk to Clients

EOC does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Material Disciplinary Disclosures for Management Persons of this Firm

No management person at EightOne Capital, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

Material Relationships That Management Persons Have with Issuers of Securities

EightOne Capital, LLC, nor Heriberto Chinaea, have any relationship or arrangement with issuers of securities.



Item 1: Cover Page



EightONE CAPITAL

3204 Wonard Dr.
Pearland, TX 77581
281-229-1051

FORM ADV PART 2B – BROCHURE SUPPLEMENT

Dated January 4th, 2023

Heriberto Chinae (Individual CRD# 7481699)
Founder and Chief Compliance Officer

This brochure supplement provides information about Heriberto Chinae that supplements the EightOne Capital, LLC (“EOC”) brochure. A copy of that brochure precedes this supplement. Please contact Heriberto Chinae if the EOC brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Heriberto Chinae is available on the SEC’s website at www.adviserinfo.sec.gov.



Item 2: Educational Background & Business Experience

Heriberto Chinae

Born: 1981

Educational Background

- 2009 – Masters in Education Administration, Grand Canyon University
- 2006 – Bachelors in Business Administration, Florida Atlantic University

Business Experience

- 01/2022 – Present, EightOne Capital, LLC, Founder & CCO
- 07/2018 – Present, EC Graffix, Founder
- 06/2017 – Present, Pearland High School, Business Education Teacher/Coach
- 06/2015 – 06/2017, Lamar Consolidated High School, Teacher/Coach
- 02/2013 – 06/2015, Clements High School, Teacher/Coach
- 06/2012 – 02/2013, Ortiz Middle School, Teacher/Coach
- 06/2011 – 06/2012, Sterling High School, Teacher/Coach

Professional Designations, Licensing, & Exams

- FINRA Series 65 - Uniform Investment Adviser Law Examination



Item 3: Disciplinary Information

EightOne Capital, nor Heriberto China, has even been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.



Item 4: Other Business Activities

Heriberto China is a Teacher/Coach at Pearland High School. This activity accounts for approximately 50% of their time.



Item 5: Additional Compensation

Heriberto Chinaa does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through EOC.



Item 6: Supervision

Heriberto Chinaa, as Founder and Chief Compliance Officer of EOC, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

Item 7: Requirements for State-Registered Advisers

Heriberto Chinaea has NOT been involved in any of the events listed below.

- An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following: II. An investment or an investment-related business or activity;
 - Fraud, false statements, or omissions;
 - Theft, embezzlement, or other wrongful taking of property;
 - Bribery, forgery, counterfeiting, or extortion; or
 - Dishonest, unfair, or unethical practices.

- An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - An investment or an investment-related business or activity; ii. Fraud, false statements, or omissions;
 - Theft, embezzlement, or other wrongful taking of property; iv. Bribery, forgery, counterfeiting, or extortion; or
 - Dishonest, unfair, or unethical practices.

Heriberto Chinaea has NOT been the subject of a bankruptcy petition at any time.