

Additional Disclosures for Retirement Accounts and Rollovers

We Act as a Fiduciary

When U.S. Capital Wealth Advisors, LLC ("USCWA") and USCA Securities, LLC ("USCA Securities") (collectively referred to as "we," "our," "us," or "Firms") provide investment advice and/or recommendations to you regarding your retirement plan account and/or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests so we operate under a special rule that requires us to act in your best interest.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

Services We Provide

The services provided generally include investment advisory services and/or brokerage services related to your retirement account. More details regarding the services provided for your particular retirement account are available in the *Client Agreement for Advisory Services*, the *Client Agreement for Advisory Services Specific Services Addendum*, your brokerage client account agreement, and any other related addendums or agreements, which should be included with this document. If not, we can provide you with a copy of this at your request.

Potential Conflicts of Interest

It is important that investors understand that there are certain potential conflicts of interest that could arise out of services or any transactions we provide you and/or recommend. Below is a summary of these conflicts of interest. These are disclosed in more detail in USCWA's ADV Part 2A and Part 2B, our Form CRS documents, in our *Conflicts of Interest Disclosure Document*, and on our website - www.uscwealth.com. These are also available upon request.

Advisory and Brokerage Accounts

In USCWA advisory accounts, the firm and its Financial Advisors are compensated based on the total amount of assets held in client accounts. This creates an incentive for USCWA and its Financial Advisors to work hard to increase the value of client assets and creates an incentive to recommend that assets be placed in advisory accounts versus other alternatives that may cost less. Therefore, a recommendation to convert or transfer an account from a qualified plan or other IRA to an IRA account, or to move from a brokerage account to an advisory account (and vice versa) presents a conflict of interest.

USCA Securities Financial Representatives are compensated by commissions in brokerage accounts. The more buys and sells in a brokerage account, the more money that is made by USCA Securities and your Financial Representative and the more money clients pay. It creates an incentive for us to make more frequent recommendations in order to increase compensation. In addition, in brokerage accounts, USCA Securities and its Financial Representatives may be compensated by product sponsors, such as mutual funds through trails or continuing commissions.

Many people, including several of the Firm's principal executive officers and management persons, are registered individually with both USCWA as Financial Advisors and USCA Securities as Financial Representatives (collectively referred to as "Financial Professionals").

Both USCWA and USCA Securities are required to act in the best interests of our clients without placing the interests of the Firms, their Financial Professionals, or any associated person ahead of the interests of our client. We are acting as a fiduciary for retirement accounts and must follow the provisions outlined above.

Financial Professional Compensation

The way that USCWA and USCA Securities compensate their Financial Professionals creates incentives for them to recommend retirement account rollovers and certain products and services in order to get to a higher revenue tier level and/or receive a higher payout. Financial Professionals are compensated through sharing in a portion of the various revenue streams that USCWA and USCA Securities receive. For certain Financial Professionals, there is a payout grid that is tiered into three revenue bands: gross revenue up to \$500,000 is paid at 42%; gross revenue of more than \$500,000 and less than \$1,000,000 is paid at 45%; and gross revenue of more than \$1,000,000 is paid at 48%. Other Financial Professionals' payout rates are not tied to a tiered grid based on revenue streams but are based on factors such as total amount of assets held in client accounts, services provided, other benefits and compensation received, and use of third parties. The risks presented by the compensation structure are mitigated by the steps the Firms take to ensure that the Firms and their Financial Professionals act in the best interests of the client and do not make decisions based on compensation received. These steps include, but are not limited to, regular training, and compliance and supervisory oversight of account activity,

Mutual Funds

Mutual fund companies often pay out revenue in the form of 12b-1 and other service fees to firms that market and sell fund shares. Clients typically earn less on funds that pay 12b-1 fees. In some cases, the Firms select or recommend to their clients share classes of mutual funds that pay the Firms 12b-1 and other asset fees. To mitigate this conflict, since USCWA charges an ongoing advisory fee, it rebates the mutual fund 12b-1 fees and other service fees it receives from mutual funds purchased or held in advisory accounts to clients. USCA Securities keeps these fees. However, both Firms' policies also require their Financial Professionals to select or recommend the share class that is in the best interest of the client, and not based on fees or compensation received.

Private Placements

Clients who elect to purchase certain unregistered securities, known as private placements or alternative investments, are generally charged an upfront placement fee by USCA Securities or an ongoing asset-based fee by USCWA. When private placements are sold through USCA Securities, clients typically pay an upfront placement fee, and a portion of that fee is shared with the client's USCA Securities Financial Professional. When private placements are held in an advisory account and managed by USCWA, USCWA typically charges an ongoing asset-based fee, and a portion of that fee is shared with the client's USCWA Financial Professional. In cases where a private placement is purchased through USCA Securities, and subject to a placement fee, and then subsequently moved to a USCWA advisory account, USCWA will exclude such investment from its asset-based fee for a minimum of twelve months after purchase. In some cases, USCA Securities, USCWA, their affiliates, management, and employees receive other compensation from private placement issuers. Details regarding fees received by USCA Securities, USCWA, and their affiliates will be disclosed to the client in the Client Agreement for Alternative Investments and other relevant documents.

Affiliates, Related Entities, and other Relationships

USCWA and USCA Securities are owned by U.S. Capital Wealth, LLC ("U.S. Capital Wealth"), which is majority owned by Arax Investment Partners, LLC and its affiliates ("Arax"). Arax is a Redbird Capital Partners portfolio company with ownership in several wealth management firms. More detail regarding Arax can be found here: www.araxpartners.com. The majority of USCA Securities and USCWA Financial Professionals are indirect shareholders in U.S. Capital Wealth. In addition to USCWA and USCA Securities, U.S. Capital Wealth owns USCA Insurance Agency, LLC, USCA Municipal Advisors, LLC and USCA Management LLC.

USCWA and USCA Securities are also related to USCA, LLC (f/k/a U.S. Capital Advisors LLC). USCA, LLC owns USCA Asset Management, LLC and USCA Investment Holdings, LLC. USCA Asset Management is an SEC registered investment adviser that manages several related funds and has ownership in 13Capital, LLC, an exempt reporting adviser. USCA Investment Holdings manages USCA LLC affiliated feeder funds. The majority of USCA Securities and USCWA Financial Professionals have ownership interests in USCA, LLC; a minority of Financial Professionals employed by USCA Securities and USCWA provide services to USCA, LLC.

U.S. Capital Wealth, USCWA, USCA Securities, and our employees and affiliates have relationships with other entities that offer products and services to clients, including Piton Management, LLC, ClearShares, Halo Investing, and Robin Glen, LLC. We expect to have similar relationships in the future, and when applicable, will make clients aware of such relationships.

Where appropriate, USCWA and USCA Securities and their Financial Professionals use or recommend products, services, or investments offered by these affiliated and related entities. This creates conflicts of interest, examples of which are described below.

- Many of USCWA's advisory clients open an account with USCA Securities through National Financial Services ("NFS") with the custody, clearing and execution in such accounts handled by NFS. Although USCWA believes its relationship with USCA Securities is beneficial to its clients, USCWA and its affiliates receive substantial economic and non-economic benefits from using USCA Securities and NFS for its advisory clients' accounts. The additional compensation and other benefits received from the custodians creates a significant conflict of interest with USCWA's clients because USCWA and affiliated entities have a substantial economic incentive to use USCA Securities and NFS over others who do not provide such benefits to USCWA and its affiliates. Additionally, by using USCA Securities for the client's broker-dealer for its advisory accounts, USCWA might be unable to achieve the most favorable execution for client transactions, which can cost clients more money. While USCWA places trades for its clients subject to its duty to seek best execution, the execution quality and costs associated with using the combination of USCA Securities and NFS versus using Charles Schwab and Company, Inc. ("Schwab"), or other unrelated broker-dealers often differ.
- Clients of USCWA and USCA Securities may invest in funds managed by USCA Asset Management, LLC and USCA Investment Holdings, LLC. USCA Asset Management is an SEC registered investment advisor providing services to USCA Absolute Return Strategy Fund, the USCA All Terrain Fund, HRG Appreciation Fund, LP, 13Capital Energy Transition Fund, and the Futurum Funds Platform. USCA Investment Holdings manages several feeder funds. USCA Asset Management and USCA Investment Holdings and their representatives, are also USCWA and USCA Securities Financial Professionals and receive compensation for the services provided to the funds, which generally increase based on the assets in the funds. As such, when the USCWA and USCA Securities Financial Professionals use or recommend these funds, conflicts of interest arise.
- Financial Professionals may recommend that clients engage Piton Investment Management, LP ("Piton") as an External Manager. James Fortescue, a senior officer of USCWA, and others own minority interests in Piton Management. Mr. Fortescue is also chief executive officer of Piton and a controlling owner of Piton Management. Due to these relationships, there is a conflict of interest when a Financial Professional recommends that a USCWA or USCA Securities client engage Piton, as the compensation paid to Piton by the Firms' clients directly and indirectly benefits Mr. Fortescue and other USCWA employees who own interests in Piton.
- Financial Professionals may recommend that clients invest in funds managed by ClearShares. ClearShares provides advisory services to three Exchange Traded Funds ("ETFs"): ClearShares OCIO ETF (NYSE: OCIO), ClearShares Ultra-Short Maturity ETF (NYSE: OPER) and ClearShares Piton Intermediate Fixed Income ETF (NYSE: PIFI). Some indirect owners of U.S. Capital Wealth LLC own minority, non-controlling interests in ClearShares, LLC through an LLC structure. Piton acts as a sub-advisor to PIFI and also provides investment services to OPER and OCIO. Financial Professionals can purchase shares of OCIO, OPER, and PIFI in client accounts. A conflict of interest arises when Financial Professionals recommend or invest in these products because it increases revenue to ClearShares and owners of ClearShares, though Financial Professionals do not share in this revenue.

The use or recommendation of products, services, or investments from affiliated or related entities creates conflicts of interest. Our Financial Professionals are incentivized to use or recommend such products, services or investments over other options in order to increase the revenue of U.S. Capital Wealth, its affiliated or related entities, or themselves. USCA Securities and USCWA work to adopt and implement effective policies and procedures to manage these and other conflicts of interest. As noted above, as a fiduciary, we are required to act in the best interests of our clients. This requires us to follow a prudence standard that advice we give you be made with care, skill, prudence and diligence and based on the investment objectives, risk tolerance, financial circumstances and needs of the investor. We also follow a loyalty standard that we must not put our own interests ahead of yours.

The examples described above are just some of our conflicts of interest. Additional conflicts of interests related to USCA Securities' and USCWA's affiliations and activities, are described in in USCWA's Form ADV Part 2A and 2B, the Firms' Form CRS, and the Conflicts of Interest Disclosure Document which are all available on our website - www.uscwealth.com.

If you have any questions about any of this information, including our conflicts of interest and how we mitigate them, please feel free to call us.