



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," 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 websites - www.uscwealth.com and www.uscallc.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 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 compensates some of its Financial Professionals could create incentives for them to recommend retirement account rollovers or certain products and services, which could get them to a higher tier level and a higher payout. Financial Professionals are compensated through sharing in a portion of the various revenue streams that USCWA and USCA Securities receives. 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 a promoter. However, the Firms and their Financial Professionals must always act in the best interests of the client and must not make decisions based on compensation received. However, the Firms and their Financial Professionals must always act in the best interests of the client and must not make decisions based on compensation received.

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 and Feeder Funds

Clients who elect to purchase certain unregistered securities, known as private placements or alternative investments, will be charged an upfront placement fee by USCA or an ongoing asset-based fee by USCWA. If the investment is held in a commission-based account, and USCA charges the client an upfront placement fee, USCA will share a portion of the placement fee with the client's USCA Financial Professional. If the investment is held in a USCWA advisory account, and USCA charges the client an upfront placement fee, USCA will generally share a portion of the placement fee with the client's USCA/USCWA Financial Professional. However, the value of the investment will be excluded from the asset-based fee for a minimum of twelve months after the purchase. If the investment is held in a USCWA advisory account, and USCA does not charge the client an upfront placement fee, USCWA may charge an ongoing asset-based fee which will be shared with the client's USCWA Financial Professional. In some cases, USCA, USCWA, their affiliates, management, and employees receive other compensation from private placement issuers. The details of fee sharing arrangements between USCA and the Issuer as well as the compensation arrangements between USCA/USCWA and the client's Financial Professional are disclosed to the client in the Client Agreement for Alternative Investments or other relevant documents.

Piton Investment Management, LP and ClearShares, LLC

The Firms can recommend that clients engage Piton Investment Management, LP ("Piton") as an External Manager. James Fortescue, and other indirect owners of USCWA (not involved in the management of Piton), own minority interests in Piton Management. The chief executive officer of Piton and a controlling owner of Piton Management is Mr. Fortescue. Willa Sheridan, Chief Operating Officer of USCWA is also Chief Operating Officer of Piton. Due to these relationships, there is a conflict of interest when a Financial Professional recommends that a client engage Piton. Piton and its owners benefit financially from such recommendations.

ClearShares provides advisory services to three Exchange Traded Funds (“ETF”), 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 USCWA 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. However, for both Piton and ClearShares, the Firms and their Financial Professionals are required to make recommendations that are in the best interest of the client and clients are not obligated to use Piton or purchase the ETFs managed by ClearShares.

Related Entities

Some of the Financial Professionals, including several of the Firm's principal executive officers and management persons, have ownership interests in USCA Securities' parent company, US Capital Advisors LLC. USCA Securities' registration as a FINRA broker-dealer is material to USCWA's business because 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.

In addition, some Financial Professionals have ownership interests in U.S. Capital RIA Investors, LLC, which is a partial owner of USCWA. US Capital Advisors LLC also owns or controls several other entities which provide products or services to some of the Firms' clients. The existence of and relationships between all these entities creates various conflicts for clients, as the growth and profitability of each of the affiliates increases the overall value of U.S. Capital Advisors and U.S. Capital RIA Investors and in turn the potential value of ownership units (a majority of which are owned by the Firms' Financial Professionals and employees). This creates an incentive for Financial Professionals to recommend products and services offered by the related Firms. However, Financial Professionals are required to make recommendations that are in the best interest of the client and clients are not obligated to purchase products and services from affiliates. These are further detailed in Item 10 - Other Financial Industry Activities and Affiliations in USCWA's ADV Part 2A, in the Conflicts of Interest Client Disclosure Document, and on the Firms' websites.

USCA Asset Management, our affiliated SEC registered investment advisor, manages and/or provides advisory services to several funds, including USCA Absolute Return Strategy Fund, the USCA All Terrain Fund, the Ziegler FAMCO Hedged Equity Fund (formerly the USCA Premium Buy-Write Fund) (“SHLDX”), HRG Appreciation Fund, LP, 13Capital Energy Transition Fund and the Futurum Fund. To the extent the Firms or their Financial Professionals use or recommend any of these funds, conflicts of interest arise.

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. In other words, when advising between two otherwise equally available options, we will choose the option that is better for the client.

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.

Additional information is available 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.