COMPENSATION AND CONFLICTS DISCLOSURE

This disclosure provides information about the business practices, compensation and conflicts of interest related to the collective brokerage business of ACP Securities, LLC ("ACPS") (referred to collectively as "we," "us," or "ACP"). Additional information about ACP and its financial professionals is available on FINRA's website at http://brokercheck.finra.org. or via the SEC's website at www.sec.gov.

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ITEM 1 – INTRODUCTION

ACP Securities, LLC is a broker-dealer registered with the Securities and Exchange Commission (SEC) and member of the Financial Industry Regulatory Authority (FINRA). As a broker-dealer, ACP transacts business in various types of securities, including mutual funds, exchange-traded funds (ETFs), stocks, bonds, commodities, options, structures notes, private and public partnerships, real estate investment trusts (REITs) and other investment products, while offering such services to clients located domestically, as well as outside of the U.S.

ACP maintains a network of individuals, referred to as “financial professionals”, who offer brokerage services, investment advisory services, or both, depending on their licenses. Some of ACP ’s financial professionals are investment adviser representatives (IARs) of ACP Capital Management, LLC or a non-affiliated third-party investment adviser.

ACP sometimes refers to these specific financial professionals as “financial advisors” or “advisors.” ACP’s financial professionals are primarily independent contractors though there are some who are employees. In other cases, our financial professionals may be employees of unaffiliated financial institutions, like banks and credit unions, at which ACP’s services are offered. ACP financial professionals are dispersed throughout the U.S. and often market services under their own business name.

Although most financial professionals offer both brokerage and investment advisory services, some only offer brokerage services and others only offer investment advisory services. When you are discussing services with a financial professional, you should ask what capacity the financial professional is acting or will be acting – as a broker-dealer registered representative– when providing services to you. This disclosure discusses important information regarding financial professionals who act as registered representatives of ACP’s broker-dealer. For more information about ACP and the services financial professionals provide when they act as IARs, please see ACP Capital Management’ Form ADV disclosure brochures available at www.adviserinfo.sec.gov or contact that investment adviser for a copy of its Form ADV. For additional information on which type of investment account is right for you, please see ACP ’s Form CRS (Customer Relationship Summary) that on www.acp-group.com.

Like all financial services providers, ACP, and its financial professionals have conflicts of interest. ACP and its financial professionals are compensated directly by customers and indirectly from the investments made by customers. When customers pay us, we typically get

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paid an upfront commission or sales load at the time of the transaction and in some cases a deferred sales charge. If we are paid an upfront commission, it means that we are paid more the more transactions a customer makes. When we are paid indirectly from the investments made by customers, we receive ongoing compensation, typically called a "trail" payment, for as long as a customer holds an investment. In addition, we receive compensation from the sponsors of some of the investment products that customers purchase through us. The amount we receive varies depending on the particular type of investment a customer makes. The compensation described in this disclosure represents the maximum gain or profit we receive on an investment, before subtraction of our expenses.

Please also note that not all of the conflicts described in this disclosure apply to a particular financial professional, his /her services, or all the products we sell. The types and amounts of compensation we receive change over time. You should ask your financial professional if you have any questions about compensation, costs, fees, or conflicts of interest.

ITEM 2 – COMMISSIONS, FEES, AND OTHER TYPES OF SALES COMPENSATIONS

COMMISSIONS AND SALES CHARGES

ACP receives upfront commissions when it executes transactions that result in the purchase or sale of a security. A commission, which also may be called a sales load, sales charge or placement fee, is typically paid at the time of the sale and can reduce the amount available to invest or can be charged directly against an investment. Commissions are often based on the amount of assets invested. ACP receives the ales charge or commission and shares it with your financial professional. In some cases, a portion of the sales charge or commission is retained by the investment's sponsor. Commissions vary from product to product, which creates an incentive to sell a higher commission security rather than a lower commission security. The maximum and typical commissions for common investment products are listed below. For more information about other commissions that apply to a particular transaction, please refer to the applicable investment's prospectus or other offering document.

- **Equities and Other Exchange Traded Securities.** The maximum commission charged by ACP in an agency capacity on an exchange- traded security transaction, such as an equity, option, ETF, exchange traded note (ETN) or closed-end fund (CEF), is 1.5% of the transaction amount. The commission amount decreases from 1.5% as the size of the

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transaction amount increases according to a schedule. In addition, the financial professional can decide to discount the commission amount to a minimum of $30 per transaction

- **Mutual Funds and 529s.** The maximum commission or sales charge permitted under applicable rules is 8.5%, although the maximum is typically 5.75%
- **Alternative Investments.** For alternative investment products, such as hedge funds, private equity funds, non-traded business development companies (BDCs), real estate private placements, or real estate investment trusts (REITs), the upfront sales load is as high as 5.5%
- **Unit Investment Trusts (UITs).** The maximum upfront sales charge paid typically ranges from 1.85% to 3.95% and can depend on the length of the term of the UIT

MARKUPS AND MARKDOWNS – PRINCIPAL OR DEALER TRANSACTIONS

When ACP buys from or sells a security to you in a principal capacity, ACP buys or sells the security directly from you, rather than acting as your agent to buy or sell the security from a third party. These transactions are also known as "dealer transactions." In these circumstances, if we sell a security at a price higher than what we paid for it, we will earn a markup.

Conversely, if we buy a security from you at a price lower than what we sell it for, we will earn a markdown. Transactions in bonds and other fixed-income securities such as structured products often occur as dealer transactions.

The maximum markup/markdown on a transaction with a customer that we receive when acting in a principal capacity typically does not exceed 2.5% of the value of the security. On rare occasions, a markup/markdown may exceed 2.5% on a deeply discounted or highly illiquid security. In many cases, the actual markup/markdown percentage is lower based on factors such as quantity, price, type of security, rating, maturity, etc.

DIRECT FEES AND CHARGES

If you hold an account at ACP, ACP or its custodian, Pershing LLC or Interactive Brokers, LLC, may charge miscellaneous fees directly to your account such as fees for transaction processing, account transfers, service fees and retirement account maintenance. For direct fees that apply per transaction, ACP receives more fees the more transactions that result from a

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financial professional's recommendation. These direct fees and charges are set out in the Miscellaneous Account and Service Fee Schedule at www.acp-group/disclosures.html.

ITEM 3 THIRD PARTY COMPENSATION

ACP and financial professionals receive compensation from investment product sponsors and other third parties in connection with investments that ACP customers make in securities such as mutual funds, annuities, and alternative investments. Some types of third-party compensation are received by ACP and shared with financial professionals, and other types are retained only by ACP . For more information about the third-party compensation ACP receives, the investment product sponsors and other third parties that pay ACP the compensation, and related conflicts of interest, please see the Third-Party Compensation and Related Conflicts of Interest on www.acp-group.com/disclosures.html.

THIRD PARTY COMPENSATION SHARED BY FINANCIAL PROFESSIONALS TRAIL COMPENSATION

ACP and its financial professionals receive ongoing compensation from certain investment products such as mutual funds, annuities and alternative investments. This compensation (commonly known as trails or Rule 12b-1 fees) is typically paid from the assets of the investment product under a distribution or servicing arrangement with the investment sponsor and is calculated as an annual percentage of assets invested by ACP customers. The more assets you invest in the product, the more we will be paid in these fees. Therefore, we have an incentive to encourage you to increase the size of your investment. The amount of trails received varies from product to product. This creates an incentive to recommend a product that pays a higher trail rather than a lower trail. We also have an incentive to recommend a product that pays trails (regardless of amount) rather than products that do not pay trails. For more information about trail compensation received with respect to a particular investment, please refer to the prospectus or offering document for the investment.

- **Mutual Funds and 529s.** The ongoing payment depends on the class of shares but is typically between 0.25% and 1% of assets annually
- **Alternative Investments.** For alternative investment products, such as private funds, trail payments may be as high as 1.25% on an annual basis. Trail payments for managed futures funds can be as high as 2% annually

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CONCESSIONS AND MUTUAL FUND FINDER'S FEE

In certain cases, financial professionals receive compensation from a mutual fund sponsor in connection with transactions for which sales charges are waived or under other circumstances and as described in a fund's offering documents. This compensation is generally referred to as a finder's fee or concession and typically ranges between 0.25% and 1% of the transaction amount. ACP also receives concessions from investment sponsors for other types of investments. These concessions vary from product to product, and are generally shared between the financial professional. Concessions can be as high as 0.25% of the transaction amount for new issues of certificates of deposit, municipal bonds and other short-term dated bonds, up to 3% of the transaction amount for structured products, and up to 4% of the transaction amount for CEFs or alternative products.

NON-CASH COMPENSATION

ACP, ACP employees, and financial professionals receive non-cash compensation from investment sponsors that is not in connection with any particular customer or investment. Compensation includes such items as gifts valued at less than $100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, customer workshops or events, or marketing or advertising initiatives, including services for identifying prospective customers.

Investment sponsors also pay, or reimburse/or its financial professionals, for the costs associated with education or training events that may be attended by and financial professionals and for ACP sponsored conferences and events.

THIRD PARTY COMPENSATION RETAINED BY ACP CASH SWEEP

If a customer holds an account with ACP, ACP offers a service to sweep cash held within accounts into an interest-bearing FDIC insured cash account (ICA) or money market funds. For ICA, under its agreement with each bank in which ACP deposits customer cash, a fee from the banks equal to a percentage of the average daily deposit balance in the ICA. For additional information on the ICA, please see the ICA disclosures booklet available on www.acp-group.com/disclosures.html. The fee paid to ACP is at an annual rate of up to an average of 4% as applied across all deposit accounts taken in the aggregate; therefore, on some accounts, fees to ACP may be higher or lower than this average percentage amount.

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For accounts held at ACP that are not eligible for the ICA or that do not participate in SBICA, uninvested cash balances are automatically invested in a money market sweep fund. Compensation for marketing support from the sponsors to these funds, ranging between 0.16% and 0.45% of the assets invested in the money market funds. These payments are in addition to other fees (e.g., recordkeeping and 12b-1 fees) received by ACP.

Depending on interest rates and other market factors, the yields on the ICA, SBICA and money market sweep fund have been, and may continue in the future to be, lower than the aggregate fees and expenses received by a customer's participation in the cash sweep programs. This may result in a customer experiencing a negative overall investment return with respect to cash balances in the cash sweep programs. Interest rates under ICA or SBICA may be lower than the interest rates available if customers make deposits directly with a bank or other depository institution outside of ACP 's brokerage platform or invests in a money market fund or other cash equivalent. Customers should compare the terms, interest rates, required minimum amounts and other features of the sweep program with other types of accounts and investments for cash.

NON-SWEEP MONEY MARKET MUTUAL FUNDS

Customers are able to invest cash balances in a limited number of money market mutual funds other than as part of a sweep arrangement (Non- Sweep Money Market Funds). Depending on interest rates and other market factors, investment returns of money market mutual funds have been, and may continue in the future to be, lower than the aggregate fees and expenses charged by ACP or the custodian and clearing agent in connection with the transaction. This may result in a customer experiencing a negative overall investment return with respect to cash reserves invested in the Non-Sweep Money Market Funds. Customers should understand that the share class offered for a particular Non-Sweep Money Market Fund charges higher fees and expenses than other share classes that are offered by the same Non-Sweep Money Market Fund but are not available on ACP 's platform. Compensation for the assets invested in the Non-Sweep Money Market Funds for distribution, recordkeeping, shareholder servicing and administrative services it provides for the funds and in connection with marketing support services ACP provides to the fund sponsors as described in this disclosure.

Unlike other types of mutual funds available on ACP's platform, ACP makes available Non-Sweep Money Market Funds from only a limited number of mutual fund sponsors. By making available a limited number of Non-Sweep Money Market Funds, able to negotiate greater

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compensation from the fund companies for services it provides to the funds. Because of the limited number of Non-Sweep Money Market Funds available on the platform and the fees paid by those funds, other money market mutual funds not available through ACP's brokerage platform are likely to have higher returns than the Non-Sweep Money Market Funds.

RECORDKEEPING FEES

In the case of accounts held at ACP, ACP performs recordkeeping and administrative services on behalf of mutual funds and receives fees for performing such services. These services include establishing and maintaining sub-account records reflecting the issuance, exchange or redemption of mutual fund shares by each account. For certain mutual funds ACP processes transactions on an omnibus basis, which means that ACP consolidates customer trades into one daily trade with a fund and maintains all pertinent underlying shareholder information for the fund. The compensation for these services can be paid based on customer assets in the fund (0% to 0.30% on an annual basis) or based on the number of positions held by customers in the fund ($0 to $25 per position). Because these fees vary, ACP has an incentive to recommend a fund that pays more in recordkeeping fees than a fund that pays a lower amount.

NETWORKING FEES

If ACP does not provide recordkeeping services to a mutual fund on an omnibus basis, then fund shares are traded on a networked basis, which means ACP submits a separate order to the fund for each individual customer trade. In that case, ACP maintains only certain elements of the fund's shareholder information. receives networking fees in the case of accounts held directly with an investment sponsor like a mutual fund or annuity company. In such cases, the investment sponsor pays ACP networking fees to link accounts with the investment sponsor to systems and accounts at ACP. The fees, which vary product by product, are typically based on the number of positions in the investment product or assets. For mutual funds, compensation that is based on the number of positions held with the fund (up to $12 per position per year) or based on the amount of customer assets in the fund (up to 0.15% on an annual basis). For annuities, compensation that is based on the number of customer positions or contracts held with each annuity carrier (up to $6 per position per year).

PRODUCT ONBOARDING FEES

ACP charges a setup fee to product sponsors when adding new investment products or share classes of an investment product to its investment platforms. When a new mutual fund family joins ACP's platform, ACP typically charges up to $40,000 to add the family to ACP’s recordkeeping platform. ACP typically charges annuity product sponsors a one-time onboarding/networking setup fee of up to $75,000 to reimburse associated technology-related costs. charges alternative investment sponsors up to $30,000 for initial products that are added to its platforms and $15,000 for follow-on offerings. charges as a setup fee exchange traded product (ETPs) sponsors up to $7,500 per fund, and UITs up to $5,000.

REVENUE SHARING PAYMENTS

Revenue sharing payments from investment sponsors who participate in ACP ’s sponsorship programs. Investment sponsors make these payments to incentivize ACP to promote their products, and the sponsors receive preferential treatment as a result of the payment. Those preferences include supporting ACP ’s product marketing, education and training efforts for financial professionals so that investment sponsors can communicate with financial professionals and employees and promote their products. The arrangements also allow the investment sponsor’s products in certain cases to benefit from lower ticket charges that are typically paid by a financial professional and/or customer. These payments are typically calculated as a fixed fee, as an annual percentage of the amount of assets invested, as a percentage of annual new sales, or as a combination.

- **Mutual Funds.** compensation of up to 0.25% on an annual basis of customer assets invested with certain mutual fund families including onshore and offshore mutual funds. receives flat annual payments at the discretion of certain fund sponsors as support for ACP’s product marketing and the education and training efforts for financial professionals in connection with the sale of their products. In addition, receives from mutual fund sponsors up to $10 per ticket charge for mutual fund purchases
- **Alternative Investments.** For certain alternative investments, a marketing allowance fee directly from the investment sponsor, and not as a portion of the upfront commission or trail. These fees can be paid on an annual basis of up to 0.35% of customer assets invested and up to 1.50% of sales in alternative investments, such as managed futures funds, REITs, hedge funds and private equity

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- **UITs.** fees, often referred to as volume concessions, from UIT sponsors that are based on a percentage of sales volume. These fees are set by the UIT sponsor and vary. The UIT prospectus contains detailed descriptions of these additional payments
- **Retirement Plan Products.** marketing and educational support payments of up to $260,000 per year from certain retirement plan product sponsors to assist with training and educating financial professionals

Investment sponsors pay ACP different amounts of revenue sharing, and receive different levels of benefits for such payments. Because these fees can vary by fund and share class of a fund, an incentive to recommend a fund or share class that pays more in revenue sharing than a fund or share class that pays a lower amount. ACP generally does not share these revenue sharing payments with financial professionals.

TECHNOLOGY FUNDING

When ACP incurs technology development-related costs associated with the launch or maintenance of a platform, tool, or service, ACP sometimes receives reimbursements from product sponsors for such costs. Because ACP benefits from product sponsors' reimbursements of technology development-related costs, ACP's financial interests are conflicted with its ability to use strictly objective factors when selecting product sponsors to make available on the applicable platforms.

ITEM 4 – PRODUCT COSTS AND RELATED CONFLICTS

Financial professionals provide recommendations with respect to a broad range of investment products, including stocks, bonds, ETFs, mutual funds, and alternative investments. Each type of investment product carries unique risks, and many investment products charge fees and costs that are separate from and in addition to the commissions and fees that ACP and financial professionals receive. You can learn more about these risks and the fees and costs charged by an investment product by reviewing the investment product's prospectus, offering memorandum, or other disclosure documents.

Set out below is the typical range of expenses of the various investment products we sell. In most cases, these expenses are in addition to the commissions and fees that ACP receives for its brokerage services.

- **ETFs.** The expense ratios range from 0.05% to 1.0%, with an average expense ratio of around 0.44%

- **Mutual Funds.** Expense ratios can vary based on the type of mutual fund purchased. The average expense ratio for actively managed funds is 0.5% to 1.0%, for passive index mutual funds the average is 0.2%
- **Alternative Investments.** The typical range of annual expenses, excluding any commissions or dealer manager fees, is 0.80% to 6.00% which may include management fees, acquisition fees, disposition fees, performance participation fees, organization and offering fees, acquired fund fees and expenses, or interest payments on borrowed funds
- **UITs.** Typical annual operating expenses for UITs range from 0.20% to 4.00%. Equity UITs usually comprise the low end of the range while UITs whose trust consist of a basket of CEFs typically comprise the high end of the range

SHARE CLASS AND FUND SELECTION

ACP offers various share classes of mutual funds and 529s. As an example, certain mutual fund share classes, often referred to as Class A shares, charge an upfront sales charge and an ongoing trail. For other mutual fund share classes, often titled Class C shares, there is no upfront sale charge paid, however, there is an ongoing trail payment and a contingent deferred sales charge to the investor if there is a redemption within a certain period of time after purchase. Depending on the length of the holding period for the mutual fund or 529, and other factors, one share class may be less expensive to the investor than another, and ACP and the financial professional may earn more or less in compensation for one share class than another. Because of their characteristics and sales load structure, mutual funds generally are longer term investments. Frequent purchases and sales of mutual funds can result in significant sales charges unless the transactions are limited to exchanges among mutual funds offered by a sponsor that permits exchanges without additional sales charges. ACP maintains policies and procedures that are designed to detect and prevent excessive mutual fund switching, but you should monitor your account and discuss with your financial professional any frequent mutual fund purchases and sales.

Some share classes or funds we offer do not charge or pay to us an upfront sales charge and pay us ongoing trails of 0.25% or less annually (“no- load funds”). ACP makes no-load funds available only to certain customers or through certain of our programs. We may be compensated in other ways by sponsors of no-load funds, such as through revenue sharing payments. Because of the limited compensation from no-load funds, we have an incentive to

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limit the availability of no-load funds we offer and to recommend you invest in funds that impose sales charges and trails.

ACP also offers various mutual funds and ETFs, some of which have similar or identical investment strategies but differing fee structures. For example, a mutual fund that is designed to track an index of securities, such as the S&P 500 Index, may have higher or different types of fees than an ETF that is designed to track the same index. Whether a fund or ETF is more expensive than another fund or ETF with a similar or identical investment strategy may depend on factors such as length of holding, size of the initial investment and other factors. ACP and a financial professional may earn more compensation for one fund or ETF than another, giving ACP and the financial professional an incentive to recommend the product that pays more compensation to us.

ITEM 5 – CUSTOMER REFERRALS, OTHER COMPENSATION, AND OTHER CONFLICTS

PAYMENT FOR REFERRALS

ACP offers programs where ACP pays professionals, such as attorneys or accountants, for referrals. In one such program, ACP pays such professionals for referrals to its brokerage or advisory business, and customers must acknowledge the referral payment to the professional. In another program, the professionals become registered as representatives of ACP and share in brokerage commissions and advisory fees in connection with the referral. In addition, some financial professionals offer brokerage and advisory services on the premises of unaffiliated financial institutions, like banks and credit unions. In some of those cases, the financial institution pays an employee (e.g., a teller) a “nominal” fee for referrals to a financial professional in accordance with applicable banking regulations.

ACP and financial professionals enter into lead generation, marketing and/or referral arrangements with third parties and other financial intermediaries, including for the purpose of introducing new customers. The fees paid for these services can be structured in various ways, including an ongoing flat fee.

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MARGIN

ACP offers customers the ability to purchase securities on credit, also known as margin purchases. When a customer purchases securities on margin, ACP extends a line of credit to the customer and charges interest on the margin balance. ACP has a financial incentive to encourage margin borrowing because ACP earns compensation in the form of interest, transaction charges and other fees on investments made with borrowed amounts. That financial incentive creates a conflict of interest insofar as ACP and financial professionals' benefit from your decision to borrow and incur the various fees and interest described above. If contemplating use of margin, please consult the ACP Margin Agreement and related disclosures for additional details.

FLOAT

If a customer holds an account at ACP, ACP maintains the assets in a segregated account and receives compensation in the form of earnings on its investment of uninvested cash. These earnings are generally known as "float." Cash in the account would typically result from contributions to the account or sales of securities in the account before that cash is credited to a specific customer account. ACP also receives float on outstanding checks after they are issued by ACP to the customer and before they are presented for payment. ACP does not share this compensation with financial professionals.

ERROR CORRECTION

If a customer holds an account at a trade error caused by ACP occurs in the account, ACP will cancel the trade and remove the resulting monetary loss to a customer from the account. If a trade correction is required as a result of a customer (e.g., if a customer does not make full payment for purchases or fails to deliver negotiable securities for liquidations before trade settlement), ACP will cancel the trade and any resulting monetary loss will be borne by the customer. In the case of a trade that requires a correction and that resulted in a monetary gain to the customer, such gain may be removed from the account and may result in a financial benefit to ACP.

ROLLOVERS

If a customer decides to roll assets out of a retirement plan, such as a 401(k) plan, and into an individual retirement account (IRA), we have a financial incentive to recommend that a

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customer invests those assets with ACP, because we will be paid on those assets, for example, through commissions, fees and/or third-party payments. A customer should be aware that such fees and commissions likely will be higher than those the customer pays through the plan, and there can be custodial and other maintenance fees. As securities held in a retirement plan are generally not transferred to an IRA, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan. For more information about rollovers, see www.acp-group.com/disclosures.html under IRA Rollover Information.

LIMITATIONS ON INVESTMENT RECOMMENDATIONS

Financial professionals offer and recommend investment products only from investment sponsors with which entered into selling and distribution agreements. Other firms may offer products and services not available through ACP, or the same or similar investment products and services at lower cost. In addition, only offer certain products in a brokerage account, even though there is a version of the product that may be offered at a lower cost through an advisory account, and vice versa.

The scope of products and services offered by certain financial professionals may also be more limited than what is available through other financial professionals. A financial professional's ability to offer individual products and services depends on his/her licensing, training or branch office policy restrictions. For example, a financial professional maintaining a Series 6, Series 63 and Life Insurance Agent license is limited to providing investment company securities, such as mutual funds and UITs and variable annuity contracts. A financial professional maintaining a Series 7, Series 63 and Life Insurance Agent license is able to provide solutions including all securities available for sale by a Series 6 representative as well as individual stocks, bonds, and alternative investments, among others. As another example, a financial professional may only be licensed to provide brokerage services, and not advisory services, or vice versa. To provide investment advisory services, a financial professional is often required to be registered as an IAR with the state in which he/she has a place of business.

You should ask your financial professional about the securities or services he/she is licensed or qualified to sell, and his/her ability to service investments that you transfer to ACP from another firm. You should also review the licenses held by your financial professional by visiting the FINRA BrokerCheck system at http://brokercheck.finra.org.

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COMPENSATION OF CERTAIN ACP EMPLOYEES

Certain employees provide sales support resources to financial professionals who offer various types of brokerage and advisory products, programs, platforms and services. The compensation that ACP pays to these employees varies based on a number of factors, including assets in the program and compensation earned by ACP from the sales of these products and services. These sales employees have an incentive to promote certain ACP programs and platforms to financial professionals over others or those available through third parties.

INVESTMENT ADVISORY ACCOUNT – DIRECTED BROKERAGE

When a client retains ACP Capital Management to manage his/her account on a discretionary or non-discretionary basis, the client grants ACP Capital Management the authority to select the broker-dealer(s) that will be used to place and execute the transactions in the advisory accounts. It is the policy and practice of ACP Capital Management to strive for the best price and qualitative execution that are competitive in relation to the value of the transaction (best execution). In selecting a broker dealer or other intermediary, ACP Capital Management will consider such factors that in good faith and judgment it deems reasonable under the circumstances.

Use of ACPS (Affiliate FINRA Member Broker-Dealer): ACP Capital Management routinely directs brokerage to ACP Securities. Not all advisers require their clients to direct brokerage to a particular broker-dealer. By directing brokerage, the client may be unable to achieve most favorable execution and this practice can cost clients more money.

ACP Securities accounts are subject to a flat "execution commissions"/brokerage commission related to cost of executing advisory transactions on behalf of ACP Capital Management customers. ACP does not share the aforementioned flat execution commissions with IARs. Such commissions and fees are maintained solely by ACP Securities, which also indirectly benefits the owners of ACP Capital Management since both entities are under common ownership. ACP Securities' execution fees/commissions are in addition to any clearing related fees assessed by the clearing firm such as ticket charges for transactions and separate from advisory fees charged by Management. There is in place a negotiated fee schedule with Pershing, LLC ("Pershing"), which in certain instances includes a markup on related clearing firm fees. Based upon this structure, ACP Securities and (in turn its common owners with

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Management) will receive additional economic benefit (revenues) from the negotiated fee schedules or additional services based on the transaction volume attributable to the advisory accounts.

ACPS is an introducing broker-dealer that clears through Pershing. Management evaluates certain factors in connection with its selection of ACP Securities as its primary designated broker-dealer for advisory customer accounts. Listed below are the primary considerations Management weighs in its evaluation of its arrangement with ACP Securities:

- ACP Securities has expertise in the markets and types of securities desired
- ACP Securities has the ability to execute directly in the desired markets
- Pershing, LLC is a qualified custodian
- The knowledge and close relationship between the ACP Securities traders and the advisory personnel which helps to facilitate the communication process and allows for quicker handling of execution instructions
- Ability to service foreign clients and associated costs, including commission rates, ticket charges and other service charges in comparison to other clearing firms providing similar services
- Efficiency and accuracy of execution, clearance and settlement provided by Pershing, LLC
- Responsiveness of Pershing's customer service team
- ACP Securities' and Pershing's commitment to technology and the security of confidential information
- Neither ACP Securities nor Pershing has provided any indication or representation that they would be unable to fulfill its financial responsibilities or is at risk for financial insolvency
- The overall reputation and professional integrity of Pershing

Due to the common ownership, dual association of representatives and additional compensation your advisory representative and Management maintains a conflict/incentive to recommend and execution transactions via ACP Securities.

ITEM 6 – FINANCIAL PROFESSIONAL COMPENSATION, FEES AND RELATED CONFLICTS

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ACP compensates financial professionals pursuant to an independent contractor agreement, and not as employees. However, some financial professionals are employees of ACP . Described below are the compensation and other benefits that independent contractor financial professionals receive from ACP.

CASH COMPENSATION

ACP pays a financial professional a percentage of the revenue he/she generates from sales of products and services. The percentage received can vary (typically between 50% to 90%) depending on his or her agreements with the investment product or service recommended and can be more or less than what he/she would receive at another brokerage firm. The payments can include a bonus that is based on the amount of assets serviced or revenue generated by the financial professional. When compensation is based on the level of production or assets, the financial professional has a financial incentive to meet those production or asset levels. In addition, ACP pays compensation to branch managers based on sales of products and services in the branch. In some cases, financial professionals pay a portion of their compensation to their branch manager or another financial professional for supervision and/or administrative or sales support. There is a conflict of interest because the compensation affects the branch manager's ability to provide objective supervision of the financial professional. branch managers have an obligation to supervise financial professionals and may decide to terminate a financial professional's association with ACP based on performance, a disciplinary event or other factors. The amount of revenue a financial professional generates creates a conflict of interest when considering whether to terminate a financial professional.

OTHER BENEFITS

Financial professionals are eligible to receive other benefits based on the revenue he/she generates from sales of products and services. These benefits present a conflict of interest because the financial professional has an incentive to remain a registered representative of order to maintain these benefits. These benefits include eligibility for practice management support and enhanced service support levels that confer a variety of benefits, conferences (e.g., for education, networking, training, and personal and professional development), and other non-cash compensation. Such benefits also include equity awards from ACP's parent company, ACP Capital Holdings, LLC. ("ACP Holdings"), free or reduced-cost marketing materials, reimbursement or credits of fees that financial professionals pay to items such as administrative services or technology, and payments that can be in the form of repayable or forgivable loans (e.g., for retention purposes or to assist a financial professional grow his/her securities practice). If a loan to a new or existing financial professional, there is also a conflict of interest because ACP 's interest in collecting on the loan affects its ability to objectively supervise the financial professional.

FEES CHARGED TO FINANCIAL PROFESSIONALS

ACP charges financial professionals' various fees under its independent contractor agreement for, among other things, trade execution, administrative services, insurance, certain outside business activity related supervision, technology and licensing. Depending on the situation, these fees make it more or less profitable for the financial professional to offer and recommend certain services or products over others. In certain cases, these fees are reduced based on the financial professional's overall business production or the amount of assets serviced by the financial professional, which gives the financial professional an incentive to recommend that you invest more in your account or engage in more frequent transactions. Transaction fees charged to your financial professional can also vary depending on the specific security that the financial professional recommends. As an example, the transaction fees a financial professional must pay to purchase or sell a mutual fund for your account may differ between funds, which creates an incentive for your financial professional to recommend the fund that carries the lowest transaction charge.

RECRUITMENT COMPENSATION AND OPERATIONAL ASSISTANCE

If a financial professional recently became associated with ACP after working with another financial services firm, he/she received recruitment compensation from connection with the transition. In many cases, this transition assistance includes payments from are commonly intended to assist a financial professional with costs associated with the transition; however, not verify that any payments made are actually used for transition costs. These payments can be in the form of repayable or forgivable loans, and are subject to favorable interest rate terms, as compared to other lenders. In the case of forgivable loans, the loans are generally subject to repayment if the financial professional leaves ACP before a certain period of time or other conditions are not met. In addition, for certain situations involving the transfer of customer accounts from a third-party platform to ACP 's platform, existing financial professionals are eligible to receive a flat-dollar amount of up to $350 per transferred account to assist with offsetting the estimated time and expense he/she incurs to complete the account transfer process.

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The amount of recruitment compensation is often significant in relation to the overall revenue earned or compensation received by the financial professional at his or her prior firm. Such payments are generally based on the size of the financial professional's business established at his/her prior firm, for example, a percentage of the revenue earned or assets serviced at the prior firm, or on the size of the assets that transition to ACP. The receipt of this compensation creates a conflict of interest in that the financial professional has a financial incentive to recommend that a customer open and maintain an account with advisory, brokerage and/or custody services, and to recommend switching investment products or services where a customer's current investment options are not available through ACP , in order to receive the this type of benefit or payment.

ARRANGEMENTS WITH BANKS AND CREDIT UNIONS

Some financial professionals offer brokerage and advisory services on the premises of unaffiliated financial institutions, like banks and credit unions. shares compensation with the financial institution, including a portion of the brokerage commissions and fees the financial professional generates. In such case, the financial institution typically pays part of that amount to the financial professional. Such compensation can vary depending on the investment product or service recommended. The financial institution can limit the types of products that may be sold by a financial professional. shares with the financial institution between 75% to 100% (depending on the type of investment product) of the commissions and ongoing trail payments that in connection with the investment. In such case, the financial professional (an employee of the financial institution) will be compensated (e.g., in the form of salary, bonus, compensation based on commissions, etc.) by the financial institution in accordance with the terms agreed upon between the financial institution and the financial professional and approved by ACP (which vary depending on each financial institution and employee). Some of these financial institutions are affiliated with investment product sponsors (such as mutual fund sponsors) which presents a conflict of interest for a financial professional employed by a financial institution to encourage customers to invest in that financial institution's proprietary investment products. If the financial professional is not an employee of the financial institution where he/she provides services to a customer, shares with the financial professional between 25% to 100% and with the financial institution between 0% to 75% (depending on the type of investment product) of the commissions and ongoing trail payments that in connection with the investment. ACP or its affiliates directly employ a limited population of financial professionals located in financial institutions. Such financial professionals are

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compensated in a manner consistent with financial professionals employed by financial institutions.

FINANCIAL PROFESSIONAL'S OUTSIDE BUSINESS ACTIVITIES

Financial professionals are permitted to engage in certain ACP-approved business activities other than the provision of brokerage and advisory services through ACP, and in certain cases, a financial professional receives more compensation, benefits and non-cash compensation through the outside business than through ACP. Some financial professionals are accountants, real estate agents, insurance agents, tax preparers, or lawyers, and some financial professionals refer customers to other service providers and receive referral fees. As an example, a financial professional could provide advisory or financial planning services through an unaffiliated investment advisory firm, sell insurance through a separate business, or provide third party administration to retirement plans through a separate firm. If a financial professional provides investment services to a retirement plan as a representative of also provides administration services to the plan through a separate firm, this typically means the financial professional is compensated from the plan for the two services. If you engage with a financial professional for services separate from ACP, you may wish to discuss with him/her any questions you have about the compensation he/she receives from the engagement. Additional information about your financial professionals outside business activities is available on FINRA's website at http://brokercheck.finra.org.

COMPENSATION FOR OTHER SERVICES

Financial professionals can offer various types of advisory and brokerage programs, platforms and services, and earn differing types and amounts of compensation depending on the type of service, program or platform in which you participate. This variation in compensation can incentivize a financial professional to recommend services, programs or platforms that generate more compensation for the financial professional than others. For example, if you expect to trade securities frequently in your account, a brokerage account in which you pay a commission for each transaction may generate more compensation for your financial professional than an advisory account that generates compensation in the form of investment advisory fees.

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ITEM 7 – OTHER FINANCIAL INDUSTRY AFFILIATIONS

ACP Securities, LLC and ACP Capital Management are affiliated companies, with no other affiliated financial services companies.

Please consult the Disclosures page on ACP 's website for the current information about ACP's brokerage and advisory compensation and related conflicts of interest. ACP posts changes to this disclosure on its website www.acpgroup.com/disclosures on a periodic basis. ACP will not notify you when these changes are made, so you should consult the website to learn about any changes that have been implemented accordingly. If you are unable to access the website or require paper copies of any documents referenced in his information, please contact a financial professional.

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