



Regulation Best Interest Disclosure

This guide summarizes important information concerning the scope and terms of the brokerage services A.G.P. / Alliance Global Partners Corp (“AGP”, “we”, “our”, “us”) offers and details the material conflicts of interest that arise through our delivery of brokerage services to you. We encourage you to review this information carefully, along with any applicable account agreement(s) and disclosure documentation you may receive from us.

As you review this information, we would like to remind you that we are registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker dealer and an investment adviser, and we are a member of the Financial Industry Regulatory Authority (FINRA.org) and the Securities Investor Protection Corporation (SIPC.org). As such, A.G.P. provides both brokerage services and investment advisory services. Our brokerage services are the primary focus of this guide. In addition, A.G.P has a division, EPC Advisors Group (“EPC”), that specializes in foreign stocks and bonds and offers both brokerage and advisory services. All of the services described below, except for the investment banking services, are offered through EPC accounts. For more information on our investment advisory services and how they differ from brokerage, please review our investment adviser Customer Relationship Summary (or IA Form CRS) available at www.allianceg.com. We have two Form CRS’ - one for our advisory services and one for our brokerage services - both of which contain important information about the types of services we offer, along with general information related to compensation, conflicts of interest, disciplinary action and other reportable legal information. Most brokerage and advisory accounts are custodied through Fidelity Clearing and Custody Solutions (“Fidelity” or “clearing firm”), but some clients assets are maintained with Interactive Brokers, LLC, as further described below.

Standard of Conduct

Under the SEC’s Regulation Best Interest, A.G.P. and its financial professionals are required to act in the best interest of a retail client (such as a natural person using our services primarily for personal, family, or household purposes) at the time they recommend any securities transaction or investment strategy involving securities (including account-type recommendations). The requirement under Regulation Best Interest is that we act in the best interest of the retail client is limited to when we make a recommendation of a security or investment strategy involving securities. Neither Regulation Best Interest nor any best interest obligation extends to any other dealings or services we provide, including, without limitation, how we market securities and services, execute trades, the fees that we charge, or our duty to deal fairly with retail clients. You should understand that, as a broker-dealer, we have conflicts of interest when we make a recommendation of a securities transaction or investment strategy involving securities, including that we are compensated based on the sale of securities to you, and that we recommend securities for which we may act as underwriter, that we own in our inventory, and that pay additional, and oftentimes significant, compensation to us. These conflicts of interest are described in greater detail below, as well as in other documents such as your account agreement, prospectuses and other product disclosures, trade confirmations, and account statements. When Regulation Best Interest applies, your financial professional may be required to disclose additional information



specific to them, such as material limitations on the securities or investment strategies involving securities that they may recommend, differences in their investment approach from ours generally, and any conflicts of interest that may be unique to them. If that is the case, then your financial professional will disclose such additional information to you orally or in writing before or at the time they make the recommendation to which that additional information relates.

Brokerage Services

When you establish a brokerage account with us, you have the ability to buy, sell and hold investments within your account. We are a full-service broker-dealer, and able to execute purchases and sales on your behalf, and as directed by you. In a brokerage relationship we can trade in fixed income (municipals, corporates, U.S. Government, and emerging markets), equities (including ETFs and options), mutual funds, fixed and variable insurance products, and alternative investments such as private funds, non-traded REITs, securities products, etc.

Our business also focuses on investment banking related transactions for private and public offerings, and effecting transactions in foreign stocks and bonds, including foreign exchange listed securities, American depository receipts, and global depository receipts. In addition, we offer you the ability to purchase gold bullion and other precious metals through the Perth Mint Certificate Program (“PMCP”). PMCP is operated by Gold Corporation, an international precious metals refining, minting and trading group wholly owned by the government of the State of Western Australia. We also offer retail investors the ability to effect transactions in commodities, commodity futures, or commodity options.

In addition, we are able to trade for our own account, and engage in investment banking activities (underwriting public or private offerings). This allows AGP to offer our certain suitable retail investors the opportunity to participate in private placements, initial public offerings or secondary offerings of new issues. Furthermore, A.G.P. has developed a research business to help support its institutional and retail clientele.

The capacity in which we act is disclosed on your trade confirmation. However, we are not required to communicate it in advance, obtain your consent, or inform you of any profit earned on trades.

- **Cash and Margin Accounts**

We provide brokerage services through either a cash brokerage account or margin brokerage account, based on your eligibility and selection. In a cash brokerage account, you must pay for your purchases in full at the time of purchase. In a margin brokerage account, you must eventually pay for your purchases in full, but you may borrow part of the purchase price from our clearing firm. This is generally referred to as a “margin loan.” The portion of the purchase price that is loaned to you is secured by securities in your account, also referred to as “collateral.” You will incur interest costs as a result of your margin activity. While many securities are eligible to be used as collateral for a margin loan, some assets are not available for margin collateral purposes.



A margin-enabled brokerage account has specific eligibility requirements, unique costs, and governing regulatory requirements. You must execute a separate margin agreement before engaging in margin brokerage activity. Included with your margin agreement is a copy of the Margin Disclosure Statement. This statement contains important information you should understand and consider before establishing a margin brokerage relationship with us. For more information on our margin brokerage services, contact an AGP professional or refer to your Margin Disclosure Statement, which is provided with our Brokerage Account Customer Agreement for eligible customers.

- **Brokerage Account Types**

We offer many different brokerage account types including individual and joint accounts, custodial accounts, delivery versus payment (“DVP”) accounts, estate and trust accounts, partnership accounts, individual retirement accounts, and other types of retirement accounts as outlined in our account agreement(s). You should refer to our account agreement(s) for more information concerning available account types or speak with your AGP professional.

- **Incidental Brokerage Services, Recommendations and Account Monitoring**

Within your brokerage account, we may also provide other incidental services such as research reports, and recommendations to buy, sell, or hold assets. When we make a securities recommendation, investment strategy recommendation, or recommendation to rollover assets from your Qualified Retirement Plan (“QRP”) to an Individual Retirement Account (“IRA”), the recommendation is made in our capacity as a broker-dealer unless otherwise stated at the time of the recommendation. When we act in a brokerage capacity, our obligation only extends to executing the trade competently. A brokerage account does not carry an ongoing fiduciary relationship with you.

It is important for you to understand that when our financial professionals make a brokerage recommendation to you, we are obligated to ensure the recommendation is in your best interest, considering reasonably available alternatives, and based on your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information you provide us. You may accept or reject any recommendation. It is your responsibility to monitor the investments in your brokerage account, and we encourage you to do so regularly. Our current policy is that we do not exercise discretionary authority in brokerage accounts.¹ Our standard services do not include ongoing monitoring of accounts through our broker-dealer. However, if you prefer ongoing monitoring of your account or investments, you should speak with an AGP professional about whether an advisory services relationship is more appropriate for you.

Please also consider that from time to time we may provide you with additional information and resources to assist you with managing your brokerage account. This may include but is not

¹ A limited number of legacy clients have provided us discretion; you should refer to your agreement with us to understand the terms and limits of our authority, or discuss our limits with your representative.



limited to educational resources, sales and marketing materials, performance reports, asset allocation guidance, and/or periodic brokerage account reviews. When we offer these services and information, we do so as a courtesy to you. These activities are not designed to monitor specific investment holdings in your brokerage account; they do not contain specific investment recommendations about investment holdings, and you should not consider them a recommendation to trade or hold any particular securities in your brokerage account. Upon your request, we will review such information and reports with you and may provide you with investment recommendations, but we are not under a specific obligation to do so.

- **Understanding Risk**

It is important for you to understand that all investment recommendations and activities involve risk, including the risk that you may lose your entire principal. Further, some investments involve more risk than other investments. Higher-risk investments may have the potential for higher returns but also for greater losses. The higher your “risk tolerance,” meaning the amount of risk of loss you are willing and able to accept in order to achieve your investment goals, the more you may decide to invest in higher-risk investments offering the potential for greater returns. We attempt to align risk tolerances with investment needs to offer you different investment objectives from which to choose. Risk tolerances include “Conservative”, “Moderately Conservative”, “Moderate”, “Moderately Aggressive”, “Aggressive”, or a combination of these risk tolerances. Generally speaking a conservative risk tolerance means you are not comfortable with market fluctuations and do not expect large increases or decreases in your account, where an aggressive risk tolerance means you can withstand significant market volatility, and potential loss of principal, in order to potentially achieve higher than normal gains. The risk tolerances are included in our brokerage account agreement and should be discussed with your financial professional.

Investment goals typically have different time horizons and different income and growth objectives. Generally, investment goals are on a spectrum, with “Preservation of Income” or “Income” investors typically holding the smallest percentage of higher- risk investments, followed by “Capital Appreciation” investors holding some higher-risk investments, and “Speculation” investors holding a significant portion of their portfolio in higher-risk investments. A.G.P. also offers “Preservation of purchasing power through non-USD investments” for clients that want to take advantage of our experience in foreign markets and hedge their exposure to US markets. Finally, A.G.P. offers a “Trading Profits” objective for clients with significant investment experience and/or a high level of risk tolerance. As with risk tolerance, you should thoroughly discuss our investment objectives with your financial professional to help ensure they line up with your risk tolerance.

Our recommendations are based on your risk tolerance and investment objective. We encourage you to carefully consider your investment objective and risk tolerance before accepting the recommendations we provide you. Please immediately let us know if your life circumstances, goals, investment objectives, or risk tolerance changes so we may tailor our recommendations to your current profile.



Clearing Services

[Fidelity Clearing & Custody Solutions](#)[®] is our primary clearing firm/custodian and provides a comprehensive custody and clearing platform, brokerage services, trading capabilities, practice management and consulting to broker-dealers and investment advisers, including strategic acquirers and professional asset managers, as well as retirement record keepers, banks, and insurance companies through National Financial Services LLC (“NFS”) or Fidelity Brokerage Services LLC, Members NYSE, SIPC. In addition to providing services to third-party institutions, the NFS brokerage platform supports all the clearing and custody businesses at Fidelity, including Fidelity’s retail and capital markets businesses. We share responsibilities with respect to your account as set forth in the Brokerage Account Customer Agreement that is provided at the opening your account. Please refer to that agreement for more information on how such responsibilities have been allocated between us.

- **Cash Sweep Program Feature**

Our brokerage services include a Cash Sweep Program feature. This program permits you to earn a return on uninvested cash balances in your brokerage account by allowing cash balances to be automatically “swept” into a “Cash Sweep Vehicle,” until such balances are otherwise required to satisfy obligations arising in your account. These Cash Sweep Vehicles include interest-bearing deposit accounts, and, if permissible, money market mutual funds or such other sweep arrangements. You will receive additional information concerning the Cash Sweep Program in your account agreement(s). More information about the Cash Sweep Program can be found in the [Brokerage Account Customer Agreement](#). Please review that Disclosure Statement carefully. Please also see conflicts of interest section below, regarding these programs and discuss with your financial professional all options related to this feature.
- **Account Minimums and Activity Requirements**

There is no minimum initial account balance required to open a brokerage account with us. However, if you either fail to fund your account or do not return account opening documents as required, your account will be closed.
- **Brokerage Service Models and Products**

We offer broker-dealer services tailored to your specific circumstances by your AGP professional.
- **Brokerage Fees**

It is important to consider that while a brokerage relationship can be a cost-effective way of investing your assets, it is not for everyone given the fees and costs involved.

 - **Transaction-Based Fees**

You will pay transaction-based fees for trades you decide to enter into, such as buying and selling stocks, bonds, Exchange Traded Products (“ETPs”), mutual funds, annuity contracts, exercising options, and other investment purchases and sales.



AGP's fees are based on the types of services we provide. Generally, for brokerage services you will pay transaction-based fees for each transaction. These will include a commission based on the value of the transaction, or a flat fee per transaction. For some transactions, particularly fixed income securities, you will be charged a markup on purchases or a markdown on sales. For example, when you purchase a security from us, the price you pay will include a markup from the price at which we purchased the security or the current market price. Conversely, when you sell a security through us the price you receive will be less than the price at which we will sell the security in the market. Commissions, markups and markdowns will be disclosed in writing on the transaction confirmation. In addition, we participate in private placements, initial public offerings or secondary offerings of new issues, for which AGP is a member or manager of the underwriting group. This means we receive compensation from the issuer for the distribution or management of the offering. The timing of the compensation we receive will differ by product. The more we trade in your account, the more you will pay in fees, and we therefore have an incentive to encourage you to trade often.

- **Account and Service Fees**

You will pay fees for various operational services provided to you through your brokerage account. These fees are set at least annually and communicated to you through information included in your account statement and other notifications. These fees do not apply to all account types and may be waived under certain circumstances.

You should understand that based on the brokerage service model you choose, the same or similar products, accounts and services may vary in the fees and costs charged to you. For more information concerning our administrative and service fees, please contact your AGP professional.

Note that you will also pay a "service fee" on every brokerage trade. Such fees will be disclosed on your confirms along with other transaction charges. You should carefully review your confirm and ask your financial professional if you have any questions related to any fee charged.

Conflicts of Interest

Conflicts of interest may exist when we provide brokerage services to you. A conflict of interest is a situation in which we engage in a transaction or activity where our interest is materially adverse to your interest. The mere presence of a conflict of interest does not imply that harm to your interests will occur, but it is important that we acknowledge the presence of conflicts. Moreover, our regulatory obligations require that we establish, maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest associated with our recommendations to you.

Our conflicts of interest are typically the result of compensation structures and other financial



arrangements between us, our financial professionals, our clients and third parties. We offer a broad range of investment services and products and we receive various forms of compensation from our clients, affiliated and non-affiliated product providers and money managers, and other third parties as described above. Securities rules allow for us, our financial professionals, and our affiliates to earn compensation when we provide brokerage services to you. However, the compensation that we and our financial professionals receive from you varies based upon the product or service you purchase, which may create a financial incentive to recommend investment products and services that generate greater compensation to us.

We are committed to taking appropriate steps to identify, mitigate and avoid conflicts of interest to ensure we act in your best interest when providing brokerage recommendations to you. Below you will find additional information related to conflicts of interest concerning our compensation structure. This information is not intended to be an all-inclusive list of our conflicts, but generally describes those conflicts that are material to your brokerage relationship. In addition to this disclosure, conflicts of interest are disclosed to you in your account agreement(s) and disclosure documents, our product guides and other information we make available to you.

How We Are Compensated

We receive direct and indirect compensation in connection with your accounts. Direct compensation is taken directly from the affected account. Indirect compensation is compensation paid in ways other than directly from the account and may impact the value of the associated investments in your account. The sections below describe the compensation that we receive in connection with various investments that may be available to you. In many cases, the descriptions that follow refer to a prospectus or offering documents.

Transaction-Based Conflicts

In your brokerage account you pay certain fees (commissions and sales charges) in connection with buying and selling each investment product, including mutual funds, variable annuities, alternative investments, exchange traded funds, equity securities, and bonds. Where these fees apply, the more transactions you enter into, the more compensation we and your financial professional receive. This compensation may create an incentive for us to recommend that you buy and sell, rather than hold, these investments. We may also have an incentive to recommend that you purchase investment products that carry higher fees, instead of products that carry lower fees or no fees at all.

- **Markups and Markdowns for Principal Transactions**

When you buy or sell securities in a brokerage account, and in accordance with industry regulations, we may charge a markup (increase) or markdown (decrease) in the price of transactions we execute on a principal basis. We are compensated based upon the difference (markup) between the price you pay for securities purchased from us and the price we sell such securities to you over the prevailing market price, or the difference (markdown) between the price you sell securities to us and the price we purchase such securities from you over the



prevailing market price. We maintain policies and procedures reasonably designed to help ensure compliance with the markup and markdown industry rules.

- **Account Maintenance and Other Administrative Fees**

For the services we provide or make available to you with respect to your brokerage account, we charge certain account maintenance and other administrative fees, including transfer, wire, or other miscellaneous fees, as described in the fee schedule provided to you on an annual basis. The more the fees we charge, the more we are compensated.

- **Product-Based Compensation**

1. **Debt Securities**: For debt securities, including preferred securities and CDs, we may apply a variable and negotiable charge (i.e., markup or markdown) to your secondary market transaction. Please ask your AGP professional for more information. Additionally, we may incur gains (or losses) on positions we hold in inventory in response to market movements or other events that impact the value of the securities we own.
2. **Mutual Funds**: We currently offer thousands of mutual funds varying in share class structure and investment style. If you invest in mutual funds, we may receive direct and indirect compensation in connection with such mutual fund investments, as described below:
 - a. **Buying Direct**: Many mutual funds may be purchased directly from the issuer without using the clearing firm. Depending upon the issuer, fees may vary between buying direct and buying through the clearing firm. Please ask your AGP professional which purchasing method is best for you.
 - b. **Trail Compensation**: Ongoing compensation from Product Sponsors may be received by us and shared with our financial professionals. This compensation (commonly known as trails, service fees, or Rule 12b-1 fees in the case of mutual funds) is typically paid from the assets of the investment product under a distribution or servicing arrangement and is calculated as an annual percentage of invested assets. The amount of this compensation varies from product to product. We may have an incentive to recommend that you purchase and hold interests in products that pay us higher trails.
 - c. **Product Share Classes**: Some Product Sponsors offer multiple structures of the same product (e.g., mutual fund share classes) with each option having a unique expense structure, and some having lower costs to you as compared to others. We may be incentivized to make available those share classes or other product structures that could generate higher compensation to us.
 - d. **12b-1/Shareholder Service Fees**: Annual 12b-1 fees, also known as trails, are paid by the fund and paid to us out of fund assets under a distribution and servicing arrangement to cover distribution expenses and sometimes shareholder service



expenses that we may provide on the fund's behalf. Shareholder servicing fees are paid to respond to investor inquiries and provide investors with information about their investments. These fees are asset-based fees charged by the fund family. These fees range from 0.00% to 1.00%. These fees may be passed on to us and your financial professional as a service fee.

- e. **Front-end Sales Charges/Contingent Deferred Sales Charges (CDSC)**: Front-end sales charges may be charged and paid to us, including your financial professional, when you purchase a fund. The front-end sales charge is deducted from the initial investment on certain share classes. This charge normally ranges from 0.00% to 5.75%. Some purchases may qualify for a reduced front-end sales charge due to breakpoint discounts based on the amount of transaction and rights of accumulation. In addition, some purchases may qualify for a sales charge waiver based on the type of account, and/or certain qualifications within the account. You should contact your AGP professional if you believe you are eligible for sales charge waivers.

CDSC is a charge you pay upon withdrawal of money from a fund prior to the end of the fund's CDSC period. CDSC charges range from 0.00% to 5.50%. CDSC periods can range from zero to seven years. This charge typically exists only on share classes that do not have a front-end sales charge. It is sometimes referred to as the back-end load. CDSCs are not charged when you purchase a fund. The fee charged will depend on the share class purchased by the investor. A CDSC is not passed on to your financial professional. You can find a description of the amount and payment frequency of all fees and expenses charged and paid by the fund in the fund's prospectus. Fees and expenses disclosed in the fund's prospectus are charged against the investment values of the fund.

3. **Annuities**: Our annuities consist of fixed, index, and variable annuities. Under arrangements with insurance companies, we, including your financial professional, receive commissions from the insurance companies for the sale of annuities, as well as trail commissions. This is considered indirect compensation. Commissions and trails paid to us vary by product type and may vary by insurance carrier.

For additional information regarding annuities, please reference the annuity prospectus.

4. **Market-Linked Investments**: From time to time, AGP may offer market-linked products. If you are interested in such products and the associated costs and fees, please contact your AGP professional.
5. **Alternative Investments**: From time to time, AGP may offer alternative investments. If you are interested in such products and the associated costs and fees, please contact your AGP professional. For additional information about alternative investments, please consult the offering memorandum.
6. **Unit Investment Trusts (UITs)**: Our UITs consist of Equity and Fixed-Income UITs. We, along with your financial professionals, are compensated in ways that vary depending on the type and terms of the UIT portfolio selected. The types of fees



received by us are described below and are disclosed via the prospectus issued by the UIT provider. Your financial professional can provide you a copy of the most recent prospectus. As compensation, the UIT provider deducts fees from the proceeds available for investments for marketing and distribution expenses, which may include compensating us as described in each UIT prospectus.

- **Revenue Sharing**

From time to time, AGP may receive financial support from money market funds, cash-management providers, mutual fund issuers, or variable annuity issuers when it places client funds with such vendors. See AGP additional compensation details below.

- **Training and Education Expense Reimbursement or Offset**

We work closely with many product and service providers who provide training and education compensation to offset or reimburse us for costs incurred in conducting comprehensive training and educational meetings for our financial professionals. These meetings or events are held to educate financial professionals on product characteristics, business building ideas, successful sales techniques, and suitability, as well as various other topics. In addition, certain vendors provide free or discounted research or other vendor products and services, which can assist our financial professionals with providing services to the plan.

Likewise, from time to time, product providers will reimburse us for expenses incurred by individual branch offices in connection with conducting training and educational meetings, conferences, or seminars for financial professionals and participants. Also, financial professionals may receive promotional items, meals or entertainment or other non-cash compensation from product providers.

Although training and education compensation is not related to individual transactions or assets held in client accounts, it is important to understand that, due to the total number of product providers whose products are offered by us, it is not possible for all companies to participate in a single meeting or event. Consequently, those product providers that do participate in training or educational meetings, seminars or other events gain an opportunity to build relationships with financial professionals; these relationships could lead to sales of that particular company's products. See AGP additional compensation details below.

- **Compensation for Termination of Services**

Other than any CDSC for a fund (as described under the Mutual Funds section above, if applicable), IRA termination fees (when applicable), and account transfer fees, the firm would not receive any additional compensation in connection with the termination of its services. If you have questions or need additional information, contact your AGP professional.

- **AGP Additional Compensation Detail:**

1. Advisory Services: We have financial professionals who are dually licensed as registered representatives and investment adviser representatives. In their capacity of investment



adviser representatives, both AGP and the financial professional earn compensation if they are engaged to offer advisory services for a separate fee.

2. Rebates from Third Parties: From time to time, insurance companies, mutual fund companies or the managers of mutual funds sponsor and pay for client luncheons, financial professional training or other events, that AGP hosts. This may include third-party speakers that AGP does not have to compensate (although AGP may also pay consultants to attend these events or other client meetings to offer their expertise), or travel and accommodations for training sessions that AGP or the financial professional does not have to pay for. These arrangements may give rise to conflicts of interest, or perceived conflicts of interest in that AGP has an incentive to invest client assets in investment products managed or sold by companies that provide such benefits to AGP. AGP's commitment to its clients and the policies and procedures it has adopted that require the review of such arrangements by the CCO are designed to limit any interference with AGP's independent decision making when choosing the best investment products for our clients.
3. Revenue Sharing Arrangements: AGP has an agreement with Fidelity pursuant to which Fidelity pays AGP a small percentage of revenue based on total AGP client assets invested in eligible no transaction fee ("NTF") funds (Fidelity funds are not eligible for this revenue sharing agreement). Under the agreement, Fidelity pays AGP up to 10 basis points (or \$0.10 for every \$100 every year), depending on the total amount of eligible assets in client accounts. Because these fees are based on assets under management, as AGP's total assets grow in eligible NTF funds, the compensation AGP receives will also grow. In addition, AGP does not track the amount of compensation earned on individual client investments or provide an accounting or summary of such fees to clients. AGP has worked with Fidelity to rebate such fees back to advisory clients and AGP has implemented procedures to periodically review this process to identify, and rectify, accounts that have not been properly rebated. This additional compensation arrangement should be considered when a client considers opening an account at AGP. Although AGP has practices in place to rebate these fees in advisory accounts, this arrangement gives rise to conflicts of interest, or perceived conflicts of interest, as AGP has an incentive to steer client assets to Fidelity for custodial services in general, and more specifically into eligible NTF funds that generate such revenue rather than into the Fidelity funds, which do not generate such revenue. Notwithstanding this conflict, AGP believes that this arrangement does not interfere with its provision of advice to clients because of its practices and controls described above. Eligible NTF funds change periodically and AGP is not made aware of which funds are considered eligible by Fidelity. In addition, AGP has procedures in place to periodically review client accounts for adherence to client investment objectives, adherence to applicable federal securities laws, and to ensure that client assets are invested in, what we believe, are the best available mutual funds for the strategies we are implementing and monitoring. Our financial professionals are trained to invest client assets into the Fund(s) that they feel are most advantageous to their clients, regardless of additional fee revenues. Clients should note that this additional compensation to AGP does not directly increase clients' expenses, since they are collected by the mutual funds directly and the mutual funds share their revenue with Fidelity. If AGP does not accept this revenue, Fidelity retains it.



4. Money Market Sweep Funds & Interest Programs: AGP has entered into an arrangement with Fidelity related to certain money market funds used for cash management services provided through Fidelity. For client assets awaiting reinvestment in money market funds, the money market sweep account at Fidelity pays AGP a “distribution” fee based on the average fund balance. This can range from 10 to 50 basis points (or from \$0.10 to \$0.50 for every \$100 every year), depending on the total amount of eligible assets in the fund(s). Clients should refer to the Prospectus and Statements of Additional Information of the money market funds in which they invest for further information regarding such payments. Additionally, clients should discuss with their financial professional other options for their idle funds. Similar to the mutual fund revenue sharing arrangement discussed above, AGP has worked with Fidelity to rebate such fees back to advisory clients, and AGP has implemented procedures to periodically review this process to identify, and rectify, accounts that have not been properly rebated. It is also important to note that other money market instruments are available that are not part of this program and options should be discussed with your financial professional.

AGP will also receive a financial benefit from Fidelity for the difference between AGP’s cost of funds and the rate lent for purposes of margin debits through a margin debit participation program with Fidelity. This rate can vary depending on margin rates set by the marketplace, and the Fidelity base lending rate, the aggregate amount of the margin debit balance and potentially other factors. AGP receives a portion of the margin interest charged to a client’s margin debit balance. Furthermore, AGP is paid interest on short sale transactions.

5. Payment for Order Flow: Payment for order flow (“PFOF”) may take such forms as monetary payments, financial credits, rebates in the form of a reduction of fees charged, services and volume discounts. While PFOF arrangements present a potential conflict of interest, AGP’s first consideration in order placement is always price improvement and “best execution” and any orders are done so consistent with AGP’s duty to seek best execution. Any PFOF or other transaction-based compensation earned by AGP in connection with transactions in advisory accounts is in addition to the investment advisory fees that clients pay to AGP. The fact that a transaction may be executed or be capable of being executed through another broker-dealer at costs and transaction charges more favorable than those available through AGP will not obligate AGP to match those terms or account to clients for the difference. Clients should consider the fact that AGP receives this additional brokerage compensation when evaluating the amount and appropriateness of the total value of services that AGP provides.
6. Mark-Up on Custodian Fees: These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the firm in the form of mark-up over the fee charged by the custodian or a rebate paid back to us. The additional compensation AGP receives represents a conflict of interest because the firm receives a financial benefit when it provides services in connection with



maintaining and servicing your account. However, this compensation is retained by the firm and is not shared with your financial professional, so your financial professional does not have a direct financial incentive to recommend certain transactions or for the firm to provide such additional services. Of course, your financial professional does have an indirect incentive for AGP to receive that additional revenue as it helps ensure the long-term viability of their employer. To address this conflict AGP periodically reviews competitors pricing practices to stay in line with what AGP believes is industry practice. In addition, your financial professional has the ability to mark-up (as described above under Account and Services Fee) service fees on each trade. While each transaction is charged a minimum service fee, that fee can vary and it is up to each financial professional to determine if they will pass the base fee along or charge a higher than base fee to the end client.

7. Our role in certain private placements or IPOs that we recommend to you: When AGP is the manager or a member of a selling group, we earn a concession or other fee for the successful distribution of public or private offerings. This compensation incentivizes us to have our financial professionals recommend those securities to their clients.

Notwithstanding these conflicts, AGP believes that these arrangements do not interfere with its provision of advice to clients because of its practices and controls. As noted above, AGP periodically reviews the fees (and rebates due) it has negotiated with Fidelity against the services it receives. Also, AGP's financial professionals and supervisors review client accounts to ensure they are consistent with their stated needs, objectives and financial situation.

- **Compensation Received by Financial Professionals**

Financial professionals are compensated in a variety of ways based on the percentage of revenue generated from sales of products and services to clients and/or total assets under advisement, including brokerage account activity. This compensation may vary by the product or service associated with a brokerage recommendation. In addition to upfront transaction-based compensation, some products feature ongoing residual or "trail" payments. Thus financial professionals may be incentivized to recommend products that have higher fees as well as those with ongoing payments.

Typically, a financial professional's payout schedule (periodically adjusted by us at our discretion) increases with production and asset levels. As a result, financial professionals have an incentive to provide brokerage recommendations that result in selling more investment products and services. Financial professionals may also have an incentive to provide brokerage recommendations to gather more assets under management and to increase brokerage trading activity.

Financial professionals may have an incentive to recommend that you rollover assets from a Qualified Retirement Plan (QRP) to a brokerage Individual Retirement Account (IRA) because of the compensation they will receive. We maintain policies and procedures designed to ensure that rollover recommendations are in your best interest.



Brokerage accounts, unlike advisory accounts, do not feature an ongoing fee based on assets under management. Where your brokerage account has minimal activity and generates few commissions, financial professionals may be incentivized to recommend you transition your brokerage account to an advisory account to generate ongoing revenue. Further, financial professionals may be incentivized to recommend you transition your brokerage account to an advisory account after you have already placed purchases resulting in commissions and/or other transaction-based brokerage fees. Additionally, where an advisory account has a high level of trades, a financial professional may be incentivized to recommend the account convert to a brokerage account to generate commissions. We have controls established to identify and mitigate this risk. Investment advisor representatives (financial professionals that offer investment advisory services) generally provide a higher level of regular and continual service than a brokerage professional, but an ongoing fee is required to obtain this service. Financial professionals may have an incentive to provide higher levels of service to those clients who generate the most fees.

Recruitment compensation is provided to financial professionals who join our firm from another financial firm. This compensation, which may vary by financial professional, often includes either an upfront or backend award based upon new client assets to the firm and/or revenue generated from such client assets. This creates an incentive for the financial professional to recommend the transfer of assets to the firm, including brokerage assets, in order to earn this compensation.

Financial professionals can be compensated in the form of education meetings trips. Financial professionals conduct such meetings and trips to obtain education about the products offered for sale, to conduct due diligence on the issuer offering the product, and to build relationships with the product issuer. Portions of these programs may be subsidized by external vendors and affiliates, such as mutual fund companies, insurance carriers, or money managers. Consequently, product providers that sponsor and/or participate in education meetings and recognition trips gain opportunities to build relations with financial professionals, which could lead to sales of such product provider's products. Financial professionals also receive promotional items, meals, entertainment, and other noncash compensation from product providers up to \$100 per year for gifts per vendor and \$1,000 per year for meals per vendor.

- **Other Financial Professional Activities**

Financial professionals may be motivated to place trades ahead of clients in order to receive more favorable prices than their clients. However, A.G.P. has procedures in place that recognize these types of transactions, and will make price adjustments to confirm clients receive the best price in these situations

Financial professionals who are transitioning through a succession plan may be motivated to make brokerage recommendations designed to increase the value of their book of business through asset accumulation or brokerage trades that are not in your best interests. Financial professionals who receive clients from a retiring financial professional are incentivized to



retain client assets and expand the book of business.

Internal campaigns and recognition efforts incentivize financial professionals to engage in activities to reach incentive goals.

Certifications and Professional Designations

All of our financial professionals are required to obtain and maintain certain securities licenses in order to provide financial advice and conduct sales activities in the securities and insurance industries. However, certain of our financial professionals also maintain certifications and/or professional designations, which the market to show their level of knowledge or experience. These professional designations are generally administered by an issuing organization (independent from us) that determines the criteria needed to earn the designation. Some designations involve fairly rigorous standards to earn and maintain the designation, allow investors to verify the status of individuals claiming to hold that designation, and a few even have a formal disciplinary process. Other designations may have less rigorous requirements. If your financial professional holds out a designation, you should discuss with your financial professional the meaning of such designation. For additional information on your financial professional's certification or designation, please visit <https://www.finra.org/investors/professional-designations>.

Contact Information

Please reach out to your financial professional with questions regarding any of the materials contained in this document. Alternatively, you are welcome to contact our office at (212) 264-2060.

Additional Resources

TITLE	WEB ADDRESS
Form CRS	https://www.allianceg.com/reg-bi-form-crs/
FINRA BrokerCheck	https://brokercheck.finra.org/
Legal Disclosures	https://www.allianceg.com/legal-disclosure/
Best Execution (606 Reports)	https://www.allianceg.com/legal-disclosure/
BCP Summary & Disclosure Statement	https://www.allianceg.com/legal-disclosure/
Payment for Order Flow	https://www.allianceg.com/legal-disclosure/