WEALTHFORGE SECURITIES

Broker-Dealer: Member FINRA & SIPC

WRITTEN SUPERVISORY PROCEDURES

JULY 24, 2025

In accordance with FINRA rules and regulations

The Written Supervisory Procedures can and will be updated throughout each calendar year. It will be the responsibility of each registered representative of the Firm to keep an updated version of this manual at all times.

This manual is available via electronic form upon request to the Firm's CCO.

Updated Appendix A
Added Appendices: E, F, G, and K

Table of Contents

1. Supervisory Procedures

Introduction

Here and in the pages that follow, we introduce you to the Supervisory Procedures and systems necessary to follow within WealthForge Securities, LLC ("WFS", the "Company", or the "Firm").

Establishing, maintaining, and enforcing supervisory procedures are an important component of self-regulation within the securities industry. These procedures have been designed to achieve compliance with applicable rules and to detect and deter rule violations by any Registered Representative.

The systems designed are done so to serve as a defense to help protect investors from fraudulent or misleading sales practices and help to ensure that we are complying with rules designed to promote the integrity of the market. When their systems are effective, member Firms can assist in encouraging investor confidence and the confidence of individual representatives, and in promoting fairness within the marketplace. FINRA Regulations have established Rule 3110 as the primary guideline to establish defined procedures,[1] but this rule is augmented by other FINRA publications and where necessary by the needs of the Firm.

The commitment by the Firm and its supervisors to review and enforce compliance by representatives will serve to improve performance. These procedures will evolve on a continuous basis, according to the needs of the Firm. The Firm will institute amendments in order to respond properly to changes in the regulatory environment, changes in any investment activity, or in response to the needs of individual clients and representatives in the field. Most importantly, these procedures are designed to assist supervisors in becoming proactive in the area of compliance ultimately to help customers, representatives, and the Firm in maintaining a compliant, positive and responsive environment.

Background

FINRA Rules 3110, 3120 and 3130 require each member to establish, maintain and enforce Written Supervisory Procedures (WSPs) with respect to the types of business in which it engages, which are "reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules."

In addition to the creation of a Supervisory System, Rule 3120 also requires member Firms to establish, maintain, and enforce companion written Supervisory Control Procedures (SCPs).[2] Specifically, it is a violation if the member Firm fails to establish and maintain a supervisory system or describe such system in Written Supervisory Procedures. Rule 3120 also requires the enforcement of such supervisory systems within the context of these procedures.

[1] FINRA Rule 3110, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3110.
[2] FINRA Rule 3120, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3120.

There is an important distinction between written guidelines for compliance and Written Supervisory Procedures ("WSPs"). A Compliance Manual ("CM") sets forth the applicable rules and describes prohibited practices, and it certainly serves a valuable regulatory purpose. Those guidelines are critical elements of an effective supervisory system; however, they do not in and of themselves constitute an adequate supervisory system for representatives. The WSPs describes the actual system established to achieve compliance with the applicable rules and regulations.

They also include certain sanctions available to the Firm to enforce compliant activity where shortcomings are noted. Finally, these procedures encourage positive steps available to the Firm and its supervisors to work with representatives to assist in achieving compliance and developing a proper attitude toward compliance.

WealthForge has combined its WSPs, and SCPs into this document. The CM is a separate document which is maintained by the CCO, or his designee. CM, like the WSPs, will be reviewed and updated on a regular basis.

Concept: Supervisory Checklist

Upon becoming a registered person with WFS, an individual will be introduced to WFS' supervisory systems to ensure his or her comprehension and willingness to comply. The individual will also be introduced to his or her Supervisory Principal and will receive a comprehensive explanation of the systems designed to assist his or her compliance and the potential sanctions available for noncompliance. It is important to develop a thorough comprehension of the systems and a good understanding of the processes. Although we don't engage in stock and bond trading, discretionary account maintenance, or the holding of client capital in any way, compliant activity in business conduct needs to be proactive and continuous.

Sanctions

No supervisory system can be effective in total absence of sanctions for noncompliance. As such, the CEO of WFS has authorized supervisors and the Firm's Chief Compliance Officer (CCO) the availability of sanctions to use in certain situations whereby the supervisor deems them to be appropriate and necessary.

1. **Counseling.** If a representative is unclear on any compliance matter, then the supervisor has the responsibility to give counsel and guidance to that representative to improve his or her comprehension. If deemed appropriate, the supervisor can also request additional training as necessary.
2. **Letter of Reprimand.** If the supervisor determines that an individual has made a mistake, or that the activity on the part of a representative is of sufficient importance, he or she has the authority to write a letter of reprimand to the individual representative clearly delineating any infraction that has taken place and prescribing what he or she expects the representative to do to rectify the situation. In this case, the supervisor will also furnish a copy of this letter to the CCO and to the Home Office for inclusion in the representative's record.

3. **Suspend Right to Conduct Business.** If the infraction discovered is of sufficient importance, the supervisor has the right, and the responsibility to notify the representative that their rights to (i) sell any securities or insurance and/or (ii) to represent the Firm in any manner has been temporarily suspended. Then, a written report will be sent to the representative, the CEO of WFS, and the CCO. The report will describe the infraction and why the extraordinarily serious step of temporarily suspending the right to sell in this situation. The letter will be delivered within 3 business days following the date of temporary suspension. In every case, there will be a formal internal review to determine the duration of suspension and the point at which the representative may resume their sales activities.

4. **Monetary Sanctions.** In the case of a willful or blatant disregard of the policies contained within these Written Supervisory Procedures, the CCO will have the power to levy a reasonable sanction based on the circumstances of the violation and FINRA Sanction Guidelines.[3]

5. **Recommended Termination.** If the Supervising Principal is of the opinion that the infraction is of a sufficiently serious nature, they can recommend to the CCO and the CEO of the Firm that the referenced representative be terminated from the Firm.

[3] *See generally* FINRA Sanction Guidelines, http://www.finra.org/sites/default/files/Sanctions_Guidelines.pdf.

2. Supervisor Responsibilities

Every new representative registering with WFS will work primarily with the Home Office to proceed through the process of registration, FINRA testing, fingerprinting, and regulatory requirements to become a fully registered individual. By the end of that process, the representative will be assigned to a Supervising Principal for assistance in developing his business in a manner that is both compliant and positive. Supervising Principals may delegate some of these responsibilities to the home office compliance group with prior approval from the CCO.

The Supervising Principal has the following initial responsibilities, which are essential to assist a new representative in starting off well with the Firm.

1. Ensure that the information given during the onboarding process concerning the representative is complete and correct.

2. Ensure that the representative is in possession of the WSPs (physical or electronic copy) and has read and receipted for that manual.

3. Ensure that the new representative understands the restrictions that the Firm maintains against any outside business activity, in particular “selling away.” The representative must understand that this extends to offshore as well as domestic products, and that any product of any nature or any kind must be fully approved by the CCO of WFS before being available for sale.

4. Ensure that the representative understands WFS’ processes and systems in order to process business. WFS will obtain completed subscription documents, payment instructions, accreditation paperwork, Know Your Client information, Investment Profile information, and any additional paperwork necessary to validate the identity of a potential investor. All of these will first be reviewed by an Analyst before ultimately being reviewed by a Principal of the firm.

5. The firm will establish and maintain a system to supervise the activities of each registered representative and associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with the Rules of this Association. Final responsibility for proper supervision rests with the Firm. The Firm’s supervisory system will provide, at a minimum, for the following:

The designation, where applicable, of an appropriately registered principal(s) with authority to carry out the supervisory responsibilities of the Firm for each type of business in which it engages for which registration as a broker/ dealer is required.

6. Ensure that his or her representatives understand the importance of promptly reporting any written customer complaint, to their supervisor. The supervisor must ensure that the reps understand their responsibility to make a response and to provide all documentation that may be needed to respond to a complaint. It is the supervisor’s

responsibility to make sure that any possible allegation that could be considered a complaint is forwarded immediately to the CCO or, in his absence, the CEO of WFS.

Ongoing Supervisory Requirements
Supervisors should understand the necessity of maintaining excellent product knowledge, and should be proactive in Continuing Education to be aware of new developments in the securities industry. Further, such familiarity is required and necessary for all of the rules and regulations that might apply to the business we conduct. Supervisory Principals will maintain regular and frequent contact with off-site registered representatives.

1. **Office reviews:** The CCO or his/her designee will prepare and maintain a schedule for the periodic review of each representative's office.

2. **Annual Compliance Meeting:** All representatives, including supervisory principals, are required to attend the annual compliance meeting ("ACM"). Compliance meetings will be given by the CCO, or his designee annually. The CCO, or his designee in the home office, will maintain records of when the representatives attended the ACM. Any representative who fails to attend the ACM before the end of the calendar year will become inactive until they are able to complete the requirements. During this time, he or she will not be permitted to solicit or transact any securities business.

3. **Websites:** The Firm will give special attention to the detection of websites maintained by representatives. The Firm identifies websites when on-boarding the registered representative or when created, if created after the registered representative has been on-boarded. The Advertising Principal will review the website when notified. Once the website is initially approved, the Firm must pre-approve all future changes. The Firm has Google Alerts set up for registered representatives. All websites with reference to WFS or services provided through WFS will be reviewed.

4. **Complaints:** Supervisory Principals will ensure that all representatives have a complete understanding of what constitutes a complaint. The Firm defines a complaint as a written grievance against WFS or a registered representative regarding the sale of a private security by a person or firm, other than a broker dealer, whom WFS has engaged, or sought to engage in a securities transaction.[4]

Additionally, representatives must be aware that any suspected complaint must be reported to their supervisor and to the WFS Compliance Officer immediately. Representatives must provide full cooperation and assistance in resolving any alleged complaint. Investor customer complaints related to securities transactions must be filed with FINRA, regardless of the disputed amount.

- If the complaint is in writing and alleges theft, misappropriation of funds or securities, or forgery, then the CCO, or his designee will be responsible for filing

[4] *See* FINRA Rule 4530(a), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4530; *see also id.*, at Rule 4530.08.

the complaint through FINRA's 4530 filing system within 30 calendar days of when the Firm knew or should have known of the existence of the complaint.[5] When necessary, the CCO, or his designee will also be responsible for updating the related Form U4, U5, or BD within 30 days of receiving the complaint.[6]

- In all other cases, the CCO, or his designee will be responsible for filing the complaint by the 15th day of the month following the calendar quarter in which the complaint was received by the Firm.[7]

A filing must be made within the required time period regardless of whether a resolution has been reached. The CCO, or his designee will work with the representative and client to resolve each complaint and, if necessary, will represent the Firm at arbitration.

Upon receipt of a complaint, the CCO, or his designee will retain records of the original complaint and all documentation related to (i) the complaint; (ii) the subsequent investigation, including notes from the representative, client, or other related parties, and (iii) the resolution, including, if applicable, the settlement agreement. All records related to the complaint will be maintained in the Firm's complaint file indefinitely.

5. **Disclosure Events:** The CCO, or his designee will make a 4530 filing when the Firm or a registered representative:[8]

(1) has been found to have violated any securities-, insurance-, commodities-, financial- or investment-related laws, rules, regulations or standards of conduct of any domestic or foreign regulatory body, self-regulatory organization or business or professional organization;

(2) is the subject of any written customer complaint involving allegations of theft or misappropriation of funds or securities or of forgery;

(3) is named as a defendant or respondent in any proceeding brought by a domestic or foreign regulatory or self-regulatory body alleging the violation of any provision of the Exchange Act, or of any other federal, state, or foreign securities, insurance, or commodities statute, or of any rule or regulation thereunder, or of any provision of the by-laws, rules or similar governing instruments of any securities, insurance or commodities domestic or foreign regulatory body or self-regulatory organization;

(4) is denied registration or is expelled, enjoined, directed to cease and desist, suspended or otherwise disciplined by any securities, insurance or commodities industry domestic or foreign regulatory body or self-regulatory organization or is denied membership or continued membership in any such self-regulatory organization; or is

[5] FINRA Rule 4530(a), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4530.
[6] *See* FINRA Rule 4530(a)(1)(B), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4530.
[7] *See* FINRA Rule 4530(d), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4530.
[8] FINRA Rule 4530(a)(1)(A)-(H), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4530; FINRA Rule 4530(a)(2), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4530.

barred from becoming associated with any member of any such self-regulatory organization;

(5) is indicted, or convicted of, or pleads guilty to, or pleads no contest to, any felony; or any misdemeanor that involves the purchase or sale of any security, the taking of a false oath, the making of a false report, bribery, perjury, burglary, larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds or securities, or a conspiracy to commit any of these offenses, or substantially equivalent activity in a domestic, military, or foreign court;

(6) is a director, controlling stockholder, partner, officer or sole proprietor of, or an associated person with, a broker, dealer, investment company, investment advisor, underwriter or insurance company which was suspended, expelled or had its registration denied or revoked by any domestic or foreign regulatory body, jurisdiction or organization or is associated in such a capacity with a bank, trust company or other financial institution that was convicted of or pleaded no contest to, any felony or misdemeanor in a domestic or foreign court;

(7) is a defendant or respondent in any securities- or commodities-related civil litigation or arbitration, is a defendant or respondent in any financial-related insurance civil litigation or arbitration, or is the subject of any claim for damages by a customer, broker or dealer that relates to the provision of financial services or relates to a financial transaction, and such civil litigation, arbitration or claim for damages has been disposed of by judgment, award or settlement for an amount exceeding $15,000. However, when the member is the defendant or respondent or is the subject of any claim for damages by a customer, broker or dealer, then the reporting to FINRA shall be required only when such judgment, award or settlement is for an amount exceeding $25,000; or

(8) is subject to a "statutory disqualification" as that term is defined in the Exchange Act; or is involved in the sale of any financial instrument, the provision of any investment advice or financing of any such activities with any person that is subject to a “statutory disqualification” as that term is defined in the Exchange Act, provided, however, that this requirement shall not apply to activities with a member or an associated person that has been approved (or is otherwise permitted pursuant to FINRA rules and the federal securities laws) to be a member or to be associated with a member. The report shall include the name of the person subject to the statutory disqualification and details concerning the disqualification;

(9) is the subject of any disciplinary action taken by the member involving suspension, termination, the withholding of compensation or of any other remuneration in excess of $2,500, the imposition of fines in excess of $2,500 or is otherwise disciplined in any manner that would have a significant limitation on the individual's activities on a temporary or permanent basis.

Unreported disclosure events of any registered representative are cause for immediate termination subject to facts and circumstances to be considered at the discretion of the CCO.

Continuing Education Procedures: A good Continuing Education (CE) program is a critical component of the effectiveness and success of every Firm and the financial services industry. It is an essential part of the professional development for every registered person, Principal, and Registered Representative.

For registered persons in a Broker-Dealer, there are two essential elements of this program: the Regulatory Element and the Firm Element.

The Regulatory Element is mandated testing structured by FINRA. It is a periodic testing of each registered person, which provides a measure of that persons understanding of the regulatory structure of the securities industry. The Regulatory Element is due by December 31st each year, which ensures that registered persons remain up to date with FINRA's regulatory requirements.

The Firm Element is continuing education determined by the Firm following an annual Needs Analysis. This analysis will be conducted by the Firm's CCO or his designee, and may include feedback from the Firm's Supervisory Principals. The CCO, or his designee, will create a training plan of all factors considered, which will be kept on file in the home office. Once the analysis is complete, individual representatives will be assigned CE. The Firm's CE calendar year runs from January 1 through December 31, and all registered persons are required to complete the Firm's designated CE program for the year-by-year end.

Representatives will be notified of the required courses each year via email. Any representative who does not complete his Firm requirement by the deadline will be placed in inactive status, until the Firm CE program has been satisfactorily completed. During this time the representative will not be permitted to solicit or transact any securities business, and the representative's commissions will also be held until the requirement is met.

Specific responsibilities for Supervisory personnel are as follows:

Regulatory Element:

1. Ensure that the Representative is notified of this requirement timely, and encourage him/her to register for this testing in a timely manner to ensure completion.
2. If the registered person does not complete this testing by the end of each year, the representative will be placed in inactive status that will prohibit him/her from any solicitation or handling of transactions, or from receiving any commissions until this required CE is completed. The registered person will be notified of their inactive status by the CCO, or their designee. Commissions will not be paid retroactively once the requirement is met as this would be a violation of FINRA rules.

Firm Element:
Supervisory Principals should ensure coordination with the CCO to determine if specific Firm Element CE is required for a particular Representative.

1. Review sources for educational material.
2. Upon completion of this Firm Element, ensure that a record of this completed work is maintained on file at the Home Office.
3. Make recommendations to the Home Office for CE Needs Analysis in general and/or regarding a specific Representative.
4. Maintain discussion with the CCO or CEO at least once annually in review of the CE process in general and any component of which ought to be specifically reviewed.

Department of Defense (DOD) Regulations[9]
WFS does not solicit sales on military installations.

[9] *See* AE Reg 210-70, https://media.defense.gov/2016/Jan/21/2001922096/-1/-1/0/AER210-70.pdf; 15 U.S.C. § 78o-3, https://www.law.cornell.edu/uscode/text/15/78o-3.

3. Supervisory System

Introduction

It is incumbent upon WFS to ensure that every representative has the supervision to accomplish his/her tasks comfortably and in complete compliance with the applicable laws, rules and regulations of the industry. WFS employs individuals who, acting on the CCO's behalf, ensure that every registered representative has adequate, timely, and proactive supervision. Certain registered principals have been designated as supervisory principals to perform these supervisory duties, and every registered representative of WFS is assigned to a supervisory principal.

Although the Firm has supervisory principals who assist the CEO and CCO, it is ultimately the responsibility of the CEO to provide supervision for all representatives of the Firm, and all types of business in which the Firm participates. The CCO of the Firm is registered with FINRA as a General Securities Principal, Financial Operations Principal, Investment Banking Representative and Operations Professional and is therefore qualified to supervise all Firm activities. The Company and its CEO have a responsibility to its registered representatives to ensure the Company meets the requirements of all applicable state and federal rules and regulations. To carry out this responsibility, the CCO and his/her delegates must monitor and evaluate the conduct and practices of the Firm's registered representatives and take corrective or disciplinary action when improper conduct is identified.

To carry out these duties the Company has established the following supervisory structure:

Home Office (HO): WealthForge's home office in Richmond, Virginia is responsible for supervising all Branch Office and Offices of Supervisory Jurisdictions (if any). Many supervisory responsibilities have been delegated by DSPs to the Home Office including email review, offering due diligence, new representative on-boarding, Firm element CE and representative record retention.

Office of Supervisory Jurisdiction (OSJ): The Firm's home office is the only OSJ. The CCO has delegated social media and advertising review to a specific supervisory principal.

Chief Compliance Officer (CCO): The CCO of WFS supervises the activities of the CEO as well as supervisory principals and any registered representatives directly reporting to the CCO. Not less than once each year the Firm's supervisory control procedures will be tested (3120 testing).[10]

Supervisory Principal (SP): SPs are qualified Registered Principals who have been appointed to assist the CCO of WFS in supervising registered representatives.

[10] FINRA Rule 3120(a)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3120.

Personal onsite (unless relief is provided by rule amendment, i.e., Covid) reviews of the registered representatives' non-branch locations and branch locations by the CCO or his/her designee will be conducted not less than every year, OSJs not less than annually. Follow up reviews will be conducted as needed at the discretion of the CCO, Designated Supervisory Principal and/or Firm.

Registered Representatives (RR): In addition to reporting to designated Supervisory Principals and the CCO, registered representatives are expected to conduct him or herself in a manner that demonstrates ethical standards above that which is normally expected in the marketplace.

Supervisory Assignments

The primary supervision of all WFS registered personnel is conducted in the home office. The CCO, or his designee will be responsible for the registration of branch offices and Form BR filings. A list of the supervisory assignments shall be maintained by the CCO or his or her designee.

Before appointing a supervisor, the CEO and CCO should determine if he or she is qualified to carry out his or her assigned responsibilities. In addition to being a registered principal, the Firm should take steps to assure that the person understands the responsibilities involved, and is capable of carrying them out. All representatives will be assigned to a supervisory principal, or directly to the CEO.

Designation Of Offices

WFS, maintains its branch offices in FINRA's Consolidated Record Depository (CRD).

Supervisory Procedures Manual

The WSP is a dynamic document and will be updated upon changes in rules, regulations, policies or key individuals. The CCO or his or her designee is responsible for amending the manual within a reasonable time after changes occur in applicable securities laws and regulations, including rules of FINRA and as changes occur in the procedures and supervisory system set out in the manual.

If material changes were made to the WSPs, a copy will be distributed to all registered representatives by either email or mail. The CCO or his or her designee will also be responsible for making the updated version available electronically.

Internal Inspections

1. OSJ Office. A designated Compliance Officer shall, at least annually, inspect the OSJ office. This review is designed to detect and prevent violations of and achieving compliance with applicable securities laws and regulation, and with FINRA rules. If any deficiencies are identified during the review, a follow-up inspection, conducted by the CCO, or his designee, will be performed within 60 days, focusing on areas of deficiency noted in the first inspection. Written records of all inspections and the dates upon which they were made shall be permanently maintained in the Firm's books and records.

2. Branch Offices and Non-branch offices of Registered Representatives. The Firm's CCO or his or her designee shall, ~~at least once every year,~~ inspect each branch office and non-branch office on a periodic basis. Registered offices will be inspected annually and non branch offices will be inspected on no less than a three-year basis. Both announced and unannounced inspections may be conducted. The CCO or his/her designee will meet with the representative to discuss products they are selling and their sales methods. Inspections may not be completed by anyone who is responsible for the direct or day-to-day supervision of the representative. Specific emphasis will be given to ensuring that Registered Representatives methods of business and day to day operations comply with applicable rules and requirements, the detection of non-approved websites, non-approved correspondence (physical or electronic) and/or retail communications, unapproved participation in Private Securities Transactions, AML Procedures and retention of books and records.

The Firm's books and records are maintained electronically at the Home Office in order to comply with 17(a)(4) regulations. No records are maintained at a Branch Office. This will include copies of all inspection checklists/reports, any follow up and the dates upon which they were made. Depending on the nature and extent of any deficiencies found during an inspection, the Firm may decide to conduct an unannounced follow up inspection to ensure that all deficiencies have been corrected.

~~3.~~ Branch Offices and Non-branch offices of Supervisory Principals. A Compliance Officer or another Supervisory Principal shall, at least once every calendar year, inspect each registered office in which its Supervisory Principals work. Remote Supervisory Locations (RSLs) may be inspected on a three year basis.

4. Heightened Inspections. FINRA requires a member to have in place procedures designed to provide heightened office inspections for certain producing managers. The principal, CCO or his designee conducting the heightened supervision review shall be independent from the production of the representative or representative's office under heightened supervision.[11]

Registered Representative Disciplinary Procedures

The CCO may notify the CEO in situations in which the Firm has evidence that a registered representative has engaged in wrongdoing or has violated any law, rule, or regulation. The CEO may, at his sole discretion or in consultation with the CCO, determine what action shall be taken, including any sanctions to be imposed. If a representative who has engaged in wrongdoing is permitted to remain associated with WFS, the Firm may implement heightened supervisory procedures designed to address the conduct. WFS shall not allow a person subject to a Statutory Disqualification to remain associated with the Firm.

If regulatory filings or Form U-4 updates will be required as a result of the disciplinary action, the CCO or his/her designee will be responsible for making the necessary filing

[11] *See* FINRA Rule 3120, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3120.

within 30 days. Records of the proceedings and the decision shall be maintained in the representative's file in the home office.

Unethical Trading Practices

Persons associated with WFS shall be prohibited from participating in trading practices that may in any way be perceived as unethical. These include, but are not limited to, the following types of activities.

1. Misrepresentation;
2. Misuse or conversion of funds;
3. Unauthorized trading;
4. Excessive trading, churning or twisting;
5. Unsuitable recommendations;
6. Failing to obtain favorable breakpoints for mutual fund transactions (WFS does not currently conduct mutual fund transactions-refer to WFS's approved lines of business);
7. Sharing in customer accounts; and
8. Making guarantees against loss.

If evidence of unethical trading practices is found, supervisory personnel shall immediately advise the CCO. The CCO will then take the appropriate action, which may include canceling or reversing an investment, suspending, or terminating a representative or taking appropriate legal action.

In all cases, any unethical trading practices discovered will be documented and all related paperwork, including a summary of the final conclusion, will be maintained by the CCO, or his designee in the representative's file.

Discretionary Authority

The Firm does not hold customer accounts. There is never a circumstance where any Representative would be able to exercise discretionary authority. Representatives of the Firm are not permitted to hold discretionary authority over any customer's accounts, including holding a power of attorney for a client, and are therefore not permitted to conduct any business before obtaining specific permission from the client to do so. Representatives shall decline being named as a beneficiary, trustee or executor holding power of attorney of a customer's estate without the Firm's express written permission, in accordance with Rule 3241.[12]

Customer Funds and Securities

The Firm does not hold Customer Funds or Securities. All subscriber deposits for contingent offerings for which the Firm exclusively administers will be deposited in an escrow account governed by an appropriate escrow agreement. The Firm generally will also require the use of an escrow account in non-contingent offerings. The Firm may choose to not use an escrow account in non-contingent offerings where the issuer is a seasoned experienced serial issuer with a demonstrated track record of success or in the case where the elimination of the use of an escrow account will not materially hurt the

[12] FINRA Rule 3241, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3241.

Firm's process or efficiency. For offerings where the Firm acts as a selling syndicate member, the Firm may determine to not use an escrow account and will instead follow the protocol described in the PPM.

If a check is received at the Home Office, it will be logged into the Checks Received Blotter and deposited in accordance instructions in the offering document and regulation.

Checks received in error at any branch office will be forwarded via express mail either to the Home Office for remote deposit or directly to the escrow agent for deposit. For checks forwarded to the Home Office, both the Branch check log and the Home Office check log will be filled out (as per current WSPs). For checks forwarded directly to the escrow agent the Branch check log will be filled out including the date of receipt by the escrow agent.

Communications with the Public (FINRA Rule 2210)

FINRA rules have defined **"communications"** as **correspondence, retail communications** and **institutional communications**.[13] All electronic communications with the public are captured via email archiving, archiving of webpages, and/or through the use of a social media archiving system. Additionally, all advertising reviewed by the Firm is maintained utilizing RedOak's Admaster platform which is 17(a)4 compliant.[14]

Content Standards

All communications must meet the general content standards described in the FINRA Rule 2210(d). All communications must be based on the principles of fair dealing and good faith, must be fair and balanced, and must provide a sound basis for evaluating the facts in regard to any particular security or type of security, industry, or service.[15] Other considerations for Supervisory Principals when reviewing communications are the use of comparisons when discussing certain products and services,[16] predictions or projections of future performance including IRR and cash-on-cash returns,[17] disclosure of the member's name,[18] references to any tax considerations,[19] disclosures of fees, expenses and standardized performance,[20] testimonials,[21] and recommendations.[22]

Exaggerated or misleading statements are prohibited,[23] and both advantages and disadvantages of a product should be clearly explained.

[13] *See* FINRA Rule 2210(a)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[14] *See* 17 C.F.R. § 240.17a-4, https://www.law.cornell.edu/cfr/text/17/240.17a-4.
[15] *See* FINRA Rule 2210(d)(1)(A), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[16] *See* FINRA Rule 2210(d)(2), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[17] *See* FINRA Rule 2210(d)(1)(F), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[18] *See* FINRA Rule 2210(d)(3), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[19] *See* FINRA Rule 2210(d)(4), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[20] *See* FINRA Rule 2210(d)(5), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[21] *See* FINRA Rule 2210(d)(6), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[22] *See* FINRA Rule 2210(d)(7), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[23] *See* FINRA Rule 2210(d)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.

FINRA Rule 2210 also places certain limitations on the use of FINRA's name and the name of any other entity owned by FINRA. Any communication submitted for review by FINRA may only reference "Reviewed by FINRA" or "FINRA Reviewed".[24]

For registered representatives with recurring instances of retail communications containing impermissible projections of either an investment's return or duration, the Firm may adhere to the following disciplinary escalation:

- Registered representative supervising principal oral counsel
- Registered representative supervising principal written counsel
- Mandatory assigned education
- CCO written warning
- $500 fine
- $2,500 fine
- Termination

Institutional Communications:
The majority, if not all communications, by WFS representatives will be considered correspondence or retail communications. That said, **"institutional communications"** as defined by FINRA Rule 2210 are "any written (including electronic) communications that are distributed or made available only to institutional investors."[25]

"Institutional investor" means any:

a) person described in Rule 4512(c), regardless of whether the person has an account with a member;

b) governmental entity or subdivision thereof;

c) employee benefit plan, or multiple employee benefit plans offered to employees of the same employer, that meet the requirements of Section 403(b) or Section 457 of the Internal Revenue Code and in the aggregate have at least 100 participants, but does not include any participant of such plans;

d) qualified plan, as defined in Section 3(a)(12)(C) of the Exchange Act, or multiple qualified plans offered to employees of the same employer, that in the aggregate have at least 100 participants, but does not include any participant of such plans;

e) member or registered person of such a member; and

f) person acting solely on behalf of any such institutional investor.[26]

No member may treat a communication as having been distributed to an institutional investor if the member has reason to believe that the communication or any excerpt thereof will be forwarded or made available to any retail investor. Any such, communication must be reviewed by the CCO, or his designee.

[24] *See* FINRA Rule 2210(e)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[25] *See* FINRA Rule 2210(a)(3), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[26] *See* FINRA Rule 2210(a)(4), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.

The Firm requires that institutional communications that will be sent to 25 or more recipients within a 30-day period must be submitted via RedOak for review prior to its use to ensure that it is compliant with applicable SEC and FINRA rules.

Correspondence

In accordance with FINRA Rule 2210, **"correspondence"** means any written (including electronic) communication that is distributed or made available to 25 or fewer retail investors within a 30 calendar-day period.[27]

FINRA Conduct Rule 3110(b)(4) requires incoming and outgoing written & electronic correspondence, including e-mail and facsimiles, which is directed to, or is sent from, a Registered Representative and relates to the broker-dealer's securities business to be reviewed.[28]

Registered Representatives should provide copies of all correspondence, including facsimiles, not received or sent using a Firm issued or approved email address to a secure ShareFile link provided either on the Compliance webpage, or in the email signature of the CCO's designee. An email received or sent using an unapproved email address shall immediately be forwarded to the registered representative's approved email address. If an unapproved email address is used more than once, The Firm may determine that the email address shall then become archived.

Representatives are not permitted to communicate with clients via unapproved social networking sites. Additionally, Representatives who have not previously worked with the Firm to incorporate and utilize Telemessage, may not communicate with clients or other registered representatives about business matters via text message. If they do communicate via unapproved social media or unapproved text messaging, records must immediately be provided to the supervisor at the home office. Additionally, representatives are not permitted to transmit securities related business, whether internal or external, via any unapproved and unarchived methods of communication.

Each registered representative is required to provide WealthForge with all requested information to comply with an SEC, FINRA, and/or State subpoena or requests for information, or any other legal requirements.

The CCO, or his designee, has the responsibility of reviewing such correspondence, as well as e-mails sent and received through the Firm's email review system, for the following items:

- Customer complaints are being reported, and Registered representatives are not attempting to resolve complaints on their own;
- Customer funds and securities are being handled in accordance with Firm policies and procedures; and

[27] *See* FINRA Rule 2210(a)(2), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[28] *See* FINRA Rule 3110(b)(4), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3110.

- Correspondence is based on principles of fair dealing and good faith and where applicable, the representative has provided information that offers the recipient a sound basis for evaluating the facts about the products or services offered

Hard-copy correspondence, and electronic correspondence not sent through or received at a Firm issued or approved email address, should be sent to the CCO or his/her designee. The correspondence will then be filed in the representatives folder in ShareFile.

Retail Communications

In accordance with FINRA Rule 2210 a **"retail communication"** means any written (including electronic) communication that is distributed or made available to more than 25 retail investors within any 30 calendar-day period.[29]

The FINRA definition of **"retail investor"** is any person other than an institutional investor, regardless of whether the person has an account with a member.[30]

All retail communications must be submitted via RedOak for review prior to its use to ensure that it is compliant with applicable SEC and FINRA rules. Depending upon the products discussed, the Firm may be required to file the retail communication with FINRA's Advertising Review Department.[31] In these cases, the CCO or his designee will be responsible for submitting the piece to FINRA and taking any corrective action necessary as a result of their review.

Alternatively, the CCO, or his designee, may also decide to file a piece with FINRA's Advertising Review Department in cases where the rules do not require it. The Firm views FINRA's Advertising Department as a resource, and as such, may use them to provide an extra level of review. In these cases, the representative will not be permitted to use the piece until the review has been completed by FINRA and any requested or required corrections have been made to the material.

Upon completion of the review, if there are any changes to be made, the CCO or his designee will communicate these to the representative, who will then be responsible for making the changes and submitting the updated version to RedOak for final review and approval. A final copy of the material must be maintained at the home office, on its books and records for no less than 3 years after the last use.[32] All types of retail communications (formerly referred to as advertising and/or sales literature) may be combined in a single file.

Email Review

The Firm has implemented SMARSH, an automated web-based e-mail retention system designed in accordance with the SEC and FINRA regulatory requirements for surveillance

[29] *See* FINRA Rule 2210(a)(5), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[30] *See* FINRA Rule 2210(a)(6), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[31] *See* FINRA Rule 2210(c), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[32] *See* FINRA Rule 2210(b)(4), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210; *see also*, 17 CFR 240.17a-4(b), https://www.law.cornell.edu/cfr/text/17/240.17a-4.

of electronic communications and permanent record retention. SMARSH provides the ability to electronically screen each archived email utilizing a configured lexicon of key words and phrases to assist the Principal in his email review. All emails flagged as a result of this lexicon will be reviewed and evidenced as reviewed within the SMARSH application. If these flagged emails do not reach 2% of emails sent during the month, the CCO or his designee, will randomly sample additional emails.

For all registered representative who wish to affiliate with WFS prior to the completion of their U4 and registration through CRD, their business email account will be verified by the CCO or his designee, as being archived through the firm's SMARSH account.

The firm will monitor monthly email volume by representatives as rational assurance that there have been no lapses in archiving continuity for each representative, and evidence its review in Decisions. Any gaps will be retrieved and forwarded to SMARSH for appending to the firm's email archive. Representatives must cooperate with the Firm to retrieve email if a gap in archiving occurs.

The CCO or his designee, is responsible for reviewing the correspondence for all representatives of the Firm including the CEO.

The Firm may also request all correspondence related to an email address for a requested period of time.

Communication systems meant to be used exclusively within a representative's office are subject to the Firm's supervision, including communications used for training or education of registered representatives, to ensure compliance with suitability requirements and general equitable principles of trade. As a result, these systems must be approved by the CCO or designee prior to first use, then archived and supervised. These systems include, but are not limited to, internal messaging programs such as Slack, Microsoft Teams, SalesForce, Asana, and Zoom.

All written correspondence (physical or electronic) must be preserved for a period of not less than three years, of which the two most current years are required to be maintained onsite and the remaining year may be maintained off site, providing that the documents can be produced promptly.[33]

The Firm has created the address, archives@wealthforge.com, to be cc'd on encrypted emails from its non-home office registered representatives in order to satisfy the supervision requirements of FINRA 2210.

Text Messaging

The Firm utilizes Telemessage as a supervisory platform for Registered Representatives who use text messaging to conduct securities business. Unless the Registered Representative (1) notifies the Supervisory Principal of his desire to use text messaging

[33] *See* FINRA Rule 2210(b)(4), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210; *see also*, 17 CFR 240.17a-4(b), https://www.law.cornell.edu/cfr/text/17/240.17a-4.

and (2) establishes a Telemessage account registered with the Firm, WFS will not allow its registered representatives to use text messages for business related communications.

Public Appearances

FINRA requires that the material at a seminar, workshop or other public speaking event meet its general content standards[34] and the standards applicable to the use and disclosure of the FINRA Member's Name.[35] Any materials that will be distributed to participants or attendees would be considered retail communications and thus a pre-use review must be performed. All representatives are required to file a notice of making a public appearance prior to the end of the month during which the appearance occurred.

The CCO, or his designee, charged with advertising review is responsible for:

- Reviewing written speeches and seminar materials;
- Assuring that the materials relate to Firm-approved activities and products, and are consistent with applicable standards;
- Maintaining copies of the materials indicating a final approval.
- Notice of supervisory approval to the representative for his/her records.
- Reviewing the public appearance form.

To monitor that representatives are receiving prior approval for sales seminar scripts used, the supervising principal will check for this during each onsite office review and will cite as a deficiency evidence of any seminar given for which a script either does not exist, or for which the representative does not have evidence of prior approval.

For registered representatives with recurring instances of late public appearance submissions, the Firm may adhere to the following disciplinary escalation:

- Registered representative supervising principal oral counsel
- Registered representative supervising principal written counsel
- Mandatory assigned education
- CCO written warning
- $100 fine for each subsequent late submission

Business Cards and Letterhead

Business Cards and Letterhead submissions must also be reviewed during branch examinations. In reviewing business cards for the appropriate disclosures and allowable information designated principals, must consider:

- FINRA's guidelines regarding the use of the FINRA member's name;[36]
- Whether the business cards and letterhead comply with the branch, non-branch, OSJ requirements under FINRA Rule 3110 (f)(2) which define what information can and cannot be on a business card; and

[34] *See* FINRA Rule 2210(d)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[35] *See* FINRA Rule 2210(d) (3), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.
[36] *See* FINRA Rule 2210(e), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210.

- If any other entities are listed on the business card, the business card must clearly indicate that all securities are offered only through the Firm and that the other entity is not affiliated with the Firm.

The CCO or his designee, will also be responsible for reviewing business cards and letterhead, working with the representative to make any required changes and notifying the representative when either has been approved for use. The CCO or his designee, will indicate his review of these items by signing and dating and filing a final copy in the registered representative's employee folder.

Websites
The Firm will review certain information on websites associated with its representatives. The Advertising Review Principal is charged with reviewing the websites used by the Firm's associated persons to conduct securities transactions.

Websites Containing Offering Information
Any representative, sponsor or issuer wishing to post offering specific information on a website must have it approved prior to use.

The Advertising Review Principal, will be responsible for reviewing the content to ensure that it is consistent with all applicable standards. Once the Advertising Review Principal, approves of the website, the Firm will provide the representative or issuer with the required disclaimer for the website. This disclaimer must be on each website and must include links to FINRA's and SIPC's websites (in close proximity to the member's identification of membership), and disclose that any securities offered are offered through WealthForge Securities, LLC.

After the Advertising Review Principal has completed his/her review of the website content and all required changes have been made, she will record this review in the Firm's advertising review software. Once this has occurred the website may go "Live." Any changes to the website or webpage must be submitted for review prior to use.

This same procedure will apply to website of registered representatives.

Websites Not Containing Offering Information
The Advertising Review Principal will review websites of issuers as part of its onboarding process. If the website does not contain offering information the Advertising Review Principal will only review the website for fraudulent and misleading statements in violation of SEC anti-fraud rules. This review will be documented by placing a copy of a screenshot of the website in the relevant folder and recording the review on the website review spreadsheet.

Social Networking Sites
Securities related content posted to social networking sites is considered to be retail communication and therefore must be reviewed and archived in the same way as other

retail communication.[37] While the rule does not require that such communication be approved by a principal prior to posting or be filed, the Firm does require Representatives to seek approval of the social media website or application prior to initially posting on such social media site if the website or application will be used for securities related business.

If applicable, Registered Representatives will register their Facebook and LinkedIn (as applicable) accounts with the Smarsh system if any securities business activity is communicated using that medium. The Firm policy does not allow for other social media forums for the use of securities business. The social media archiving will be tested and reviewed prior to the posting of the representatives U4 registrations.

The Firm will review for improper usage of such sites periodically from the home office. Non-compliance with the content standards of 2210 on social media pages may result int the Firm rescinding its approval of the account. Additionally, the Firm will periodically check a sample of registered representatives to ensure that each representative's account is registered with Smarsh.

Use of Third-Party Marketers

When an issuer chooses to use a third-party marketer, whether compensated or uncompensated, and the Firm is acting as the managing broker-dealer, the Firm will review the following factors prior to allowing the issuer to use the marketer:

1) The nature of the relationship between the issuer and the third party;
2) Any compensation contractually related to those marketing activities;
3) Whether the issuer properly disclosed the fees paid for such activity in the offering materials; and
4) Whether the third-party marketers' activities should be more accurately described as impermissible unregistered brokerage activity.

The CCO, or his designee, shall review these factors and determine whether the Firm will allow the issuer to use a third-party marketer. In addition to these requirements the following section applies to paid third-party marketing.

Paid Third-Party Advertising

If an issuer chooses to use paid advertising as part of an offering conducted by the Firm, that advertising must be reviewed and approved by the CCO or his designee prior to first use. Additionally, any such advertising should include a disclosure that the advertising was paid for and the content of any such advertising must meet the content standards of FINRA Rule 2210.

"Paid advertising" includes any retail communication for which the issuer pays a fee, including advertising on third party websites (including portals); comments or posts to an issuer or registered representative's website or social media page; native advertising including research reports; comments, review or testimonials from individuals or influencers; and banner or other social ads.

[37] *See* FINRA Rule 2210(b)(1)(D)(ii), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210; *see also* FINRA Rule 2210 Questions and Answers, http://www.finra.org/industry/finra-rule-2210-questions-and-answers.

Consolidated Statements
The Firm prohibits all its associated people from producing or distributing a report or statement showing consolidated performance on investments ("Consolidated Statements") to investors. Based on FINRA Guidance (Reg. Notice 10-19), the Firm considers Consolidated Statements to be communication with the public, subjecting them to the standards contained in FINRA Rule 2210. This prohibition does not interfere with an issuer's, or sponsor's, ability to distribute statements containing valuations of investments into its securities to its investors.

Communications Training
The Firm will provide all representatives with annual training regarding acceptable forms of communications, the Firm's procedures regarding communications review, and appropriate content. This training will be a part of the Firm's annual compliance meeting, which all representatives are required to attend or a special class just for communications training when determined necessary by the Firm's CCO. The Firm will also periodically require its representatives to complete courses on acceptable communications with the public as a part of its Firm element continuing education program.

Telemarketing and Cold-Calling
Due to the Firm's product model, the Firm does not allow for Telemarketing and or Cold Calling without prior written approval. If the Firm does allow telemarketing or cold calling, all telemarketing scripts would need to be submitted to and approved by the CCO or his designee. The CCO or his designee, would be responsible for reviewing the telemarketing script to ensure that it is consistent with applicable standards. He or she would notify the representative of any changes that must be made, which must be received, reviewed and approved prior to use.

There are several rules relating to telemarketing activities outlined below, which must be followed. Clients must provide the Firm via RedOak, for prior review and approval call scripts that list the questions being asked, the topics which can be addressed, and topics and statements that are prohibited—i.e., any discussion about potential offerings. Records should be made of who makes the calls, the duration of the calls, when calls are made, and then provided to the Firm as part of the transaction process. Additionally calls should be recorded and saved for review in case an issue or claim arises from that call in the future. After a script has been approved, but prior to the call being made, the CCO or his designee would be responsible for training the representative on all rules relating to telemarketing activities.

Once the CCO or his designee has provided the training and is confident that the representative has an adequate understanding of the rules, he would indicate this, and his review of the script, by signing and dating it. The final copy would then be maintained in the Firm's advertising file on ShareFile.

Telemarketing Rules

No representative shall initiate any telephone solicitation that violates the Telephone Consumer Protection Act of 1991 ("TCPA") codified at United States Code Title 47, Section 227[38] or meets any of the following criteria:

- A residence of a person between the hours of 9pm and 8am (local time at the called party's location), unless the representative has an established business relationship with the person, or has received that person's permission to do so.
- Any person that has previously stated that he or she does not wish to receive an outbound call made by or on behalf of the member or representative.
- A person who has registered his or her telephone number on the Federal Trade Commission's national do-not-call registry, unless the representative has an established business relationship with the person, or has received that person's written permission to do so.

Do-Not-Call (DNC) Lists

WealthForge does not do any cold calling. In the case that the Firm did participate in cold calling, the following procedures should be followed in relation to do not call lists.

Each representative who participates in telemarketing must contact the CCO or his designee to compare all phone numbers against the Firm's do no call list, as well as a copy or link to the Federal Trade Commission's national do-not-call registry.

If a representative receives a request to add someone to the Firm's DNC list, the representative must immediately provide the person's name and telephone number to the CCO or his designee so that this Firm's do-not-call list can be updated. Representatives must honor a person's do-not-call request within a reasonable time from the date such request is made. This period may not exceed thirty days from the date of such request.

Identification of Seller and Telemarketer

Any representative making a call for telemarketing purposes must provide the called party with the name of the individual caller, the name of the Firm (WealthForge Securities, LLC.), and an address or telephone number at which the Firm may be contacted. The caller must also state that the purpose of the call is to solicit the purchase of securities or a related service. All telemarketing scripts must be reviewed and approved by the CCO or his designee prior to its first use. He or she will review and if applicable approve the script by evidencing with initials and date of the review. The Firm will maintain copies of any approved telemarketing scripts in the Firm's Telemarketing files on ShareFile.

Tombstone Ads

WFS may publish tombstone announcements as a syndicate member. Tombstone ads must be reviewed by the compliance department prior to publication.

[38] *See* 47 U.S.C. § 227, https://www.law.cornell.edu/uscode/text/47/227.

SIPC Requirements
WFS is a member of the Securities Investors Protection Corporation, and as such, must meet certain requirements as identified in the SIPC bylaws.

WFS must display the official SIPC symbol at its principal place of business and at each registered branch office. To ensure that the symbol is properly displayed at every branch office of the Firm, supervising principals will inspect for this when completing the branch exam during each office review.

With a few exceptions, all retail communications used by the Firm, including letterhead, must also include either the official SIPC symbol, or must state "Member SIPC."

Exceptions to this requirement include listings in directories, display advertisements relating to the recruitment of personnel, and print advertisements that do not exceed 10 square inches in space. For online advertisements, such as representative websites, the disclosure must include a link to SIPC's website, www.sipc.org.

The Firm requires pre-approval of all retail communications. The CCO or his designee will include a review for the required "Member SIPC" disclosure as a part of his normal review and will evidence this by signing and dating the advertisement, which will then be maintained in the Firm's communications file.

At or before investing in a private placement, the Firm must also inform its customers where they may obtain more information about SIPC, including their official brochure. The Firm satisfies this requirement by either by providing a link to the appropriate SIPC website at http://www.sipc.org or by ensuring that the proper link exists on the issuer or platform's website. Each customer of the Firm must sign an offering subscription agreement when participating in a transaction processed by the Firm and receive a Supervisory Principal's approval before completing a private placement transaction.

Gift and Gratuities Log
Representatives may not receive or give anything of value, including gratuities, exceeding one hundred dollars ($100) per individual, per year. These gifts may not be received or given to any person, principal, proprietor, employee, agent, or representative of another person if the payment or gratuity relates to the nature of the recipient's business.[39]

Gifts to a regulator are prohibited.

Gifts of nominal value such as t-shirt, pens, hats, cups, etc. are excluded from the gift limits described above. Otherwise, a gift of any kind is considered a gratuity.

Business Entertainment
The Firm permits the giving and receiving of entertainment such as an occasional meal, ticket to a sporting event, theater, or comparable entertainment venue, that (i) are

[39] *See* FINRA Rule 3220, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3220.

reasonable; (ii) are neither lavish individually nor excessive in frequency; (iii) are consistent with accepted, lawful business practices; and (iv) no inference can be drawn that the entertainment could influence Registered Representatives in the performance of their duties.

Singular business entertainment over $100 requires notification to the firm in advance and will be reviewed by the firm.

Annual cumulative business entertainment over $1000 per person or entity may require pre-approval by a registered principal.

If a registered representative of the Firm is to be reimbursed for the cost of entertainment by a third party, other than your OBA, you must send WealthForge a breakdown of expenses and any receipts/supporting documentation. All reimbursements for businesses entertainment must be sent to WFS from which 100% will be re-allowed to you upon approval. No reimbursement may be received directly by the registered representative.

Non-Cash Compensation

Restrictions on Non-Cash Compensation
WFS and associated persons are prohibited from directly or indirectly accepting or making payments or offers of payments of any non-cash compensation, except for the following:

- Gifts not exceeding $100 annually (aggregate value), per person. All gifts must be reported to Compliance under WFS Gifts and Gratuities policy.
- An occasional meal, ticket to a sporting event or show, or comparable entertainment that is not so frequent or so extensive as to raise any question of propriety. See section 3.14 Business Entertainment for further detail.
- Payment or reimbursement by offerors of securities in connection with meetings held by an offeror or by WFS for the purpose of training or educating associated persons, subject to several conditions.
- Attendance may not be conditioned on achievement of a sales target or other incentives.
- The location of the meeting is appropriate for its purpose, e.g., an office of the issuer or issuer affiliate, a firm office, or a facility located in the vicinity of such office, or a regional location with respect to regional meetings.
- Only expenses incurred by WFS or its associated persons are eligible for payment. Expenses for guests of employees (spouse, etc.) will not be reimbursed.
- Payment or reimbursement by the issuer or issuer affiliate may not be conditioned by the issuer or affiliate on the achievement of a sales target or any other non-cash compensation arrangement.

Political Contributions
FINRA Rule 2030 and 4580 contain rules governing brokers engaging in distribution and solicitation activities with government entities. This rule contains restrictions on the amount that “covered affiliates” may donate to a political campaign. As the Firm does not

solicit government entities, as defined in the rule, this rule does not apply to WealthForge or any of its associated persons.

Personal Account Disclosure (Review of Employee Accounts)
In accordance with FINRA Rule 3210, each representative of the Firm is required to disclose the existence of his brokerage accounts upon becoming associated with the Firm and at any time he establishes a new brokerage account thereafter.[40] Accordingly, each new representative will be required to submit a preclearance request for each of these accounts as part of the registration process, and every representative will be required to review this information on an annual basis. The CCO or his designee are responsible for reviewing the accounts of each representative on a periodic basis. No less than annually, a report will be summarized in ComplySci detailing the trade volume for the Firm's affiliated persons with accounts. The CCO will record his or her date of review within ComplySci.

WFS will request duplicate account statements and trade confirmations for any brokerage account owned by one of its registered representatives or the registered representative's spouse.

The Firm is required to be notified of any cryptocurrency accounts owned by its registered representatives.

Private Securities Transactions
FINRA defines private securities transactions as any securities transaction outside the regular course or scope of an associated person's employment with a member, excluding transactions among immediate family members for which no associated person receives any selling compensation, and personal transactions in investment company shares.[41]

Any transaction involving a securities product sponsored by an organization with which the firm does not have an agreement would be considered a private transaction.

FINRA Rule 3280 requires associated persons to provide notice to the Firm, in writing, of any proposed transaction before the sale is made.[42] The notice must describe the proposed transaction(s) in detail and the associated person's proposed role and must also state whether the individual has received or may receive selling compensation (including any type of referral fee).[43] Oral notice to the firm is not sufficient to meet the requirements of Rule 3280.

The written request must include:

- a detailed description of the proposed transaction;
- a description of the Representatives role;

[40] *See* FINRA Rule 3210(b), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3210.
[41] *See* FINRA Rule 3280(e)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3280.
[42] *See* FINRA Rule 3280(b), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3280.
[43] *See* FINRA Rule 3280(b), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3280.

- full disclosure of any compensation to be received
- complete offering documents and advertising materials

Upon receipt of a written request to participate in a private securities transaction, the CCO will consult with the CEO to determine if the transaction will be allowed. The CCO or CEO will review for any potential conflicts of interest with the transaction and determine if approved, how or if the activity will be supervised.

If the associated person expects to receive compensation, the CCO must advise the associated person, in writing, whether it approves or disapproves the person's participation in the proposed transaction.[44] If the CCO disapproves the participation by the associated person, he or she may not participate in the transaction in any manner, directly or indirectly.[45] If the CCO approves the associated person's participation in the proposed transaction, he will record the transaction on its books and records and supervise that associated person's participation in the transaction as if the transaction had been executed on behalf of the Firm, including the use of the standard escrow arrangement utilized by the Firm.[46]

In all instances, the CCO must also exercise appropriate supervision over the associated person to prevent securities laws violations.[47]

In addition, the CCO or his designee is responsible for appropriate education and training of its associated persons with respect to reporting any kind of income-producing activity, particularly when that associated person is dually licensed. Associated persons are reminded that "participation" in a securities transaction includes not only making the sale, but referring customers, introducing customers to the issuer, arranging and/or participating in meetings between customers and the issuer, or receiving a referral or finder's fee from the issuer.[48]

The CCO or his/her designee will distribute the firm's PST policy biannually to ensure each representative's understanding, compliance, and consequences for non-compliance.

The Firm will not allow Private Securities Transactions involving digital assets.

Representatives should understand that engaging in a private securities transaction without providing notice to the Firm and receiving approval constitutes selling away in violation of both these Written Supervisory Procedures and FINRA rules. Selling away will lead to immediate disciplinary action, which may include further education, a fine,

[44] *See* FINRA Rule 3280(c)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3280.
[45] *See* FINRA Rule 3280(c)(3), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3280.
[46] *See* FINRA Rule 3280(c)(2), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3280.
[47] *See generally*, FINRA Rule 3110, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3110.
[48] *See* Mark H. Love, 57 S.E.C. 315 (2004), https://www.sec.gov/litigation/opinions/34-49248.htm; Stephen J. Gluckman, Exchange Act Rel. No. 41628 (July 20, 1999), 70 SEC Docket 418, https://www.sec.gov/litigation/opinions/34-41628.htm.

suspension, or dismissal from the firm and may result in a fine, suspension, or even a potential bar from the securities industry.[49]

Supervision of Outsourcing Arrangements
WealthForge Securities maintains a complete list of outsourcing arrangements.

The Firm relies on the cybersecurity and privacy team of WealthForge Holdings to conduct initial and annual reviews of all vendors the Firm uses. This review includes an analysis of the contract, services, and cybersecurity provided by the vendors. In the event that the effectiveness of the vendor can be tested, periodic assessments will be made. SMARSH is contracted to archive all incoming and outgoing electronic correspondence sent through the Firm's email system, flag correspondence for review based upon a list of words or phrases that may present a risk and back up any business activity in disclosed and monitored social media accounts. ShareFile is issued to house all Firm documents according to Rule 17(a)-4. In the event that the system is not performing as intended, the CCO will work with outside vendors to correct any problems, and to identify any gaps in coverage that may have been created as a consequence.

Supervisory Control System
WealthForge Securities, LLC has designated its Chief Compliance Officer (CCO) as the principal responsible for maintaining its Supervisory Control Procedures (SCPs), and testing and verifying that its supervisory procedures and structure are sufficiently designed to comply with applicable regulations.

The CCO or his designee will test and verify the Firm's supervisory procedures on a periodic basis, but no less than annually, to ensure that they are still reasonably designed to achieve compliance with applicable FINRA and SEC rules, and federal securities laws and regulations. This process will also include a review of the Firm's back office functions, and other Firm operations related to supervision. The CCO will be responsible for amending or creating additional procedures where the testing and verification identify a need.

At least once annually, the CCO will prepare (or cause to be prepared) and submit an annual report to the Firm's CEO describing the Firm's system of supervisory controls, the summary of the test results, any significant identified exceptions and deletions, additions or amendments to the supervisory procedures made in response to test results. This report will be given to the CEO no later than one year from the date of the last report.

Limited Size and Resources Exception
Currently, WealthForge does not rely on this exception. The Firm has designated its CCO as the principal responsible for conducting the required supervisory reviews of its CEO. The Firm's CCO is protected by the Firm's Anti-Retaliation Policy, included below (Whistleblower Policy), and is therefore able to provide objective supervision of the CEO's business activities.

[49] *See* FINRA Sanction Guidelines 14, http://www.finra.org/sites/default/files/Sanctions_Guidelines.pdf.

Branch Office Procedures

WealthForge will maintain branch and associated person registrations in accordance with FINRA rules and guidelines. The Uniform Definition defines a "branch office" as any location where one or more associated persons of a member regularly conducts the business of effecting any transactions in, or inducing or attempting to induce the purchase or sale of, any security, or that is held out as such, but excludes from this definition any location that is used primarily to engage in non-securities activities and from which the associated person(s) effects no more than 25 securities transactions in any one calendar year.[50] The CCO or his designee will establish branches using Form BR no later than thirty days after such time as the branch has been established.

Remote Inspection Pilot Program[51]

Rule 3110.18 establishes a voluntary, three-year remote inspections pilot program (Pilot Program) to allow eligible member firms to fulfill their Rule 3110(c)(1) inspection obligation of qualified branch offices, including OSJs and non-branch locations remotely, without an on-site visit to such offices or locations, subject to specified terms. The Firm plans to conduct these remote inspections via video conference platforms.

As discussed elsewhere in the WSPs, the Firm utilizes the same surveillance and technology tools to supervise each branch office regardless of whether or not the location is eligible to be remotely inspected. The Firm may utilize video conferencing platforms such as Google Meet to conduct the remote branch exams. For instance, the Firm uses Smarsh to supervise communications and ShareFile to maintain its books and records.

When both the Firm and a location meet the eligibility requirements described in NTM 24-02,[52] the Firm will conduct a risk assessment to determine whether or not such location may participate in a remote inspection. The Firm will consider:

- Outside business activities that the registered representatives partake in at the location,
- Length of time registered persons at the location have been in the industry,
- Disciplinary history of registered persons at the location, and,
- Whether or not the individual(s) meet clients at the location.

The Firm exclusively deals with private placements, which are inherently riskier than some products offered by other member firms. While the complexity of these products is always a consideration, it is part of the Firm's business operations and cannot be completely mitigated.

As part of the Firm's onboarding process, the CCO and his or her designee review outside business activities and DBAs to ensure they meet the requirements of Rule 3270.[53] The

[50] FINRA Rule 3110(f)(2)(A), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3110.
[51] FINRA Rule 3110.18, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3110.
[52] FINRA, NTM 24-02, https://www.finra.org/rules-guidance/notices/24-02.
[53] FINRA Rule 3270, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3270.

CCO and his or her designee will also review all current outside business activities and DBAs no less than annually. At the time of these reviews, the Firm will consider the risk associated with allowing the registered persons to participate in a remote inspection.

If a new hire results in a new branch location, then upon their completion of all onboarding procedures and trainings, the Firm may consider the new location to be eligible for remote inspections. If a new hire is added to an existing branch location that is currently eligible for remote inspection, the Firm may reassess the location's eligibility at the time of their onboarding.

The Firm will conduct remote branch exams according to the procedures in the section titled "Internal Inspections". The Firm will note, and report to FINRA pursuant to remote inspection pilot program quarterly reporting obligations,[54] any findings and significant findings identified during the preparation for the branch exam and during the branch exam. A "finding" is a discovery made during an inspection that led to a remedial action or was listed on the inspection report.[55] A "significant finding" is a discovery that prompts the Firm to take further action. [56] The use of unapproved communication mediums, customer complaints, or undisclosed outside business activities or private securities transactions may be considered significant findings.[57]

The Firm may also note any prior findings made pursuant to the Firm's Daily supervision of its associated persons. These prior findings happen in a period of more than three months in advance of the examination, are not discovered during the course of the examination preparation, and are not discovered at the time of the examination.

Escalation of Significant Findings:
In accordance with the Firm's branch exam procedures, the Firm will address each significant finding with the associated representative(s) during or within a reasonable time of the remote branch exam. The branch examiner will apprise the CCO of all significant findings. For branch locations with significant findings or with brokers with a significant history of misconduct, the Firm may employ escalation procedures, which may include:

- Escalating the finding to the CCO for further review;
- Implementing enhanced monitoring or surveillance of a particular event or activity through more frequent inspections, which may occur remotely or on-site, and which may be announced or unannounced;
- Conduct other targeted reviews of the root cause of the finding;
- Assign additional training, send written warnings, sanction the individual(s), or proceed to termination; and/or

[54] FINRA Rule 3110.18, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3110.
[55] FINRA, Remote Inspection Pilot Program (Pilot Program) / Aggregated Quarterly Data Matrix, https://www.finra.org/sites/default/files/2024-05/ripp-table-quarterly-data.pdf; see FINRA Rule 3110.18(h)(1).
[56] FINRA, Remote Inspection Pilot Program (Pilot Program) / Aggregated Quarterly Data Matrix, https://www.finra.org/sites/default/files/2024-05/ripp-table-quarterly-data.pdf; see FINRA Rule 3110.18.
[57] FINRA, Remote Inspection Pilot Program (Pilot Program) / Aggregated Quarterly Data Matrix, https://www.finra.org/sites/default/files/2024-05/ripp-table-quarterly-data.pdf; see FINRA Rule 3110.18.

- Evaluate whether the location is still eligible for participation in the remote inspection pilot program.

In addition to the above-mentioned risk-based systems, the Firm also uses the following systems to identify and prioritize for review areas that may pose the greatest risk of potential violations of applicable securities laws, rules, and regulations:

- Bi-annual attestations
- Continuing Education
- Annual compliance meeting
- Additional training, as needed

Supervising Brokers with Significant History of Misconduct:
The Firm employs the same supervisory procedures to all representatives. If a representative's history of misconduct is severe enough to warrant heightened supervisory procedures, the Firm will no longer employ such individual. If there is a history of misconduct that does not constitute heightened supervisory procedures, but it is still considered significant, the Firm may assign additional training, more frequent check ins, additional communications review, soft credit checks, or other means to specifically address the violations.

OBAs and DBAs:
The Firm will engage in its typical course of supervision when reviewing outside business activities (OBAs) and doing business as (DBAs) designation for branches that are eligible to participate in the Remote Inspection Pilot Program. All OBAs and DBAs are reviewed by both the CCO and the representative supervisor prior to the representative's onboarding during the bi-annual attestation periods, and during a separate review on an annual basis. The onboarding and annual review processes confirm that the activity would not be confusing to investors, is not a private securities transaction, and is not a conflict. During each bi-annual attestation period, the individual must review the currently reported OBAs/DBAs to ensure that no changes should be reported.

Compliance with 3110.18(h)
The Firm will comply with the data and information collection, and transmission under Rule 3110.18(h), including the reporting requirements regarding quarterly updates, Pilot Year 1, and calendar year 2019.

Loss of eligibility for participation in Remote Pilot Program
When a branch location becomes ineligible to participate in the remote pilot program in accordance with 3110.18(h), the Firm will resume on-site branch inspections. In some cases, when this loss of eligibility is due to repeated violations of the Firm's WSPs, an increase in risk, or other instances of misconduct, the Firm will charge an inspection fee and expenses incurred to conduct the on-site examination.

Cybersecurity
WealthForge takes the security of the information in its possession seriously. As a result, the Firm maintains a cybersecurity policy for its home office and a separate policy for its

branch offices. The WealthForge Holdings Cybersecurity Framework governs the Firm's home office. The Firm's parent maintains this policy on an on-going basis. The details of this policy are confidential and will only be provided upon request and for specific reasons, primarily upon request from a regulatory agency. The Firm's Off-site Associated Person Cybersecurity Policy is contained in Appendix L of these WSPs.

The Firm's Cybersecurity policies and procedures take into account the possibility of customers from the EU, and thus comply with the requirements of the EU's General Data Protection Regulation (GDPR). The CCO, or his designee is responsible for ensuring that the Firm's policies remain in compliance with U.S. federal cybersecurity laws and regulations, including Reg S-P, state cybersecurity laws, and any international cybersecurity laws or regulations that apply to the Firm's interactions with its customers.

Receipt of mail

The FinOp's designee has been tasked with opening all mail received by the Home Office, excluding mail to the FinOp's designee. The FinOp or other Supervisory Principal will open any mail to the FinOp's designee. Any customer funds received via the mail will be handled in accordance with the policy laid out in these Written Supervisory Procedures concerning Customer Funds and Securities.

4. Know Your Customer and Protection of Customer Information

The CCO or his designee must complete the following steps to approve (if applicable) the prospective investor wanting to participate in an offering:

1. The CCO or his designee receives the electronically/manually routed investor KYC information and all transaction related documents for review at the Home Office and investor deposits will be sent to the escrow account for that offering, if required, in accordance with the funding instructions in the offering's PPM.
2. The AML Officer will ensure CIP and an OFAC search is conducted on the prospective investor (*see* Appendix A – AML Program, CIP requirements, for details).
    a. If the investor's identity can't be reasonably verified, the prospective investor must be rejected or submit additional information such as a copy of their driver's license. If rejected, the funds should be refunded from the account to the investor immediately.
    b. If an OFAC search reveals a positive match to the prospective investor's name, the investor must be reviewed by the AML Compliance Officer.
3. Once the investor clears CIP and OFAC search, the Supervisory Principal will review the investor KYC information for completeness and other suitability obligations.
4. For electronic signing of subscription documents, the electronic signature audit trail is collected and reviewed by the firm.
5. If after reviewing the CCO or his designee approves the investor's KYC information and any transaction related documents, then that investor's money may be released/approved at the Issuers request; subject to any contingency of the offering and approval of the escrow agent.
6. All approved electronic investor information and transaction related documents are maintained according to Rule 3110.
7. The investor information is to be maintained for six years from the date of the transaction with the Firm.

New Accounts for US Military

Department of Defense Regulation 210-70 and the Military Personnel Financial Services Protection Act discuss additional requirements that representatives must follow when conducting or soliciting business on military installations.[58] WealthForge and its Registered Persons do not solicit business on military installations.

Know Your Customer

The Firm implemented a policy in compliance with FINRA Rule 2090 to gather and retain the essential facts concerning every retail transaction's investor-customer and the authority of each person acting on behalf of such investor-customer.[59] For KYC purposes,

[58] *See* AE Reg 210-70, https://media.defense.gov/2016/Jan/21/2001922096/-1/-1/0/AER210-70.pdf; 15 U.S.C. § 78o-3, https://www.law.cornell.edu/uscode/text/15/78o-3.

[59] *See* FINRA Rule 2090, https://www.finra.org/rules-guidance/rulebooks/finra-rules/2090.

the Firm will gather the name, permanent physical address, date of birth, and government issued ID number (collectively "KYC information") for each natural person who invests in an offering through the Firm.

For an entity, the Firm will gather the following information: entity name, tax ID, physical business address, formation documents containing date and place of formation.

If an individual is investing on behalf of an investor (either an entity or individual), the Firm will gather and validate the KYC information for both the "agent" and the actual investor. Additionally, the Firm will gather evidence of the agent's authority to invest on behalf of the investor.

In accordance with FINCen's Customer Due Diligence Rules,[60] the Firm will gather the information required of a natural person for each individual who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25 percent or more of the equity interest of an entity customer. For a trust that meets the 25 percent threshold, the Firm will identify the trustee. Additionally, the Firm will identify a single individual for each entity customer with significant responsibility to control, manage, or direct that customer, generally, an executive officer.

To ensure that this information is gathered and stored correctly, a supervisory principal will review no less than 10% of subscribers' records processed on any day. If the principal discovers discrepancies, he will review an additional 15% of subscribers from that day. The Supervisory Principal will review 100% of retail trades.

Privacy Policy

The CCO is responsible for ensuring that the Firm's duties under WFS's Privacy Policy are carried out. All WFS personnel are required to be familiar with the Privacy Policy and to ensure compliance with its provisions. Requests to delete customer information are to be maintained in the customer correspondence files.

Once per calendar year, WFS will deliver via its website, or via letter, its Privacy Policy to all clients who completed an investment. The CCO will be responsible for ensuring that each customer of the Firm receives a copy of the policy on an annual basis.

Because the Firm does not share information with any third parties, with the exception of those deemed necessary to process the requested transaction or as required by law, it is not necessary for customers to opt-out of any information sharing arrangement that we may have.

The Firm reserves the right to change this policy in the future.

[60] *See* 31 C.F.R. §§ 1010, 1020, 1023, 1024, and 1026, https://www.ecfr.gov/current/title-31/subtitle-B/chapter-X.

Protecting Customer Information

WealthForge will not provide or share any non-public personal information with any other company unless necessary to process the investment transaction or if required to do so by law.

The Firm will take the necessary steps to ensure that its personal client information is protected. This includes password protecting all of its computers, and ensuring that the office and its sensitive files remain locked during non-business hours. The Firm will also maintain updated firewall software on all of its computers to protect its data from unauthorized access over the Internet.

Customer records are maintained electronically. The Firm uses Amazon AWS server infrastructure in a Virtual Private Cloud (VPC) configuration, with secured lock down of non-essential ports and firewalls between server zones. Communication from the Internet into these environments all comes through encrypted and public/private certificate secured communication between the client and server on only one port, 443 (secured/encrypted port). Staging and Production servers can only be accessed through a secure tunnel from the third party technology provider's office. All sensitive user data is 256 bit encrypted before restful storage in the database. This includes social security numbers and bank account numbers, as covered in both HIPAA and PCI compliance requirements. The third party provider also utilizes Amazon's OS level encryption of the Staging and Production database servers.

The Firm also regularly runs anti-virus software on all of its computers and updates its internet browsers regularly in order to prevent any type of malicious software that might sacrifice the integrity of electronic records maintained on its website server.

The Firm does host client information, on a secure website. The non-public information is only available through the password protected section of the website.

The Firm has tested the technology currently being used, such as wireless and remote web access to the Firm's records; firewall and anti-virus software; website functionality; and hardware, such as routers, filters, computers, and servers. This technology has and will continue to safeguard consumer information as required. If WFS considers the use of any new technology, it may only be implemented after it has been adequately analyzed and tested.

All records containing client information, or other non-public information, must be properly disposed of. All hard copy records must be shredded and any hard drives or other electronic storage media containing non-public information must be erased and/or properly destroyed in order to prevent unauthorized access to this information.

Employees of the Firm may be periodically trained on how to protect customer records. This training will include instructions on how to protect data, recognize potential security threats and instructions for properly disposing private records.

The Firm will periodically test its systems for protecting data to ensure that there are not any potential vulnerabilities and that the system is functioning properly. This will include a test of the hardware, software, employee knowledge, and processes.

In the event that an unauthorized party accesses personal client information, the Firm will take the necessary steps to notify all affected clients and prevent any misuse of this information.

Customer Identification Program Notice
The CCO or designee is also responsible for ensuring that the Firm meets its responsibility to deliver a copy of its Customer Identification Program Notice to each customer upon beginning a transaction. The CIP Notice is integrated into the terms of use. Thus all new customers acknowledge receipt of this notice when completing and electronically signing the transaction process.

FINRA BrokerCheck
FINRA Rule 2267 requires WFS to inform customers about its BrokerCheck system at or prior to the time of the customer's initial purchase.[61] WealthForge Holdings website includes a section about this system, including FINRA's website address, the BrokerCheck hotline number and a statement about the availability of an investor brochure that includes information describing FINRA BrokerCheck.

Investments by FINRA Employees
When providing the KYC information, the investor customer must indicate whether he or she is an employee of FINRA. If so, the Firm will promptly obtain and implement an instruction from the client directing the sponsor company at which the client is investing to provide a duplicate transaction confirmation to FINRA.

The CCO or reviewing principal will indicate his or her review of the employer information by signing the investor list for the transaction.

Six-month Look-back
A registered representative must inform the Firm if he has knowledge that, during the six months after the completion of a Firm administered transaction, an interest sold by the Firm has been or will be transferred, assigned, or sold to a third party.

[61] *See* FINRA Rule 2267, https://www.finra.org/rules-guidance/rulebooks/finra-rules/2267.

5. Anti-Money Laundering

Money laundering is the art of concealing the existence or illegal source or application of criminally derived funds and converting such funds into assets of apparently legitimate origin.[62] Hiding any legitimately earned monies in an effort to avoid taxes or court judgments (as in divorce cases) is also considered money laundering. The legitimate money becomes illegitimate under these circumstances. The U.S. Treasury Department points out that "unlike many criminal acts, money laundering involves the taking of apparently lawful steps to open bank accounts, wire funds or invest/re-invest assets for lawful purposes."

There are three stages to the process of money laundering:[63]

Placement is the most difficult step in the process, since it is the most likely to attract attention. Placement is the process of getting illegal monies into the financial system. This is accomplished by converting funds into monetary instruments, such as money orders or traveler's checks or by depositing monies in an account at any financial institution. The financial institution can be a broker/dealer, bank or any other entity that handles money.

Layering is the second stage that involves moving monies away from the point of origin, thereby making it harder to trace the funds. Transferring or moving the funds into other accounts or financial institutions accomplishes this.

Integration is the final step in the money laundering process. It involves putting the funds back into circulation in a manner that makes it look as if the funds were legal. The WFS program is intended to ensure compliance with the letter and spirit of the following anti-money laundering laws:

- OFAC Regulations, 31 CFR Pt. 500, et seq., and relevant Executive Orders;
- The Bank Secrecy Act, 31 USC §5301, et seq., as amended by the USA PATRIOT Act, Public Law 107-56 and regulations promulgated thereunder;
- Internal Revenue Code Section 60501/Patriot Act § 365;
- SEC Rule 17a-8 under the Securities Exchange Act of 1934 and FINRA Conduct Rules 3110 and 3310;
- 18 USC §§ 1956-57 and other applicable criminal statutes; and
- Applicable state laws.

The CEO is ultimately responsible for ensuring that the broker-dealer establishes and maintains an adequate anti-money laundering program ("AML"). The AML program and any amendments thereto shall be dated and approved by the CEO in writing at least once per calendar year. Kolby Griffin is designated as the Anti Money Laundering Compliance Officer (the "AML-CO"). AML-CO responsibilities include:

1. Implementing the AML program;
2. Designing and implementing employee and representative AML training;

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[62] *See* FINCEN, *History of Anti-Money Laundering Laws*, https://www.fincen.gov/history-anti-money-laundering-laws ("Money laundering is the process of making illegally-gained proceeds (i.e., "dirty money") appear legal (i.e., "clean")).

[63] *See* LEXISNEXIS, *What are the Money Laundering Stages?*, https://www.lexisnexis.com/en-gb/glossary/money-laundering-stages.

3. Filing reports required or permitted by law with regulatory authorities;
4. Reporting any WFS change in contact information to FINRA.

The AML-CO may assign others to perform tasks necessary to implement this AML program, but may not delegate the responsibility for the program. For a detailed description of the program see WFS's Anti-Money Laundering Compliance and Supervisory Procedures see Appendix A to this manual.

6. Licensing & Registration

Maintenance of FINRA Filing
Whenever there is a material change in the ownership, control, or business operations of WFS, the CEO shall be responsible for notifying the CCO of all material facts concerning the change. Upon notification, the CCO will determine whether an application pursuant to FINRA Rule 1017 is required.[64] If so, the CCO or designee will be responsible for preparing the application, including all required exhibits, and responding to queries and requests of FINRA staff in connection with the application. The CCO or his designee is also responsible for reviewing and verifying the accuracy of the information in the FINRA System within 17 business days of the end of each calendar year.

Additionally, the Super Account Administrator for the Firm's account on FINRA's Central Registration Depository (Web CRD) is required to attest to the accuracy of the entitlement user accounts within the 30-day Entitlement User Accounts Certification Period early in the year.[65] This will be completed by the Firm's SAA within the allotted time and kept up to date throughout the year.

Form BD Amendments
The Chief Compliance Officer or his designee will be responsible for making all amendments to the Form BD within 30 days of the event or change that required the amendment to be made. If no changes are made, the CCO or his designee will review the Form BD at least once a year to verify that all information is still accurate.

State Licensing
Registered Representatives must be registered in the states in which they solicit, or the states that the CCO designates.

Registered Representatives who are wholesaling to institutional clients ("Wholesalers") must be registered in the state where their customer (broker, home office, branch, OSJ) is located and in the state from where the relationship is supervised, as well as the state from where they work.

Additional Licensing Requests
Registered representatives should notify the CCO or his designee when they require an additional registration category or state registration. The CCO or his designee shall be responsible for preparing and processing all appropriate applications for qualification examinations. It is the responsibility of the registered representative requesting the qualification examination to obtain any desired study materials.

A registered representative shall not participate in any manner in soliciting securities transactions for which he or she is not appropriately licensed and registered. The CCO

[64] *See* FINRA Rule 1017, https://www.finra.org/rules-guidance/rulebooks/finra-rules/1017.
[65] FINRA, *User Accounts Certification for Super Account Administrators*, https://www.finra.org/filing-reporting/entitlement/user-accounts-certification-process.

or other designated principal shall monitor pending registrations to ensure that representatives do not engage in securities transactions prior to becoming effectively qualified and registered.

Hiring Procedures – Investigation of Background and Qualifications

Before hiring a new representative or employee, WFS requires each candidate to complete Pre-Hire Forms or other information such as a Form U-4, which outlines the candidate's professional qualifications and disclosure history. Following this, the CEO, CCO, or a designee will continue to assess the candidate's qualifications and experience for the desired position. The CEO, CCO, or a designee will also perform a background check of the individual's registration by reviewing the Public BrokerCheck report or a third-party background check. For candidates who are eventually hired, the Firm will maintain a copy of all background check information reviewed in the representative's file.

If the candidate has been previously registered with FINRA, the CCO or his/her designee will review a copy of the most recent U-5 filed on behalf of the candidate to find out if there are any pending complaints, concerns, or other reasons why this individual should not be hired. If a candidate does have complaints or other disclosure events, the CCO or his/her designee should obtain explanations from the candidate regarding each to determine the merit.

Once all information has been gathered and verified, and assuming that no other issues arise, the Firm may initiate the registration process. This process will include completion of:

- a Form U4 (if not previously completed),
- Outside Business Activities Form (and Private Securities Transaction Form, if applicable),
- New Employee Questionnaire (includes attestation for receipt of WSPs),
- Conflicts of Interest Questionnaire,
- Personal Account Disclosure Form,
- Fingerprints
- Independent Registered Representative Agreement
- Archiving of social media sites that will be used for business purposes
- Archiving of emails or other means of communications used for business purposes

Archiving of email and social media sites must be in place and tested prior to the submission of the U4.

The Firm will review the results of the fingerprints in Web CRD once they have been processed, and this will allow the Firm to follow-up on any individuals that have records or FBI reports associated with them. The CCO or his designee is responsible for investigating any issues arising from the fingerprint cards and if necessary, working with the registered representative to obtain the information needed to file the appropriate disclosure report if one has not already been filed. Where the situation warrants, the CCO or his designee may also recommend to the Firm CEO that the individual's registration

be terminated based upon the results of the FBI Background Check. In all cases, all related documents will be maintained in the representative's file.

When the representatives outside business activities involve sales solicitation activities that require testing to become registered, the individual will be considered 'pending' until all required tests have been passed.

If the Firm decides to hire a representative with a recent history of customer complaints, final disciplinary actions involving sales practice abuse or other customer harm, or adverse arbitration decisions, the Firm should determine if it is necessary to develop and implement special supervisory procedures tailored to the individual registered representative, or whether its existing supervisory procedures and educational programs are sufficient to address the circumstances. This determination should also be made where a registered representative develops such a history during his or her registration with the Firm. The procedures should involve, where appropriate, a more frequent or focused review of the registered representative's activities by his or her supervisor for a period of time.

In the case that the candidate for registration has liens, judgements, or bankruptcies in their background, the Firm will require the candidate to provide documentation evidencing that the lien or judgement has been satisfied, or that a payment plan exists.

The CCO or his designee should consider performing a thorough review of a registered representative's customer activity if, subsequent to hiring, the registered representative becomes subject to customer complaints. For example, such a review procedure should occur when the registered representative is named, during a one-year period, in a customer complaint alleging sales practice abuse.

Registration, U-4, and U-5 Procedures

Application for Registration

a) Application by any person for registration with WealthForge must be properly signed by the applicant, shall be processed by WealthForge, via electronic process or such other process which WealthForge may prescribe, on the form to be prescribed by WealthForge, and shall contain:
    a. an agreement to comply with the federal securities laws, the rules and regulations thereunder, the rules of the Municipal Securities Rulemaking Board and the Treasury Department, the By-Laws of the Corporation, FINRA Regulation, and FINRA Dispute Resolution, the Rules of the Corporation, and all rulings, orders, directions, and decisions issued and sanctions imposed under the Rules of the Corporation; and
    b. such other reasonable information with respect to the applicant that WealthForge may require.
b) WealthForge will not approve an application for registration of any person who is not eligible to be an associated person of a member under the provisions of Article III, Section 3.

c) Every application for registration filed with WealthForge shall be kept current at all times by supplementary amendments via electronic process or such other process as the Corporation may prescribe to the original application. Such amendment to the application shall be filed with the Corporation not later than 30 days after learning of the facts or circumstances giving rise to the amendment. If such amendment involves a statutory disqualification as defined in Section 3(a)(39) and Section 15(b)(4) of the Act, such amendment shall be filed not later than ten days after such disqualification occurs. Registered representatives are required to notify the Firm within 24 hours of a disqualification event.

Registration of Operations Professionals

An employee will be registered with FINRA by the Firm and required to take the Operations Professional qualification exam (Series 99) if he or she performs one of the covered functions listed below:

- Client On-boarding;
- Financial control, including general ledger and treasury;
- Contributing to the process of preparing and filing financial regulatory reports;
- Defining and approving business requirements for sales and trading systems and any other systems related to the covered functions, and validation that these systems meet such business requirements;
- Defining and approving business security requirements and policies for information technology, including, but not limited to , systems and data, in connection with the covered functions;
- Defining and approving information entitlement policies in connection with the covered functions; and
- Posting entries to a member's books and records in connection with the covered functions to ensure integrity and compliance with federal securities laws and regulations and FINRA rules.[66]

If the employee holds one of the following licenses then under rule 1230(b)(3)(B), he or she is not required to take the Operations Professional exam to perform the above functions. These licenses include:

- General Securities Representative (Series 7);
- General Securities Principal (Series 24); and
- Financial and Operations Principal (Series 27).[67]

U-4 Filings

It is the primary responsibility of the registered representative to ensure that all information in his or her Form U-4 is accurate. This information includes, but is not limited to:

1. A personal or business address change;
2. Personal or business bankruptcies, lawsuits, judgments or liens;

[66] *See* FINRA Rule 1220(b)(3)(A)(ii), https://www.finra.org/rules-guidance/rulebooks/finra-rules/1220.
[67] *See* FINRA Rule 1220(b)(3)(B), https://www.finra.org/rules-guidance/rulebooks/finra-rules/1220.

3. Any changes to the business activities outside the representative's activities with WFS;
4. Legal and regulatory matters that are pending or have been resolved.
    a. Registered representatives should notify the home office as soon as a change or event occurs that requires an amendment to be filed.

Upon receipt of updated information from a registered representative, the CCO or his designee shall be responsible for ensuring that Form U-4 amendments, Disclosure Reporting Pages (DRPs), and DRP updates are completed within 30 days of the event or change that required the amendment.

To verify that the U4 is current, the CCO or his designee will send each representative an attestation confirming the information twice per year, These attestations will be kept in the Firm's books and records.

U-5 Filings

WFS will maintain registrations only for those individuals actively engaged in the securities business. For individuals operating off a commission-bases, the Firm will review their payments for the prior year and make a determination of whether they are actively engaged.

In order for a representative to voluntarily terminate his or her registration, the representative must send a written request to terminate to the Home Office. Alternatively, the employer of the representative's outside business activity may make the Firm's CCO or designee aware of the representative's departure. Upon receipt, the Firm's CCO or his designee will file the U-5 within 30 days or less.

In the event that the termination is not voluntary, the CEO, CCO, or a designee shall be responsible for such notification. The CEO and CCO shall collaborate to ensure both are made aware of any pending disclosure issues that have not otherwise been disclosed on the representative's Form U-4. In that case, the Form U-5 will be filed within 5 business days of the decision by the CEO or CCO to terminate the representative's registration.

The Compliance Officer will be responsible for sending a copy of the Form within 30 days of the termination date. The Firm will maintain a copy of the Form U-5 in the terminated representative's file.

Fingerprinting

The CCO or his designee shall be responsible for confirming that fingerprint cards have been properly submitted and processed for each applicant and that each applicant is eligible for hire based on the results of the submission. If a "cleared" designation is not received, the CCO or his designee shall be notified promptly and may conduct further investigation of the applicant if necessary.

The CCO or his designee will also ensure that all employees of the broker/dealer subject to the requirements of SEC Rule 17f-2 are fingerprinted. SEC Rule 17f-2 requires an

employee of the Firm who is engaged in the sale of securities, regularly has access to the keeping handling or processing of securities, monies, or the original books and records relating to the securities or the monies, or supervises individuals that do either of the above two activities, to be fingerprinted.[68]

The Firm will ensure that all employees of the Firm who must be fingerprinted pursuant to Rule 17f-2 are fingerprinted. The Firm may choose to request that employees of the registered representative's outside business activity be fingerprinted as well.

Outside Business Activities

Pursuant to FINRA Conduct Rules, "No registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member Firm, unless he or she has provided prior written notice to the member, in such form as specified by the member."[69]

At that time and prior to a registered representative's participation in an Outside Business Activity ("OBA"), the CCO or his designee will review the OBA notification and determine:

- if the activity will interfere or otherwise compromise the Registered Representatives responsibility to WFS and its customers.
- be viewed by customers or the public as part of WealthForge's business based upon the nature of the proposed activity and the manner in which it will be offered.
- if the activity is truly an OBA or if it warrants treatment as a private security transaction under FINRA rules. All OBA applications – regardless of whether approved during this process - will be kept on file pursuant to Firm and regulatory requirements.
- Determine any limitations to be imposed prior to approval with an outlined procedures as to how those limitations will be monitored[70]

Representatives shall not engage in any outside business activity until they have received a written acknowledgement that the Firm has approved the activity. If the activity is approved, the CCO or his designee is responsible for updating the representative's Form U- 4 to reflect the business activity. It is the registered representative's responsibility to maintain the written acknowledgement as evidence of Firm notification and to ensure that the U-4 accurately reflects his outside business activities. Failure to comply with these rules could result in disciplinary action ranging from an oral warning and further education to termination or monetary sanctions.

The Firm may or may not approve an OBA for which a registered representative may receive a draw on their commission. Any such arrangement must be reported in the

[68] *See* 17 C.F.R. § 240.17f-2(a), https://www.law.cornell.edu/cfr/text/17/240.17f-2.
[69] *See* FINRA Rule 3270, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3270.
[70] *See* FINRA Rule 3270.01, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3270.

notification of the outside business affiliation as requested by the OBA pre-clearance request form located in ComplySci.

The Firm requires disclosures of all DBA ("Doing Business As") relationships.

The Firm will not approve any outside business activities involving digital assets.

Annually, the CCO or his designee will ask each representative to complete an attestation reaffirming the representative's status regarding any Outside Business Activity. Additionally, the CCO or his designee will require each representative to review the wording on their U-4 OBA disclosure to ensure its comprehensive disclosure and accurate naming of all OBAs, their time commitment to OBAs, how they are compensated from the OBA, and whether the OBA is securities-related. These forms and all activity relating to OBA will be reviewed by a principal in the home office and maintained accordingly to satisfy Firm and Regulatory requirements. In addition to the attestation, the CCO or his designee may perform periodic or random checks of a registered representative's approved OBA's to ensure that their role aligns with what they were approved to do. These reviews may be conducted, but are not limited to Internet searches, interviews, correspondence/ email review, or onsite visits. The CCO or his designee may require additional documentation from the registered representative on an ongoing basis if the CCO determines it is necessary to properly monitor the OBA. A similar process may be used to ensure that the Firm's registered representatives are not participating in unapproved OBA's.

All accepted OBAs shall be deemed continuous until the registered person notifies the Firm that the activity has ended.

In the event that an OBA is reported after its start date for the Firm to review and approve, a note will be included in the approval process and the Firm may take disciplinary steps to address this violation of the WSPs.

Dual Registration/RIAs

A "dual licensing" situation exists where an associate person maintains a license with a registered investment advisor while registered with the Firm. Such a situation may constitute an Outside Business Activity, or based on the facts and circumstances may qualify as a Private Securities Transaction. The Firm will not approve association with an independent registered investment advisor as an OBA, nor can the Firm hold an active Series 65 license.

Discretion/Power of Attorney

Registered representatives must disclose any power of attorney or any other form of discretion they possess over any bank account, brokerage account, or any other monetary account, whether associated to their securities business or not, to the Firm as part of their on-boarding and on-going disclosure requirement. This may include any position as a member of a board of directors, as a trustee, or as an officer of any legal

entity. The CCO, or his designee, will review this disclosure, but may not approve the representative having discretion over any brokerage account that is not an brokerage account of a relative within two degrees (e.g. wife, children, parents, siblings, cousins, grandchildren). The CCO may choose to approve a representative having a power of attorney or discretion over an account in other circumstances, which will be evidenced by his electronic signature on the disclosure which will be maintained as part of the Firm's books and records. In all cases where the Firm allows a representative to have a power of attorney or discretion over an outside account of another individual, the Firm will require the representative to provide statements for that account, which will be reviewed by the CCO, or his designee.

Foreign Associates
The Firm does not work with foreign associates.

A foreign associate is defined as any person associated with the Firm who is not a citizen, national, or resident of the US, who will only conduct securities activities outside of the jurisdiction of the US and who will not conduct any securities business with or for any citizen, national, or resident of the US.[71]

If the Firm decides to hire a foreign associate, he or she will be subject to the same hiring procedures described above. If the associate holds any registrations at regulatory bodies outside of the US, then the Firm will inquire about the status and history of those registrations as well.

Before the foreign associate will be allowed to conduct any securities business at the Firm, a Form U-4 must be filed with FINRA and a certification must be provided to them that this person meets the definition of a foreign associate. Once the person has been successfully registered with FINRA, he or she may transact securities business. All business conducted by the associate will be supervised according to the procedures described in this document.

Foreign Finders
The Firm generally does not work with Foreign Finders, but may allow their use on a case by case basis.

A foreign finder is not an associated person of the firm, but may be paid transaction-based compensation for the initial referral of the investor, and the initial referral only, to the Firm if the following conditions are met:

- The finder is not required to register in the United States as a broker-dealer;
- The finder shall make an attestation to the Firm as to the fact that they are not required to be registered in the United States stating the reason for that belief.
- The find is not "statutorily disqualified" under section 3(a)(39) of the Securities and Exchange Act of 1934;[72]

[71] *See* FINRA Rule 1220.06(b), https://www.finra.org/rules-guidance/rulebooks/finra-rules/1220.
[72] 15 U.S.C. § 78c(a)(39), https://www.law.cornell.edu/uscode/text/15/78c.

- The finder is a foreign national or foreign entity domiciled abroad;
- The investors are foreign nationals (not U.S. citizens)
- Investors receive a descriptive document meeting the requirements outlined below disclosing what compensation is being paid to finders;
- Investors provide written acknowledgment to the member of the existence of the compensation arrangement and such acknowledgment is retained and made available for inspection by FINRA;
- Records reflecting payment to finders are maintained on the Firm's books, and actual agreements between the Firm and the finder are available for inspection by FINRA; and
- The confirmation of each transaction indicates that a referral or finders fee is being paid pursuant to an agreement.[73]

Referral Fees
The Firm will neither pay nor authorize its registered representatives to receive a referral fee unless separately discussed, reviewed, and approved by the CCO.

Parking of Securities Registrations
At the end of each year, before the registration renewals are due, the FINOP will prepare a summary report listing the commissions earned by each rep during that year. The CCO will review the report to ensure that every rep is meeting minimum production requirements (as deemed appropriate based on the Firm's business activities) to stay active with the Firm.

The Firm does not permit any registered person to park their registrations with the Firm and if a representative is not actively working, then the Firm will notify the representative that his or her registration with the Firm may be terminated for inactivity.

Exceptions to the minimum requirement will only be made by the CCO in cases where it can be shown that despite the production numbers, the representative is actively working in the securities industry or is being held to assist WealthForge Securities LLC in the possibility of expansion of its business lines at a future date. A record of this annual report will be kept on file in the Firm's home office. WealthForge has a significant number of registered person's in the home office involved in supervisory and administrative work that the CCO has deemed should be registered persons. This is a risk mitigation factor to ensure that they stay current on laws and regulations as well as industry best practices, because as a registered person the framework is in place for them to do so efficiently and reduces potential breakpoints.

[73] FINRA Rule 2040(c), https://www.finra.org/rules-guidance/rulebooks/finra-rules/2040.

7. Books and Records

The official books and records of the Firm relating to supervision, compliance, and operations will be maintained in electronic form accessible to employees, as appropriate, regardless of location utilizing ShareFile by Citrix are maintained in a compliant electronic storage system. The Firm's official financial and commission records will also be maintained in electronic form.

Confidential files will be maintained in directories with restricted access.

The following records are maintained electronically by a 3rd party independent of WFS:

1. Correspondence and Communications– SMARSH
2. Investor Forms –ShareFile
3. Subscription Documents –ShareFile
4. Electronic Storage – ShareFile
5. Advertising – RedOak AdMaster
6. Representative Administration – ShareFile and ComplySci

WFS will ensure any documents maintained solely in electronic format are maintained in accordance with SEC Rule 17a-4 and each vendor notification has been submitted to FINRA 90 days prior to relying on such electronic storage media.[74] These systems will be tested periodically to ensure adherence to the requirements of SEC Rule 17a-4.

Records to be kept for 6 years:[75]

The following records will be preserved for at least six years, the first two of which will be readily accessible. Following that period, these records may be maintained at an offsite location as long as they are accessible within a reasonable period of time.

Currently WealthForge stores all records electronically or via CDR in a 17a-4 compliant solution.

- Investor Profile Forms (6 years from date of last investment activity)
- Investment Blotters
- Ledgers reflecting all assets and liabilities, income and expense and capital accounts.
- Ledger Accounts
- Representative Training Records
- Internal Inspections Reports

[74] 17 C.F.R. § 240.17a-4, https://www.law.cornell.edu/cfr/text/17/240.17a-4; FINRA, *SEA Rule 17a—4 and Related Interpretations* (Feb. 23, 2023), https://www.finra.org/rules-guidance/guidance/interpretations-financial-operational-rules/sea-rule-17a-4-and-related-interpretations.

[75] 17 C.F.R. § 240.17a-4(a), https://www.law.cornell.edu/cfr/text/17/240.17a-4.

Records to be kept for 3 years:[76]
The following records will be preserved for at least three years, the first two of which will be readily accessible. Following that period, these records may be maintained at an offsite location as long as they are accessible within a reasonable period of time.

Currently WealthForge stores all records electronically in a 17a-4 compliant setup utilizing Share File.

- Customer account statements and trade confirmations (the Firm does not hold accounts)
- Advertising and Sales Literature, (3 years from date of last use)
- Correspondence
- Representative Registration records (3 years from time of termination)
- All records relating to fingerprinting
- Compliance, supervisory and procedures manuals (3 years after the termination of use)
- All written agreements involving securities work (3 years from the termination of the agreement)
- Commission Records
- All check books, bank statements, cancelled checks and cash reconciliations.
- All trial balances, computations of aggregate indebtedness and net capital (and working papers in connection therewith), financial statements, branch office reconciliations, and internal audit working papers, relating to the business of such member, broker or dealer, as such.
- All guarantees of accounts and all powers of attorney and other evidence of the granting of any discretionary authority given in respect of any account, and copies of resolutions empowering an agent to act on behalf of a corporation.

Records to be kept for the life of the Firm:[77]

- BD Registration records
- Articles of incorporation
- Customer Complaints

Any type of record not on these lists will be maintained in accordance with SEC Rule 17a-3,[78] 17a-4 or as deemed appropriate by the Firm.

[76] 17 C.F.R. § 240.17a-4(b), https://www.law.cornell.edu/cfr/text/17/240.17a-4.
[77] 17 C.F.R. § 240.17a-4(d), https://www.law.cornell.edu/cfr/text/17/240.17a-4.
[78] 17 C.F.R. § 240.17a-3, https://www.law.cornell.edu/cfr/text/17/240.17a-3.

8. Business Continuity Plan

In the event an emergency causes a disruption in the Firm's business, Firm personnel must endeavor to quickly recover and continue its operations. Firm personnel will follow the procedures outlined in its "Business Continuity Plan" in order to resume normal operations.

The Business Continuity Plan (Appendix B) is required under FINRA Rule 4370 and must identify procedures relating to an emergency or significant business disruption, designed to enable the Firm to meet its existing obligations to its clients.[79] The procedures must address the Firm's existing relationships with other broker-dealers and counter-parties.[80] The Business Continuity Plan must be updated upon any material change and, at a minimum, must be reviewed annually (see below). The Firm must designate two emergency contact persons and must provide and update this information electronically on the FINRA Contact System ("FCS") according to Rule 4517.[81]

The Firm must disclose to its clients how its Business Continuity Plan addresses the possibility of a future significant business disruption and how it plans to respond to events of varying scope. This disclosure is made in a disclosure statement provided to clients by Representatives at the time a business relationship is established. The most updated version of the statement is always available upon request by clients (a written copy must be mailed when requested).

All Firm personnel are encouraged to periodically review the Plan in order to be prepared for unforeseen business disruptions.

[79] *See* FINRA Rule 4370(a), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4370.
[80] *See* FINRA Rule 4370(a), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4370.
[81] *See* FINRA Rule 4370(f)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4370; FINRA Rule 4517(c), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4517?rbid=2403&record_id=16188&element_id=11818.

9. Financial Operations

Financial Operations Principal

The Financial Operations Principal ("FinOp") shall be designated as the Chief Financial Officer of the Firm. The FinOp will pass all required Qualification Examinations and be registered with FINRA as a Limited Principal-Financial and Operations. Donna Arles is the Firm's CFO.

FinOp Duties

The duties of the FinOp will include, but not be limited to, the following:

- Final approval and responsibility for the accuracy of financial reports submitted to any duly established securities industry regulatory body;
- Final preparation of such reports;
- Preparation and maintenance of a general ledger and monthly balance sheets and income statements, and any subsidiary ledgers.
- Supervision of individuals who assist in the preparation of such reports;
- Supervision of all commission processing; and verifying accuracy
- Supervision of and responsibility for individuals who are involved in the actual maintenance of the Firm's books and records from which such reports are derived;
- Supervision and/or performance of the Firm's responsibilities under all financial responsibility rules promulgated pursuant to the provision of any duly established securities industry regulatory body or rules;
- Overall supervision of and responsibility for the individuals who are involved in the Firm's financial operations; and
- Any other matter involving the financial management of the Firm.

Financial Records

WFS financial records are maintained under the supervision of the Firm's FinOp at the Firm's Home Office.

Commission payout records and reconciliations from the Firm's with whom WFS has executed selling or placement agent agreements, shall be maintained at the Firm's Home Office for three years from the date compensation was paid.

Responsibility for General Ledger Accounts[82]

In accordance with FINRA Rule 4523, the Firm has designated the FINOP/CFO as the associated person responsible for each general ledger bookkeeping account, or any other account of like function. The FINOP will be responsible for controlling and overseeing entries into such accounts and shall determine that the account is current and accurate as necessary to comply with all FINRA rules and federal securities laws governing books and records and financial responsibility requirements.

The Firm does not have any suspense accounts.

[82] FINRA Rule 4523, https://www.finra.org/rules-guidance/rulebooks/finra-rules/4523.

Current Records[83]
The FinOp will ensure that all books and records specified in Rule 17a-3 are kept current. In the event the books are not kept current, the FinOp will provide same day notification to the SEC Washington, DC and Boca Raton, FL regional office, as well as the Boca Raton, FL office of FINRA. The FinOp will file a report with the same three offices within 48 hours outlining the steps being taken to correct the situation via facsimile or overnight delivery.

Material Inadequacy in Bookkeeping
In the event the FinOp discovers or is notified of a material inadequacy in the Firm's bookkeeping and safekeeping procedures, a notice will be filed with the SEC Washington, DC and Boca Raton, FL regional offices, as well as the Boca Raton, FL office of FINRA within 24 hours of the discovery or notice. In addition, the FinOp will file a report with the same three offices within 48 hours outlining the steps being taken to correct the situation via facsimile or overnight delivery.

Secondary Verification Process
The Firm's policy requires a secondary verification before money is electronically transferred when we receive transfer instructions. When a request is received to transfer money, the Firm's policy requires a transfer to be verified with a verbal phone call to a trusted source that is independent of the current request. This phone call must be documented on the Secondary Verification Log.

Offerings of the Securities Issued by WealthForge Securities or its parent, WealthForge Holdings
In the case that WealthForge Securities, or its parent company WealthForge Holdings, is issuing its securities in an offering, there are special requirements that the Firm must meet.

First, the offering materials for the offering, whether a PPM or some other type of offering document, will contain disclosures addressing both the intended use of the offering proceeds and the offering expenses, as well as the amount of selling compensation that will be paid to the Firm or an associated person of the Firm.

Second, the Firm, as required by FINRA Rule 5122,[84] will file the PPM and/or other offering materials with FINRA's Corporate Financing Department at or before the time any such document is provided to any prospective investor. This Filing will be handled by the CCO or his designee.

Finally, for any such offering, at least 85% of the offering proceeds raised will be used for business purposes, as defined in the offering materials. Any offering costs, discounts, commissions or any other cash or non-cash sales incentives shall not be counted as business purposes. It shall be the CCO and FINOP's responsibilities to

[83] 17 C.F.R. § 240.17a-3, https://www.law.cornell.edu/cfr/text/17/240.17a-3.
[84] FINRA Rule 5122(b)(2), https://www.finra.org/rules-guidance/rulebooks/finra-rules/5122.

ensure that this restriction is both disclosed and followed by the Firm, and/or its affiliates.

Financial Reports
The FinOp will prepare or cause to be prepared the following scheduled reports:

Report	Audience	Schedule
Trial Balance	In House	Monthly
Balance Sheet	In House	Monthly
Profit and Loss	In House	Monthly
Net capital computation including Aggregated Indebtedness	In House	Monthly
Bank Reconciliation	In House	Monthly
FOCUS (Form X-17A5, Part IIA)	FINRA	Monthly
Statement of Supplemental Income	FINRA	Quarterly
Quarterly Profit and Loss	In House	Quarterly
Profit and Loss (Annual)	In House Board of Directors	Annually
FOCUS (Form X-17A5 Schedule I)	FINRA	Annually
Audited Financials	FINRA, SEC, SIPC, Various states as required	Annually

All reports will be filed within the timeframes required by management or any regulatory agency to which it is filed as outlined under SEC Rule 17a-5,[85] including the rules regarding requests for extensions of time to file.

Audited Financial Statement
The Audited Financial Statement will contain the following information:

- Balance sheet and income statement

[85] 17 C.F.R. § 240.17a-5, https://www.law.cornell.edu/cfr/text/17/240.17a-5.

- Statements of any changes in the financial positions, ownership or subordination agreements of the Firm.
- Supporting schedules specifying the computation of the net capital and customer reserve requirements.
- Any explanations of discrepancies between the computations by the Firm and the independent auditor.
- An affirmation by the independent auditor that the report is true and correct.
- A supplemental report expressing an opinion as to the membership status of the Firm in SIPC when applicable.

FOCUS Report[86]

The Firm does not carry customer's cash and/or securities, but is required to maintain a minimum net capital of at least $5,000 and therefore files a limited focus filing known as FOCUS Part IIA. This report will contain the computations of net capital, aggregate indebtedness, balance sheets and statements of income and expenses as required.

Assessment Reports

Upon receipt of the annual SIPC assessment report, the FinOp shall promptly complete the report and file it along with the required assessment. A copy of the assessment report and evidence of payment shall be maintained in the Firm's SIPC Assessments file.

The FinOp is responsible for ensuring that the FINRA annual assessment report is prepared in a timely manner and payment for the assessed amount is promptly remitted. A copy of this assessment report and evidence of payment shall be maintained in the Firm's FINRA Assessment Report file for three years.

Annual Financial Audit

The FinOp is responsible for ensuring that an independent auditor conducts an annual audit of the Firm. The FinOp shall ensure that the auditor completes the annual audit and submits the required report to the Firm in a timely manner to allow the Firm to meet its filing timelines. A copy of the annual audit and any supplementary reports, as well as records evidencing the filing of the audit report, shall be maintained in the Firm's books and records for three years.

Notice of Replacement of Accountant

A notice will be filed with the SEC's principal and regional offices and the Boca Raton, FL office of FINRA no later than 15 days after:

- the Firm has notified the accountant whose opinion covered the most recent annual audit that his services will not be used in the future,
- or the Firm has notified the accountant who was engaged to give an opinion covering the annual audit that the engagement has been terminated, or
- an accountant has notified the Firm that he will not continue under an engagement or give an opinion covering the annual audit, or

[86] *See* FINRA, *eFOCUS – Financial and Operational Combined Uniform Single Reports*, https://www.finra.org/filing-reporting/regulatory-filing-systems/efocus.

- a new accountant has been engaged to give an opinion covering the financial statements without any notice of termination having been given to or by the previously engaged accountant.

The notice to the SEC will include details of any problems existing during the lesser of 24 months or the period of engagement, relating to any matter of accounting principles or practices, financial statement disclosure, auditing scope or procedure, whether the problems have been resolved to the former accountant's satisfaction (or not) and whether the accountant's report on the financial statements for any of the past two years contained an adverse opinion or disclaimer of opinion or qualification and the nature of such disclaimer.

The FinOp will also ensure that the former accountant furnishes the Firm with a letter addressed to the SEC stating whether he agrees with the statements contained in the notice, and if not, the respect in which he does not agree.

Net Capital Requirements
The FinOp is responsible for ensuring that the Firm remains in compliance with its net capital requirements on a daily basis.

Pursuant to its membership agreement with FINRA, the Firm is required to maintain a minimum net capital of $5,000. The FinOp shall prepare monthly computations of net capital and aggregate indebtedness and any additional computations that may be necessary. Copies of these documents and all supporting documentation shall be maintained in the Firm's books and records for three years.

Net Capital Deficiency
In the event that the Firm's net capital falls below the required amount, the FinOp will file the appropriate notice of net capital deficiency when the deficiency is identified. The notice will contain the Firm's required net capital and the amount of the current net capital and will be sent via facsimile to the Washington offices of the SEC and FINRA as well as the SEC regional office. The FinOp will also supply the notice of deficiency if notified by an examining authority that the Firm is or has been deficient, even if the Firm does not agree that it is or has been in violation. In that case, the FinOp will specify in the notice the reason that the Firm does not agree it is deficient.

Early Warning Trigger
In the event that the ratio of aggregate indebtedness to net capital exceeds 1,200% (12 to 1 ratio) or the Firm's net capital is less than 120% of the required net capital, or when the amount falls below 5% of total customer debits, the FinOp will notify the SEC Washington and regional office, as well as the Boca Raton, FL office of FINRA within 24 hours of the occurrence by facsimile.

Customer Protection Rule[87]

Pursuant to SEC Rule 15c3-3, broker-dealers that physically possess or control their customers' securities must promptly obtain and thereafter maintain physical possession or control of all fully paid securities and excess margin securities carried by the broker-dealer for the accounts of customers.

The Firm will claim an exemption from SEA Rule 15c3-3, in reliance on footnote 74 to SEC Release 34-70073,[88] and as discussed in Q&A 8 of the related FAQ issued by SEC staff.[89] The Firm has represented that it does not and will not, (1) directly or indirectly receive, hold, or otherwise owe funds to securities for or to customers, (2) does not and will not carry accounts of or for customers, and (3) does not and will not carry PAB accounts.

Cash: No associated person may receive cash or a check from a customer. Should cash be presented as payment for securities transactions, it must be refused; Registered Representative's should note such occurrences in the customer's file.

All customer attempts to deliver cash should be immediately escalated to the home office. Once the home office is notified, the instance should be discussed with the AML Compliance Officer. The Company's AML procedures manual should be consulted for additional procedures, if any.

Checks made payable to the Issuer received from clients should be entered in the checks received blotter and electronically deposited promptly (same day as receipt) to the escrow agent/account, maintaining evidence of electronic deposit.

Checks made payable to the Firm: The Company may not receive checks made payable to the Firm directly from clients; in the event a check made payable to WealthForge Securities, LLC is received from a client, the receipt and subsequent return of the check must be recorded in the Check Log. The check must be returned promptly (same day as receipt) to the client. However, in the event the FinOp determines that investigation is necessary prior to returning the check, the check must be kept in the locked FinOp office until such investigation is conducted. At that time, the check may either be destroyed (i.e. shredded) or returned to the client.

Checks to be electronically deposited will be scanned in the Home Office using a bank-issued check scanner and will be remotely deposited. Then, the checks will be marked as "deposited," and will be kept in the locked FinOp office for up to 45 days, after which time they will be shredded.

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[87] 17 C.F.R. § 240.15c3-3, https://www.law.cornell.edu/cfr/text/17/240.15c3-3.

[88] SEC, Release No. 34-70073, FN 74, https://www.sec.gov/files/rules/final/2013/34-70073.pdf.

[89] SEC, *Frequently Asked Questions Concerning the July 30, 2013 Amendments to the Broker-Dealer Financial Reporting Rule*, https://www.sec.gov/rules-regulations/staff-guidance/trading-markets-frequently-asked-questions-4.

The respective Registered Representative must notify the client to subsequently make any and all checks payable to the appropriate recipient (for instance, the escrow account associated with the offering) and forwarded directly to the escrow agent.

Registered Representative accounts: Checks representing customer funds must not be written on a Registered Representative's own personal or business account;

Securities received by the Company: The Company may not receive or hold securities.

In the event securities are received from a client, they must be recorded in the Securities Received and Delivered Blotter before being returned promptly (same day as receipt) to the client. The respective Registered Representative must then notify the client how to properly remit securities.

Prohibited Sharing: With regard to redeeming securities, there may not be a sharing in the profits and losses of a client or an agreement to purchase a security from a client at some future date; and

Other Prohibitions: Misappropriation, stealing, or conversion of customer funds is prohibited and constitutes serious fraudulent and criminal acts. Examples of such acts include unauthorized wire or other transfers in and out of customer accounts, borrowing customer funds, converting customer checks that are intended to be added to existing accounts, or other liquidation values of securities belonging to customers.

Marketing Expense Reimbursement[90]

FINRA has specific rules regarding product sponsor reimbursements for direct expenses incurred by registered representatives. It is incumbent upon WFS, as a broker/dealer and a FINRA member, to ensure that all payments directed to its Registered Representatives are made in accordance with these rules and that in addition, the record-keeping requirements are met. If a Registered Representative conducts a seminar, client appreciation dinner, or other similar event, which is supported by a sponsor, there are two options for seeking reimbursement:

1. The product sponsor can directly pay the vendor (restaurant, newspaper, printer, etc.) An exception to this is if the representative is an owner, officer or director of the vendor company. In that case, the reimbursement must flow through WFS, following the procedures outlined below.

2. If these monies are not considered compensation, the product sponsor must send copies of the invoice and payment to the CCO or designee or the product sponsor conducts its review, makes the reimbursement check payable to WFS FBO the Representative, with reference to the reimbursement, and forwards the check and copies of the supporting documents to the Home Office. The CCO, or designee

[90] *See* FINRA Rule 2251, https://www.finra.org/rules-guidance/rulebooks/finra-rules/2251.

will conduct a review of the reimbursement and release the funds to the registered representative.

If the reimbursement is connected to materials which come under the FINRA's "communications with the public" provisions, such as invitations, newspaper ads, presentation scripts, outlines or slides, the materials must be sent to the CCO, or designee prior to use in keeping with regular communications review procedures. If the materials have been approved by the FINRA Advertising Department, the representative should forward a copy of the FINRA approval letter to the CCO, or designee for faster processing.

If the reimbursement is related to a client appreciation event that is purely a social gathering and does not involve any advertising (for example, guests are invited by telephone and no presentation is given regarding securities and investing), the procedures outlined above still must be followed. To speed up the processing of the reimbursement, the representative should note in the reimbursement request that no advertising was used.

Balance Sheet Disclosure:
Upon request from a customer, the Firm will make available for inspection the information relative to its financial condition as disclosed in its most recent balance sheet prepared in accordance with its usual practice. When a request is received from a customer, the FinOp will be responsible for providing him or her with the requested information.

A copy of all such requests will be kept on file in the Firm’s Home Office.

10. Anti-fraud Provisions and FINRA Rules

WealthForge will conduct reasonable reviews both at the client and issuer level to adhere to FINRAs Anti-Fraud Provisions.

Form CRS Requirements[91]

Beginning June 30, 2020, the SEC requires the Firm to provide each potential customer with a Customer Relationship Summary ("Form CRS") prior to the earlier of: recommending a securities transaction or investment strategy, processing an order, or opening a securities account.

Drafting

The CCO, or his designee, will be responsible for drafting the Firm's Customer Relationship Summary. This form will include details on what services the Firm provides, its fees and costs, how the Firm compensates its registered representatives, and other associated persons, the Firm's conflicts of interest, and the Firm's and its registered representatives' disciplinary history.

Updates and Filings

The CCO, or his designee, will be responsible for updating the Firm's Form CRS upon a material change to any information contained therein. The CCO, or his designee, will make this update within 30 days of the change occurring, file the change with the SEC, and deliver it to customers, as detailed below. Additionally, on a periodic basis, the CCO, or his designee, will review Form CRS to ensure all information contained therein remains correct.

Delivery

The SEC requires the Firm to delivery Form CRS prior to the earlier of: recommending a securities transaction or investment strategy, processing an order, or opening a securities account. The Firm does not hold accounts for customers. As a result, the Firm requires its Registered Representatives to send Form CRS to any potential customers prior to making a recommendation, regardless of whether this is their first investment with WealthForge.This will be done electronically using the Firm's CRS and Reg BI disclosure system.

The SEC also requires that the Firm provide updates to customers within 60 days of a material change.[92] As the Firm does not hold accounts, the Firm will ensure that any potential customers to whom a recommendation is being made 60 days after the material change receive the revised Form CRS prior to the recommendation.

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[91] 17 C.F.R. § 275.204-5, https://www.law.cornell.edu/cfr/text/17/275.204-5; *see* FINRA, *Reg BI and Form CRS,* https://www.finra.org/rules-guidance/guidance/reports/2023-finras-examination-and-risk-monitoring-program/reg-bi-form-crs.

[92] 17 C.F.R. § 275.204-5(b)(4), https://www.law.cornell.edu/cfr/text/17/275.204-5.

The most current Form CRS will be maintained in the Firm's books and records.

Regulation BI[93]
Regulation BI Policies and Procedures

General

The SEC's Regulation Best Interest requires brokers, dealers, and associated persons of brokers or dealers to act in the best interest of a retail customer at the time a recommendation of any securities transaction or investment strategy involving securities is made to the retail customer. The broker-dealer or associated person must do this without placing the financial or other interest of the broker-dealer, or associated person, ahead of the interest of the retail customer.

A broker-dealer or its associated persons satisfy this requirement if they meet the four component obligations of Regulation Best Interest: the Disclosure Obligation, the Care Obligation, the Conflicts of Interest Obligation, and the Compliance Obligation.

Institutional Customers are not considered Retail Customers; therefore, the policies and procedures set in place for a recommendation to a Retail Customer will not apply to Institutional Customers

Disclosure Obligation

The Disclosure Obligation requires the broker, dealer, or associated person to, prior to or at the time of the recommendation, provide to the customer a written disclosure of all material facts relating to the scope and terms of the relationship with the retail customer, including the capacity the broker, dealer, or associated person is acting in, the material fees and costs that apply to the transactions, and the type and scope of services provided to the customer, including any material limitations on the securities or investment strategies that may be recommended to the retail customer. Additionally, this disclosure must include all the material facts relating to the conflicts of interest that are associated with the recommendation.

WealthForge will comply with this obligation in the following ways:

1. Draft both Firm and Registered Representative Regulation BI disclosures, which will be reviewed regularly, no less than annually, and will be updated for any material changes within 30 days of the change occurring.
2. Require Associated Persons to review and confirm their Regulation BI disclosures bi-annually as part of the Firm's bi-annual attestations.
3. In the case that an Associated Person's U4 is updated, the CCO, or his designee will review the change to determine whether the change requires the Associated Person's Regulation BI disclosure to be updated.

[93] 17 C.F.R. § 240.15l-1, https://www.law.cornell.edu/cfr/text/17/240.15l-1.

The Firm will distribute the Regulation BI disclosures in the following way:

1. Distribute the Firm-level Regulation BI disclosures electronically to the customer prior to, or simultaneous with, the associated person making a recommendation to a retail customer.
2. Distribute the Registered Representative-specific Regulation BI disclosure electronically to the customer prior to, or simultaneous with, the associated person making a recommendation to a retail customer.
3. If a customer does not consent to electronic delivery and requests a paper copy of the disclosures, the CCO, or his designee will send the disclosures to the customer via U.S. Mail.
4. The Firm's Back-End Processing system will automatically check for electronic consent as well as the version of the BI Disclosure documents that have been sent to the retail customer based on email address. If no electronic record is found for the customer, the system will also check for a record in which the documents were mailed to the customer.

Care Obligation

The Care Obligation requires the Firm, or an associated person, in making a recommendation, to exercise reasonable diligence, care, and skill to:

1) Understand the potential risks, rewards, and costs associated with the recommendation and have a reasonable basis to believe the recommendation is in the best interest of at least some retail customers;
2) Have a reasonable basis to believe that the recommendation is in the best interest of a particular retail customer based on that retail customer's investment profile and the potential risks, rewards, and costs associated with the recommendation and does not place the financial or other interest of the broker, dealer, or associated person ahead of the interest of the retail customer;
3) Have a reasonable basis to believe that a series of recommended transactions, even if in the retail customer's best interest when viewed in isolation, is not excessive and is in the retail customer's best interest when taken together in light of the retail customer's investment profile and does not place the financial or other interest of the broker, dealer, or associated person making the series of recommendations ahead of the interest of the retail customer.

To comply with the Care Obligation, the Firm will do the following;

1) As part of its offering diligence, the Firm will review the offering for risks, rewards, and costs to the retail customer. This review will include the offering materials, additional diligence material that is provided by the issuer of the offering and the Firm's own independent diligence materials. The CCO, or his designee, will evaluate these risks, rewards, and costs of the offering and determine whether the offering is in the best interest of any retail customers. If the determination is that the offering is in the best interest of at least some retail customers, then the CCO,

or his designee, will approve the offering in writing and permit the Firm's associated persons to solicit retail customers. This review and approval will be documented in the offering folder in the Firm's books and records.

2) The Firm will require its associated persons to gather an investment profile from each retail customer prior to making a recommendation of either a single transaction or a series of transactions and will require them to evidence review and analysis that the recommendation(s) is in the retail client's best interest. This investment profile and recommendation review will be kept in the investor's folder on the Firm's books and records. This analysis will be reviewed by a principal prior to the transaction being affected.
3) The Firm will also require the associated person to indicate that he or she reviewed reasonable alternatives prior to making the recommendation, and what alternatives were considered. Evidence of this review will be kept on the Firm's books and records.
4) Trusted Contact – The Firm provides a Trusted Contact Form attached to each Investment Profile Form that is sent to all Retail Investors for them to fill out if they choose to do so. Each Trusted Contact Form is stored with the Investor's Files and will be used in the event that the Trusted Contact needs to be contacted.
5) Senior Investors – The Firm defines "Senior Investor" as Investors who have retired or are nearing retirement and is not necessarily a reference to a specific age. This includes any retired individuals or individuals that are within five years of retirement, or over the age of 65. The Firm requires for each retail investor that qualifies as a "Senior Investor" to initial and acknowledge specific representations that can be found on the Investment Profile Form.
6) Concentration Risk - If a concentration of over 20% in Alternative Investments exists, The Registered Rep associated with the recommendation is required to give an explanation as to why the purchase is in the best interest of the client to maintain or increase such concentration. This is required of all of the Firm's Registered Reps and can be found on the Registered Representative Recommendation Form that is completed by each Rep and stored in the Investor's Files.

Conflict of Interest Obligation

The conflict of interest obligation requires the broker-dealer to establish, maintain, and enforce written policies and procedures reasonably designed to:

- Identify, and at a minimum, disclose or eliminate all conflicts of interest associated with such recommendations;
- Identify and mitigate any conflicts of interest associated with such recommendations that create an incentive for a natural person who is an associated person of a broker or dealer to place the interest of the broker, dealer, or such natural person ahead of the interest of the retail customer;
- Identify and disclose any material limitations placed on the securities or investment strategies involving securities that may be recommended to a retail customer and

any conflicts of interest associated with such limitations in accordance with the disclosure obligations, and
    - Prevent such limitations and associated conflicts of interest from causing the broker dealer, or associated person to make recommendations that place the interest of the broker, dealer, or associated person ahead of the interest of the retail customer; and
- Identity and eliminate any sales contests, sales quotas, bonuses, and non-cash compensation that are based on the sales of specific securities or specific types of securities within a limited period of time.

WealthForge will comply with the Conflicts of Interest Obligation in the following ways.

Identifying Firm Conflicts of Interest

The Firm has identified the conflicts of interest at the firm level and included their description in the firm level Regulation BI Disclosure. This will include identifying any material limitations on products. In the case that there is a material change in the Firm's business, the CCO, or his designee, will review the change to determine whether any new conflicts that require disclosure have arisen. On a periodic basis, the CCO, or his designee will review all of the Firm's conflicts listed in the Regulation BI disclosure document and determine whether they are still relevant.

Identifying Representative Conflicts of Interest

For each associated person who solicits retail customers, the Firm shall identify any conflicts of interests and disclose, mitigate, or eliminate the risk. For all associated persons who solicit retail customers, the Firm reviews the following details, during the candidate's on-boarding and as part of the bi-annual attestation, to determine whether any conflicts of interest exist or if previously disclosed conflicts have changed:

1. U4 Disclosures: The Firm reviews the associated person's U4 disclosures to determine whether any create a conflict of interest. The Firm pays special attention to any financial disclosures, such as liens, bankruptcies, or similar disclosures that are outstanding.
2. Compensation: The Firm will review with the associated person's compensation. The Firm will specifically review the compensation for fees that customers pay on top of the stated commissions. This includes any sponsor fees, management fees, salary, registration fees, etc.
3. Ownership interests: The Firm will discuss whether the associated person has ownership interests in any company that creates a conflict of interest.
4. Limitations on Licensures: The Firm will review the associated persons licensure and ensure that any limitations are properly disclosed.
5. Material Limitations: The Firm will review any material limitations on the securities or investment strategies that may be recommended by the associated person.
6. Investment philosophy: The Firm will review with the associated person his or her investment philosophy.

All material conflicts will then be disclosed in the associated person's Regulation BI disclosure.

Mitigation of Certain Conflicts

Regulation BI requires the Firm to have policies and procedures reasonably designed to mitigate conflicts of interests associated with recommendations that create an incentive for the associated person to place the Firm's, or the associated person's, interest ahead of the retail customer. This only applies to incentives provided to the associated person by the Firm, or third parties within the control of the Firm.

After identifying the Firm's and its associated persons' conflicts of interests, the Firm will evaluate whether any conflicts create an incentive for the associated person to place the Firm or their interests ahead of the retail customer. If so, the CCO, in consultation with the associated person, will determine the manner in which the conflict will be mitigated.

Certain associated persons are limited by the Firm to selling only specific securities. Regulation BI requires the Firm to prevent any such limitations, and associated conflicts of interest, from causing the Firm to make recommendations that place the Firm's, or associated person's, interest ahead of the retail customer's. In addition to disclosing any such limitations, the CCO or his designee, when reviewing a subscription into a proprietary product, or from an associated person who has material limitations on what securities they can recommend, will review the subscriber's Customer Investment Profile, stated investment needs, and all other information gathered to satisfy the Care Obligation, and ensure that the investment is in the subscriber's best interest. If it is not, the CCO, or his designee, will not approve the subscription.

Elimination of Certain Conflicts

Under Regulation BI, certain conflicts must be eliminated. Therefore, the Firm does not allow sales contests, quotas, bonuses, and non-cash compensation that are based on the sale of specific securities or a specific type of securities within a limited period of time.

Remediation of any violations

To ensure Associated People, and the Firm, comply with the above policies, the CCO may take the below remediation actions for violations of the policy.

1. If the Associated Person fails to send the Regulation BI disclosures, or Form CRS, to the customer prior to, or at the time they make a recommendation, the Firm may withhold any commisisons earned on that customer's investment(s).
2. If the Associated Person fails to document the recommendation in accordance with these policies, the Firm will not approve the transaction until all obligations have been satisfied.

3. If the Associated Person fails to disclose a conflict of interest, the CCO may take any disciplinary action described in the Firm's WSPs, up to, and including, terminating the Associated Person.
4. The CCO may also levy a fine on any Associated Person for violation of any policies and procedures related to Form CRS or Regulation BI as contained in the Firm's WSPs.

Regulation Best Interest Designee

The individuals in charge of implementing Regulation Best Interest can be found in Appendix D.

Training

The CCO, or his designee, will ensure that all Associated Persons of the Firm, receive training at least annually on the requirements of Form CRS and Regulation BI. This training may occur as part of the Firm's Annual Compliance Meeting. The CCO may also choose Regulation BI to be a Firm Element component of the Firm's Continuing Education program. Additionally, a registered representative who is employed by a sponsor or issuer as an approved outside business activity must receive Regulation Best Interest training as part of the onboarding process, delivered by the CCO or his designee.

Periodic Review and Testing

The CCO, or his designee, will review all conflicts of interest and disclosures of the Firm and its Associated Persons at least annually and upon any material change.

During the Firm's annual branch examinations, the CCO, or his designee, will review a portion of the disclosures, conflicts of interests, and recommendations for Associated Persons, located at the branch being examined. The CCO, or his designee, will review this material for completeness and to ensure the above procedures were followed. The CCO, or his designee, will also cover Regulation BI policies and procedures during the preparation portion of the branch examination.

The CCO, or his designee, will review 100% of determinations that an investment is in the customer's best interest as part of the Firm's documented Investor Diligence activity.

Wholesaler Communication

When a wholesaler is engaging with another registered representative or registered investment advisor, they may speak with that other representative's client only in the presence of the representative.

State Fiduciary Rules
In addition to the SEC's Regulation BI and FINRA's suitability rule, some states have adopted laws to enforce a fiduciary duty on brokers, dealers, and their agents. Any additional policies and procedures required to comply with these laws are detailed below.

FINRA Suitability Obligations at the Client Level[94]
FINRA Rule 2111 states that, in the case that Regulation BI does not apply, WealthForge must have reasonable grounds to believe that a recommendation to purchase, sell or exchange a security is suitable for the customer.

This analysis has two principal components. First, the "reasonable basis" suitability analysis requires that a WealthForge Securities' Registered Representative has a reasonable basis to believe, based on a reasonable investigation, that the recommendation is suitable for at least some investors. Second, the "customer specific suitability" analysis requires the WealthForge Registered Representative determine whether the security is suitable for the customer to whom it would be sold.

Before WealthForge Securities allows any client to invest in an offering, the registered representative should make reasonable efforts to obtain information concerning the customer's financial status, tax status and investment objectives, as well as any other information that is reasonable and necessary in making the suitability determination. The information captured should be recorded and submitted to the Home Office with a copy of the subscription agreement for review.

The WFS Registered Representative should make sure that any and all possible investors understand the real risk involved in investing in private companies.

Compliance Analyst Responsibility to Review Suitability
In the case that an investment is being evaluated under the suitability rule, a compliance analyst designated by the relevant principal will review each subscriber's investment for suitability. This review should include an evaluation of issues including:

- Was the purchase appropriate?
- Does the customer have a high concentration of net worth in one particular type of investment?
- Is the investment consistent with the investor stated investment objectives?

To perform this review, the compliance analyst will use available resources to complete the review process before any investment is made by the client. If a concentration of over 20% in Alternative Investments exists, the registered rep associated with the recommendation must give an explanation as to why the purchase is in the best interest of the client to maintain or increase such concentration.

[94] FINRA Rule 2111, https://www.finra.org/rules-guidance/rulebooks/finra-rules/2111.

On a regular basis, a supervisory principal will review a random selection of WealthForge subscribers processed to ensure that they meet the suitability requirements of the specific investment into which they are subscribing.

506(b) Attestation

In offerings conducted using the 17 C.F.R. § 230.506(b) exemption from registration, the Firm requires that a pre-existing, substantive relationship exists between the subscriber and a registered retail representative of the Firm.[95]

The Firm defines a "pre-existing relationship" as one that was formed prior to the commencement of the Firm's acceptance of the issuer's securities offering.[96]

The SEC defines a "substantive relationship" as one in which "the issuer [or its agent] has sufficient information to evaluate, and does, in fact, evaluate, a prospective offeree's financial circumstances and sophistication, in determining his or her status as an accredited or sophisticated investor."[97]

The Firm requires all WealthForge representatives to attest to whether they have a pre-existing, substantive relationship with every retail investor investing in a 506(b) offering. For every retail investor, the representative must indicate whether prior transaction history exists or whether the investor completed an investor qualification questionnaire. This attestation will be located on the Recommendation Form. The date of completion of an investor qualification questionnaire must be included along with the attestation.

Bridge Financing by Sponsors or Issuers

When bridge financing is or may be used by the sponsor, issuer, or an affiliated entity to execute its business plan, the Firm will attempt to obtain the documentation and/or conditions of the financing, such as: the maximum amount of the financing, the terms of the financing, the anticipated source of funds, and the recourse available to the provider in the event of default; and evidence the request and results in its offering diligence documentation. The presence of bridge financing in an entity's business plan may be a material fact requiring disclosure in the offering documents and/or further inquiry.

Contingency Offerings

The Firm regularly conducts offerings that have contingencies. In accordance with SEA Rule 10b-9,[98] the Firm views any change to one of the components of the contingency to be a material change requiring various levels of disclosure and that may grant certain rights to investors. The Firm evaluates the required disclosure and/or grant of rights based on the facts and circumstances, but lays out the following general guidelines below.

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[95] *See* 17 C.F.R. § 230.502(c).

[96] SEC Compliance and Disclosure Interpretations, Question 256.29, dated Aug. 6, 2015, https://www.sec.gov/corpfin/securities-act-rules.

[97] SEC Compliance and Disclosure Interpretations, Question 256.31, dated Aug. 6, 2015, https://www.sec.gov/corpfin/securities-act-rules.

[98] 17 C.F.R. § 240.10b-9, https://www.law.cornell.edu/cfr/text/17/240.10b-9.

Change	Did Issuer reserve the right to change	Disclosure	Positive Consent	Right of Rescission	Other update
End/Termination Date	Yes/No	Yes	Yes	Yes	No
Maximum Raise	Yes	Yes	Yes	No	No
Minimum Raise	Yes/No	Yes	Yes	Yes	Funds should be returned to Subscribers
Minimum Investment	Yes	No	No	No	No
Escrow agent	Yes/No	Yes	Yes	Yes	Funds should be returned to Subscribers
Commission	Yes/No	Yes	Yes	Yes	No
Special Terms/First look	Yes/No	Yes	No	No	No
Change in Allocation Rules	Yes/No	Yes	No	No	No
Any other material change not affecting the contingency	Yes/No	No	No	No	Yes

Specific Issues Related to a BD's Responsibilities

The scope of WFS' investigation will depend upon a number of factors, including the BD's affiliation with the issuer if any, its role in the transaction, and other facts and circumstances of the offering, including whether the offerees are retail customers or more sophisticated institutional investors.

The Offering Materials of a Securities Offering

For each securities offering for which the Firm administers the securities transaction, the CCO, or a diligence principal delegated by the CCO has the duty to ensure that appropriate investigation into the representations made by the issuer in the offering document and other offering materials is conducted, and that all offering materials are in accordance with guidance from the SEC and FINRA and meet the Firm's standard of fair communication.

An offering document is considered an offering circular, and if prepared by the issuer without the oversight of the Firm, is subject to the anti-fraud standards of the SEC and must meet the fair dealing standard. The offering document will be reviewed to determine if it is fair and balanced and does not contain misleading information.

Other offering materials may be considered a communication with the public for purposes of FINRA Rule 2210, FINRA's advertising rule.[99]

The Presence of Red Flags[100]

The Firm is obligated to conduct further inquiry into "red flags" about a sponsor, issuer, or offering that the Firm is made aware of or discovers. A "red flag" is defined as any information that would alert a prudent person to conduct further inquiry, and it may arise from publicly available information or information that is discovered during the Firm's investigation. The Firm must follow up on any red flags and investigate any substantial adverse information about the sponsor, issuer, or offering.

When presented with red flags, the CCO, or his designee, may not simply rely upon representations by issuer's management, the disclosure in an offering document or even a due diligence report of issuer's counsel. An issuer's refusal to provide WealthForge with information that is necessary to meet its duty to investigate could itself constitute a red flag. If an issuer is not forthcoming with information requested by the CCO, or his designee, (or provides information that is non-responsive or out-of-date), the Firm will determine whether it can otherwise obtain sufficient information, and if not, whether the Firm will continue its participation in the offering. While issuers are not required to provide accredited investors with a private placement memorandum in order to qualify for the exemptions in Rule 506, these memoranda typically are used in offerings and the Firm may need to consider whether the absence of a private placement memorandum itself might constitute a red flag.

To satisfy the Red Flags obligation, the Firm requires sponsors to complete a Due Diligence Questionnaire (a "DDQ"). A completed DDQ includes information regarding a sponsor's financials inclusive of programs available for subscription and those that are operating assets no longer available for subscription, those operating assets' distributions to investors, outstanding indebtedness, open legal matters, management, and asset management contracts. If the Firm identifies an unsatisfactory response in the DDQ or a response that would alert a prudent person to conduct further inquiry, the Firm will follow up with the sponsor for more information and conduct any other necessary inquiry. The Firm notates any red flags in Quip and documents relevant correspondence in ShareFile.

The Firm also monitors offerings and key personnel via Google Alerts.

Reliance on Counsel and Syndicate Managers

WealthForge may utilize service providers (counsel, other experts, or qualified service providers) to assist in undertaking and fulfilling its reasonable investigation obligation. Service providers are subject to the Firm's vendor review process.

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[99] FINRA Rule 2210, https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210; *see also* FINRA Rule 5123, https://www.finra.org/rules-guidance/rulebooks/finra-rules/5123.

[100] FINRA NTM 10-22, https://www.finra.org/rules-guidance/notices/10-22. Section C(3) of this notice discusses the Presence of Red Flags.

Supervision[101]
WealthForge has supervisory procedures in place to meet FINRA Rule 3110 that are reasonably designed to ensure that its registered personnel:

- engage in an inquiry that is sufficiently rigorous to comply with their legal and regulatory requirements and the recommendations contained in Notice to Members 10-22;
- perform the analysis required by FINRA Rule 2111;
- qualify their customers as eligible, accredited and suitable to purchase securities offered pursuant to Regulation D;
- do not violate the antifraud provisions of the federal securities laws or FINRA rules in connection with their preparation or distribution of offering documents or sales literature.

These procedures must be reasonably designed to ensure that each offering is properly supervised before it is marketed sold directly to customers.

Documentation of Reasonable Investigation
To demonstrate that WealthForge has performed a reasonable investigation, any records documenting both the process and results of its investigation will be retained in ShareFile, Quip, email correspondence, and/or Decisions.

Such records may include descriptions of the meetings that were conducted in the course of the investigation (e.g., meetings with the issuer or other parties), the tasks performed, the documents and other information reviewed, the results of such reviews, the date such events occurred, and the individuals who conducted the reviews.

Reasonable Investigation Practices
The CCO's or his designee's reasonable investigation is tailored to each offering. A member of the Diligence team will review each offering with final approval by a supervisory principal. The use of a single generic checklist may not be sufficient for every offering, and therefore, the analyst's review is guided by a checklist tailored to the specific offering. The Firm may modify the checklist at the time it receives the offering materials, including, but not limited to, third-party independent diligence reports,

Issuer and Management
Reasonable investigations of the issuer and its management concerning the issuer's history and management's background and qualifications to conduct the business might include:

[101] FINRA Rule 3110, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3110; *see* FINRA Rule 2210, https://www.finra.org/rules-guidance/rulebooks/finra-rules/2210; FINRA NTM 10-22, https://www.finra.org/rules-guidance/notices/10-22.

- Utilizing third party sources, conducting a bad actor evaluation as described in Rule 506(d) or Rule 262(a) on all covered persons of the issuer, as the term covered person is described in the rules.[102]
- Examining the issuer's governing documents, including any charter, bylaws and partnership agreements, noting particularly the amount of its authorized stock and any restriction on its activities. If the issuer is a corporation, a BD might determine whether it has perpetual existence.
- Examining historical financial statements of the issuer and its affiliates, with particular focus, if available, on financial statements that have been audited by an independent certified public accountant and auditor letters to management.
- Looking for any trends indicated by the financial statements.
- Inquiring about the business of affiliates of the issuer and the extent to which any cash needs or other expectations for the affiliate might affect the business prospects of the issuer.
- Reviewing the issuer's contracts, leases, mortgages, financing arrangements, contractual arrangements between the issuer and its management, employment agreements and stock option plans.
- Inquiring about past securities offerings by the issuer and the degree of their success while keeping in mind that simply because a certain product or sponsor historically met obligations to investors, there are no guarantees that it will continue to do so, particularly if the issuer has been dependent on continuously raising new capital. This inquiry could be especially important for any blind pool or blank-check offering.
- Inquiring about pending litigation of the issuer or its affiliates or management.
- Inquiring about previous or potential regulatory or disciplinary problems of the issuer. The Firm may make a credit check of the issuer.
- Making reasonable inquiries concerning the issuer's management. The Firm may inquire about such issues as the expertise of management for the issuer's business and the extent to which management has changed or is expected to change. For example, the Firm may inquire about any regulatory or disciplinary history on the part of management and any loans or other transactions between the issuer or its affiliates and members of management that might be inappropriate or might otherwise affect the issuer's business.
- Inquiring about the forms and amount of management compensation, who determines the compensation and the extent to which the forms of compensation could present serious conflicts of interest. The Firm may make similar inquiries concerning the qualifications and integrity of any board of directors or similar body of the issuer.
- Inquiring about the length of time that the issuer has been in business and whether the focus of its business is expected to change.

[102] 17 C.F.R. § 230.506(d)(i)-(viii), https://www.law.cornell.edu/cfr/text/17/230.506; 17 C.F.R. § 230.262(a)(1)-(8), https://www.law.cornell.edu/cfr/text/17/230.262.

Issuer's Business Prospects

Reasonable investigations of the issuer's business prospects, and the relationship of those prospects to the proposed price of the securities being offered, might include:

- Inquiring about the viability of any patent or other intellectual property rights held by the issuer.
- Inquiring about the industry in which the issuer conducts its business, the prospects for that industry, any existing or potential regulatory restrictions on that business and the competitive position of the issuer.
- Requesting any business plan, business model or other description of the business intentions of the issuer and its management and their expectations for the business, and analyzing management's assumptions upon which any business forecast is based. The Firm may test models with information from representative assets to validate projected returns, break even points, and similar information provided to investors.
- Requesting financial models used to generate projections or targeted returns.
- Maintaining in the Firm's files a summary of the analysis that was performed on financial models provided by the issuer that detail the results of any stress tests performed on the issuer's assumptions and projections.

Due Diligence on Offerings from a Limited and Select Group of Sponsors:

The Firm may elect to permit solicitation of the offering upon review of the third-party diligence report while the remaining diligence materials are being gathered and reviewed in order to increase operating efficiencies within the due diligence department.

Sponsors selected for this process must provide the Firm a very high degree of confidence and a demonstrated track record of high-quality products. The Firm will periodically evaluate which sponsors warrant the ability for this process based on ongoing experience with the sponsors and will only consider sponsors with the highest quality of past offerings, with proven commitment to the space, and that have earned the Firm’s trust through their demonstrated performance as an asset manager.

Each offering from a sponsor selected for this process will be independently evaluated prior to signing a Soliciting Dealer Agreement (SDA). The Firm requires the following criteria to be met in order to permit solicitation of an offering in the process:

- The offering must fall within the sponsor’s demonstrated expertise
- The structure of the offering does not deviate from previously approved products
- Tenant diversification vs. single tenant NNN lease
- Excellent loan/bridge financing terms within current market conditions
- A reasonable acquisition compared to appraised value

The Firm’s assessment of these criteria may be conducted through review of the relevant third-party report.

This process includes reviewing the third-party report for existing red flags, submitting advertising through the Firm’s advertising review process, a recently completed Firm DDQ, and saving the offering’s external data room to the Firm’s books and records. If no

red flags are identified after that review, the Firm will obtain a fully executed SDA. Following the execution of the SDA, the Firm will notify the retail reps of the approval to solicit the offering and communicate the offering status with the investor diligence team.

If there is sufficient interest from the retail reps' client base, or if there is an investment pending, the Firm will then conduct a full offering review before approving any investment.

Due Diligence on Hedge Funds:
In the case that the Firm were to offer interests of hedge funds to investors, the Firm would comply with FINRA and SEC guidance on the required due diligence.[103]

In particular, the Diligence Principal would ensure that the investment passes both reasonable-basis suitability and customer-specific suitability, promotional materials are presented in a fair and balanced manner, and that all associated persons selling these products are properly supervised and trained to comply with all applicable securities laws.

Reasonable basis suitability requires that the firm must have a belief that the product is suitable for any investor. This requirement is met by conducting due diligence with respect to the hedge fund or underlying hedge funds. This will include an investigation of the background of the hedge fund manager, a review of the offering document, a review of the subscription agreements, an examination of references, and an examination of the relative performance of the fund.

In addition to the reasonable-basis suitability test, the Diligence Principal will follow the Firm's standard policies concerning customer-specific suitability, as detailed in the suitability section of the WSPs.

The Firm has also instituted sufficient internal controls to ensure sales of hedge funds, along with all other sales, comply with relevant FINRA and SEC rules. This includes a review of the hedge fund itself, the terms of any offering, and independent diligence on the offering to determine whether the information is accurate and not materially misleading. This analysis is reviewed by the CCO or his designee prior to the offering being allowed to be sold.

In the case that the Firm were to decide to offer securities from a hedge fund, the Firm would utilize periodic education classes to educate both internal and external staff on the specific issues inherent to such an offering. This education would be conducted by either an outside expert or one of the internal persons charged with administering such education.

Diligence Provided to the Firm as a Member of a Selling Group
When acting as a member of a Selling Syndicate (a "Selling Member"), the Firm may rely on the investigation that the Syndicate Manager performs on the offering, which includes:

[103] *See* NASD Notice to Member 03-07.

issuer diligence, offering diligence, investor diligence and suitability. A Selling Member must evaluate whether it has reason to believe that the Syndicate Manager is without conflict, has the expertise to conduct thorough investigation, and that the Manager has conducted an independent and thorough investigation.[104]

A Selling Member's obligation is to meet with the Syndicate Manager; to understand the Manager's reasonable investigation efforts; and to ask enough questions to convince himself that the Manager is indeed capable, thorough, and independent in exercising his responsibilities. If the Selling Member has reason to believe that the Manager is in some way deficient, then the Selling Member is not absolved of those responsibilities.

Once the Firm has complied with these obligations, the Firm will require the Syndicate Manager to provide an attestation for each subsequent offering that the Firm takes part in attesting to the fact that the Syndicate Manager has followed the diligence process that it explained to the Firm.

Escrow Account

The CCO or his designee is responsible for establishing procedures for the protection of customer funds including the establishment of an escrow account where required. If WealthForge establishes an escrow account, the following policies and procedures apply:

- Establish an escrow account and execute WFS's standard escrow agreement with a bank or trust company that is not affiliated with WFS
- Maintain copies of bank statements for the escrow account and review the statements when received, to ensure funds are not withdrawn prior to the date the contingency is met.
- Ensure customer funds are promptly deposited to the escrow account.
- Maintain records of all potential purchasers including the quantity to be purchased, when funds are received, and when funds are forwarded to the issuer or escrow account.
- Ensure checks are forwarded to the issuer (where an escrow account is not used) or to an escrow account same day.
- Authorize release of funds to the issuer from an escrow account after the contingency is met and after a review of purchasers.
- If the contingency is not met, promptly refund funds to potential purchasers.

If an investor's funds remain in escrow 90 days after they were received because the Firm has yet to receive some required documentation, the Firm will return said funds to the investor according to the instructions provided by the investor. Funds for which the Firm has received at least some documentation may remain in escrow for more than 90 days.

Filings

Upon completion of an offering, certain filings are required to be made by either the Firm or the issuer.

[104] *See* Regulatory Notice 10-22 7.

Under FINRA Rule 5123,[105] if a FINRA member sells a security in a non-public offering in reliance on an exemption from registration under the Securities Act, then that member or another designated member must file the private placement memorandum as part of the 5123 filing within 15 days of the date of first sale. The Firm will file the required form, as well as the offering and advertising materials provided by the issuer or sponsor, on the online filing system as part of its normal process for closing the sale of a security, which will occur no more than 15 days after the first sale of that security. Should any retail communication materials be used by a syndicate member that are not provided by the sponsor or issuer creating the need for an amended 5123 filing; that amended filing will remain the sole responsibility of the syndicate member. If there is material change or material information is left off of the 5123 Filing the Firm will amend the filing.

Additionally, unless the Issuer explicitly opts out and represents that they or their counsel will complete the filing, the Firm will file the Form D filing on the SEC's EDGAR system within 15 days of first sale as required in 17 C.F.R. 230.503 and will do so, as part of the Firm's services to issuers..

Finally, the Firm may be contracted to make the necessary Blue Sky filings required by the various states after a sale of securities within their states. Each state has its own requirements and the Firm will verify the applicable requirements prior to filing. Regardless of whether the Firm is contracted to complete all of the Blue Sky Filings, the Firm will ensure that a filing is made in the Commonwealth of Virginia within 15 days of the first sale of the security.

Insider Trading:

All associates will complete an Insider Trading Attestation Form. Although WFS does not execute individual stock trades for customers, it is still possible for representatives of the Firm to participate in insider trading by trading on non-public information in their own personal accounts, by passing on non-public information to others or by participating in any other activity that meets the following definition of Insider Trading.

FINRA defines Insider Trading as engaging in any securities transaction by taking advantage of being in possession of material non-public information, tipping such information to others who may engage in transacting trades or recommending the purchase or sale of securities to which that information relates.[106] The best rule of thumb is to never trade while in possession of material non-public information. The Supreme Court has held that information is material if a reasonable investor would consider it important in making an investment decision.[107] As a practical matter, information whose

[105] FINRA, Rule 5123, https://www.finra.org/rules-guidance/rulebooks/finra-rules/5123.

[106] Insider Trading has traditionally been prohibited under section 10(b) of the Securities and Exchange Act of 1934 (15 U.S.C. § 78j). Though neither this section nor the associated regulations, in particular 17 C.F.R. § 240.10b-5, explicitly prohibit inside trading, courts have held these sections to bar individuals from trading on material non-public information for decades. *See* "Fast Answers: Insider Trading," U.S. SECURITIES AND EXCHANGE COMMISSION, http://www.sec.gov/answers/insider.htm.

[107] TSC Industries v. Northway, Inc., 426 U.S. 438, 449 (1976); see Basic, Inc. v. Levinson, 485 U.S. 224 (1988) (as the Supreme Court has noted, determinations of materiality require "delicate assessments of the

disclosure would affect the market price or a security is likely to be found material. Examples of information likely to be deemed material are proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, significant changes in management, debt ratings, litigation, unannounced earnings estimates or actual earnings, and dividend policies.

When in doubt as to whether the information is material, a representative should assume it is material unless advised differently by the CCO or CEO of the Firm. Non-public information has been defined as information that has not been disseminated in a manner that makes it available to investors generally. Selective disclosure to a few investors (small group of brokers or institutional investors) is still non-public.

Representatives should be aware of the serious consequences that will result if non-public information is used for personal gain, communicated to persons outside the Firm, or acted upon in any way. The fact that the representative did not personally gain from the information but merely passed it onto others who did profit by the information will still subject the rep to serious liability under the Insider Trading and Securities Fraud Enforcement Act.

A supervisor or other member of the Firm should alert the CCO immediately if he or she suspects a representative of insider trading. The CCO will then work with securities regulators as necessary to report and resolve the issue. Any investigations into insider trading allegations must be well documented and maintained in the representative's file. If a registered representative is found guilty of insider trading, his or her registration with the Firm will be terminated for cause.

Home Office personnel may not invest into offerings from Issuer clients of the Firm.

Regulation A Offerings

Regulation A

This type of offering is available to domestic or Canadian issuers not subject to '34 Act reporting requirement or disqualification under "bad boy" provisions of Rule 262.[108] This exemption is not available to investment companies, blank check companies, or issuers of oil, gas, or mineral rights. There are two tiers of offerings under Regulation A.[109]

inferences a 'reasonable shareholder' would draw from a given set of facts and the significance of those inferences to him...." TSC Industries, 426 U.S. at 450); see also FASB, Amendments to Statement of Financial Accounting Concepts No. 8—Conceptual Framework for Financial Reporting—Chapter 3, Qualitative Characteristics of Useful Financial Information (Aug. 2018), available at https://fasb.org/jsp/FASB/Document_C/DocumentPage?cid=1176171111614; see also SAB No. 99.

[108] 17 C.F.R § 230.262(a), https://www.law.cornell.edu/cfr/text/17/230.262.

[109] *See* 17 C.F.R. § 230.251(a), http://www.ecfr.gov/cgi-bin/text-idx?SID=a80cf668a673617444f5dbc563c386ee&mc=true&node=se17.3.230_1251&rgn=div8.

Tier 1: Offerings of securities up to $20 million within a 12-month period, with not more that $6 million in offers by selling security-holders that are affiliates of the issuer.[110]

Tier 2: Offerings of securities up to $75 million within a 12-month period, with not more that $15 million in offers by selling security holders.[111]

Regulation A is an amendment to the Securities Act of 1933 and provides for reduced requirements for smaller issuers in limited public offerings of issues. For a Regulation A offering, a limited registration statement (offering circular) is filed with the SEC.[112] In addition, for Tier 2 offerings the issuer must provide audited financial statements, annual, semiannual, and current events reports, and limit the amount of securities that non-accredited investors can purchase in an offering to no more than 10 percent of the greater of the investor's annual income or net worth.[113] Key considerations for the syndicate supervisor includes:

- whether the issuer is disqualified from distributions under Regulation A
- dollar limitations of the offering
- offers cannot be made prior to the filing of the registration statement and sales may not be effected until the offering statement is qualified

Reg A Filings

For each Regulation A offering in which the Firm participates, a filing under FINRA Rule 5110 must be made with FINRA's Corporate Financing Department.[114] This filing must be made by the dealer-manager within three business days after the 1-A documents are filed or amended with the SEC. The Firm requires Regulation A issuers to inform it of any filings with the SEC prior to making those filings. To ensure that no filings are missed, the CCO or his designee will review Edgar on a periodic basis during an active Regulation A offering.

Suitability

The Firm does not make recommendations to potential subscribers in a Regulation A offering unless an affiliated person of the Firm makes a retail recommendation. Therefore, for non-retail investors, the Firm will not conduct a suitability analysis on subscribers in Regulation A offerings it is associated with, as per FINRA Rule 2111.[115]

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[110] *See* 17 C.F.R. § 230.251(a)(1), http://www.ecfr.gov/cgi-bin/text-idx?SID=a80cf668a673617444f5dbc563c386ee&mc=true&node=se17.3.230_1251&rgn=div8.

[111] *See* 17 C.F.R. § 230.251(a)(2), http://www.ecfr.gov/cgi-bin/text-idx?SID=a80cf668a673617444f5dbc563c386ee&mc=true&node=se17.3.230_1251&rgn=div8.

[112] *See* 17 C.F.R. § 230.253, https://www.ecfr.gov/current/title-17/chapter-II/part-230/subject-group-ECFR68d879261fb42fb/section-230.253.

[113] *See* 17 C.F.R. § 230.251(d)(2)(i)(C), http://www.ecfr.gov/cgi-bin/text-idx?SID=a80cf668a673617444f5dbc563c386ee&mc=true&node=se17.3.230_1251&rgn=div8.

[114] FINRA Rule 5110, https://www.finra.org/rules-guidance/rulebooks/finra-rules/5110.

[115] FINRA Rule 2111, https://www.finra.org/rules-guidance/rulebooks/finra-rules/2111.

Offers and Sales
The Lead Banker is responsible for notifying the WFS home office when a Regulation A offering is available for offering and when the offering circular is SEC qualified to permit sales. A written record of these notices will be maintained in the offering file for the offering.

Mergers & Acquisitions
The Firm may conduct mergers and acquisitions (M&A) advisory services for its clients. Services may consist of advisory work in connection with: merger and acquisition transactions, sales, divestitures, recapitalizations, valuations and/or fairness opinions. All advisory work performed by the Company's personnel must be subject to the terms of an executed engagement letter signed by the appropriate Principal or his or her designee.

While FINRA does not have specific rules governing all aspects of M&A advisory services provided by member BD's, the Company has included these procedures to clarify its expectations of its M&A personnel and supervisors. While conducting its M&A business, the Company strives to maintain high standards of commercial and ethical conduct and just and equitable principles. The Company is dedicated to serving the best interests of its clients and complying with all applicable regulatory requirements.

Certain activities performed or supervised by the Firm's M&A Supervisory Principal may create a registration requirement in accordance with Rule 1200.[116] Personnel supervising any of the following activities on behalf of the Company will require Series 79 licensing, in addition to any other licenses they are required to hold based on their other securities activities:

1. advising on or facilitating debt or equity securities offerings through a private placement or a public offering, including but not limited to origination, underwriting, marketing, structuring, syndication, and pricing of such securities and managing the allocation and stabilization activities of such offerings, or
2. advising on or facilitating mergers and acquisitions, tender offers, financial restructurings, asset sales, divestitures or other corporate reorganizations or business combination transactions, including but not limited to rendering a fairness, solvency or similar opinion.

The CCO or his designee will ensure all licensing requirements are met.

WFS has designated an M&A Supervisory Principal responsible for reviewing activity related to the Firm's Mergers and Acquisitions business. The frequency of the reviews will be ongoing per transaction. The M&A Supervisory Principal is responsible for reviewing all M&A contracts, M&A fee agreements, M&A due diligence records, and M&A fairness opinions (if applicable), etc. The M&A Supervisory Principal will evidence his/her review by placing their signature or initials on the documents reviewed.

[116] FINRA Rule 1200, https://www.finra.org/rules-guidance/rulebooks/finra-rules/1200.

M&A Services

M&A advisory services provided by the Company may include the following:

- M&A Representation, Buy-side: the Company may assist the buyer client in identifying the company to be acquired, valuing the target company, conducting due diligence, structuring the transaction and performing other, related services.
- M&A Representation, Sell-side: the Company may assist the seller client to identify prospective acquirers, determine a preliminary range of valuations, draft and distribute a descriptive memorandum, negotiate transaction terms, coordinate due diligence visits and other services. The Company requires prospective acquirers to sign confidentiality agreements prior to allowing them access to any non-public information.
- Valuation Services: either on a standalone basis or in combination with other M&A services, appointed personnel will analyze comparable transactions, current market data, and financial projections prepared by the Company or the client in order to determine a range of estimated values. The designated Principal (or his/her designee) should review and approve all valuations before they are provided to clients.
- Fairness Opinions: in certain instances, fairness opinion may be issued to clients. Fairness opinions concern a transaction in its entirety, rather than on specific terms or conditions of a transaction, and are limited to the financial characteristics of the transaction. The opinions may be issued in cases where the Company represents buyers or sellers in change of control transactions. The designated Principal (or his/her designee) should review and approve all fairness opinions before they are provided to clients.

M&A Due Diligence

M&A professionals must undertake a due diligence process in order to thoroughly examine the advisory client and its industry prior to providing M&A services. Due diligence practices should include interviews of management, visits to company facilities (if appropriate) and the careful examination of relevant factors, including, where applicable:

- Profile/Operational Structure: products and services, company history, departments, divisions, subsidiaries, customers, suppliers, operational methods and physical plants.
- Industry: competitors, local and broader industry dynamics, market trends, cyclicality /seasonality and industry forecasts.
- Management and Employee Issues: organizational structure, biographical data regarding key officers/directors/employees, compensation and benefits plans, and union status.
- Financial Data: historical and projected financial statements, including interim results, R&D expenditures, inventories, order backlogs, recorded and contingent liabilities, litigation, significant contracts and organizational structure/tax status.

In conducting due diligence; Firm personnel must determine what information (listed above or otherwise) is relevant to a particular assignment and must attempt to incorporate an analysis of all available, pertinent information.

When representing sellers, personnel may prepare a memorandum describing the client and communicating background information. This memorandum typically includes information that allows prospective acquirers to evaluate the acquisition opportunity prior to submitting non-binding expressions of interest or visiting the client. Personnel may not make any representation or warranty as to the accuracy or completeness of memorandum information. The designated Principal will ensure that memorandums include language disclosing that the memoranda do not represent offers to sell the company or its securities.

M&A Fees

The purpose of the Firm's M&A activity is to generate fee income by providing advisory services on transactions in which a security is transferred at settlement/closing. All services will be subject to the terms of an engagement letter, describing the scope of the assignment, the fee arrangement and other specifics of the relationship between the Firm and the client. The Firm typically receives a success fee contingent upon completion of an assignment, with out-of-pocket expenses paid by the client. Such fees are typically based upon the size of the transaction and are due at closing. The Firm may also receive retainer fees upon signing an engagement letter and periodically thereafter, which may be credited against any success fee.

In the case of valuations, fees charged by the Firm will be a fixed dollar amount not subject to the estimated valuation amounts; and with fairness opinions, fees will be a fixed dollar amount contingent only upon issuance of an opinion, and not subject to the valuation, completion of the transaction, or the Firm's expressed opinion on the fairness of the transaction. The designated Principal is charged with reviewing and approving all fees negotiated by Firm personnel. His or her signature on the agreements or initials on agreements executed by other Company personnel will evidence this approval.

M&A Legal Issues

When services are provided to publicly-held clients or to investors in such companies, legal counsel may be required and retained to ensure compliance with appropriate rules and regulations regarding proxy solicitations or tender offers or other potential securities matters. Additionally, M&A transactions may present the risk of potential conflicts of interest.

M&A Record Keeping

The Firm shall maintain files for each M&A engagement including the following information, as appropriate:

- A signed copy of the engagement letter
- A copy of all descriptive memorandums
- Distribution ledgers, indicating the name of each individual receiving a copy of the memorandum, date of receipt, number of memorandum (if appropriate) and any other pertinent information.
- Copies of any confidentiality agreements
- A copy of any Fairness Opinion letter
- A copy of the final presentation made to the client's board of directors.

- A log of expenses, and any invoices for fees or expense reimbursement.

The Supervisory Principal in charge of M&A engagements will review the files of each engagement, on an on-going basis, to ensure that all required documents are being maintained.

M&A Securities Offerings

When securities offerings are made by the Firm in conjunction with M&A advisory services (for instance, offering privately-placed debt securities in the context of a restructuring or recapitalization), all relevant procedures described in this Manual relating to securities offerings must be followed. No securities offerings are permitted without proper registration and supervisory approval, as herein described.

Self Offerings by WealthForge Securities or its parent WealthForge Holdings[117]

In the case that WealthForge Securities, or its parent company WealthForge Holdings, is issuing its securities in an offering, there are special requirements that the Firm must meet.

First, the offering document for the offering will contain disclosures addressing both the intended use of the offering proceeds, the offering expenses, and the amount of selling compensation that will be paid to the Firm or an associated person of the Firm.

Second, the Firm, as required by FINRA rule 5122, will file the offering document with FINRA's Corporate Financing Department at or before the time any such document is provided to any prospective investor. This Filing will be handled by the CCO or his designee.

Finally, for any such offering, at least 85% of the offering proceeds raised will be used for business purposes, as defined in the offering materials. Any offering costs, discounts, commissions or any other cash or non-cash sales incentives shall not be counted as business purposes. It shall be the CCO and FINOP's responsibilities to ensure that this restriction is both disclosed and followed by the Firm, and/or its affiliates.

Blue Sky Considerations

The issuer is responsible for consulting with outside counsel to determine if the issue qualifies for the NSMIA exemption from Blue Sky requirements. If it does not, the issuer is responsible for making the necessary filings and registering the issue with individual states.

The Firm will file with Virginia within 15 days of the first sale in the state in the event that a managing broker-dealer client does not. The Firm will make applicable blue sky filings through NASAA EFD or the state website on behalf of a managing broker dealer client if agreed upon by the parties.

[117] FINRA Rule 5122, https://www.finra.org/rules-guidance/rulebooks/finra-rules/5122.

Syndicate Member Procedures
The CCO, or his designee will review WFS's participation as a syndicate member in an offering will oversee the distribution of securities sold by WFS representatives.

When WFS participates in an offering as a Selling Group Member the CCO, or his designee, will:

- Review agreements and related documents, and accept or decline participation
- Determine whether to add the security to WFS Restricted List and determine when price and trading restrictions are lifted
- Advise the Managing Underwriter of any unsold allotment

Fixed Priced Offerings
Offerings must be sold at the stated public offering price to buyers.

Indications of Interest
Indications of interest are accepted prior to the effective date of the underwriting. Indications of interest are not orders and do not become orders until the CCO, or his designee, confirms that securities are available to satisfy indications. Registered Representatives are responsible for re-confirming the customer's purchase of the securities at the time the issue is effective and allocated to customers. There is no assurance client's will receive the entire quantity of securities to meet their indications of interest.

Offering Documents and Confirmations to Purchasers
Preliminary offering documents will be provided to Registered Representatives if and/or when available. Registered Representatives are responsible for providing available offering documents to customers who submit an indication of interest in the new issue.

If the issuer files the offering document with the SEC within a prescribed period of time and complies with certain other conditions, the issuer is not required to print and physically deliver a final offering circular to investors. For issuers that are required to provide offering documents, copies will be obtained and forwarded to purchasers by the Registered Representative. For a public offering, in lieu of sending offering documents, purchasers may be notified of electronic access to the offering document if the issue qualifies for this alternative under SEC Rule 172.

An investor may request a physical copy of the final offering document, but the offering document is not required to be provided prior to settlement.

Electronic Delivery of Offering Document
Where WFS determines to provide offering documents through electronic media, the following guidelines apply:

- The offering document itself may be sent via email, or similar method.

- If an offering document is posted on the WFS web site, separate written notice by email or regular mail will be forwarded to the investor.
- Customers must agree to accept electronic delivery and such consent will be retained in the customer's records.
- Delivery will be evidenced in Decisions (e.g. confirmation document has been downloaded, record of hyper link access; etc.)
- Investors expected to purchase the offered securities will be notified an update is available.
- When an offering document is amended:
    1. a postcard or email will be sent to investors notifying them of the availability of the amended offering document, or
    2. a paper copy of the amendment will be sent to investors.

Term Sheets

Term sheets may be provided to prospective purchasers and may meet the requirements of a plain English summary that includes most material terms of the proposed offering. Bullet points may cross-reference detailed information in the offering document.

Term sheets may also be provided to new issue purchasers who have received a preliminary offering document. The term sheet is included with the customer's confirmation and supplements the preliminary offering document to disclose final terms such as price and effective date.

Prohibited Activities

Misrepresentation of Registration with Regulators

WFS and its Registered Representatives will not misrepresent the Firm’s affiliation with any regulatory body including an implication that regulatory registration indicates a regulator has passed upon or approved the financial standing, business, or conduct of WFS or the merits of any security or transaction it performs.

WFS and its employees may not:

- Make material misstatements or omissions in the registration statement.
- Fail to comply with applicable registration requirements.
- Fail to provide a final offering document when required.
- Engage in fraudulent transactions.

Anti-Competitive Activities

The following are prohibited anti-competitive activities:

- The exchange of price information among competitors to influence another firm's pricing of services
- Directing, requesting, or attempting to influence another member to maintain or adjust a price
- Engaging, directly or indirectly, in any conduct that threatens, harasses, coerces, intimidates, or otherwise attempts improperly to influence another firm or employee of another firm

Tying
IPOs may not be sold to customers where:

- The purchase is tied to a promise from the customer to buy additional shares once trading begins in the new issue.
- The purchase of a highly desirable IPO is tied to the customer's promise to buy IPOs with less market interest.

Laddering
"Laddering" is another prohibited tying arrangement where an underwriter requires IPO investors to submit orders to buy additional shares of the same stock at higher prices after trading begins.

Misrepresenting Pricing
When participating in a primary or secondary distribution of a security which is not admitted to trading on a national securities exchange, WFS or any employee cannot make a representation that the security is being offered to a customer "at the market" or at a price related to the market unless WFS is aware of a bona fide market for the security which it or any affiliate does not control.

No Market Making or Research Activities
WFS will not hold inventory and will not be a market maker in the securities. Further WFS will not issue any research on a security.

Borrowing From or Lending to Customers:
Representatives of the Firm are not allowed to borrow money from, or lend money to, retail customers under any circumstances.

The CCO or other designated principal will be responsible for monitoring for evidence of lending or borrowing during this review of representative correspondence. Supervisory Principals should also be alert for this type of activity during their onsite review of representative offices. If it is discovered that a representative has violated this policy, then the CEO or in consultation with the CCO will be responsible for determining the consequences, which may include being terminated for cause.

In all cases, the CCO or his designee will maintain all corresponding documents in the representative's file.

The Restricted and Watch Lists
The Firm maintains both a Restricted List and a Watch List. The lists are maintained by the CCO or his/her designee. These lists are reviewed on a yearly basis.

Restricted List
The Restricted List is available to the entire Firm via ShareFile. A company name is generally added to the Restricted List as soon as there has been a public announcement

that WFS is participating in an offering of that company's securities, or that WFS is acting as an advisor in a transaction in which that company is participating. Banking personnel should contact a member of the compliance department to have a company added to the Restricted List. The Lead Investment Banker should notify a member of the compliance department when the transaction is complete.

Watch List

The Watch List is a highly confidential list of companies about which WFS is in the possession of, or is likely to receive, material, nonpublic information (this is a matter of judgment, but may include instances where WFS is asked to negotiate a confidentiality agreement or NDA). Investment banking personnel are responsible for notifying a member of the compliance department when they become aware of material, non-public information about a company. Once the material, non-public information becomes public knowledge (or is otherwise no longer considered material non-public information), the Lead Banker should contact a member of the Compliance department to remove the company from the Watch List.The Firm utilizes ComplySci to monitor its watch list.

Whistleblower (Anti-Retaliation) Policy

On occasion, associates may have cause to believe there has been or will be a violation of federal securities law. The Firm encourages associates to provide such information directly to the Compliance Department.

The Firm recognizes that some associates may not feel comfortable supplying such information to the Compliance Department. In these cases, employees may choose to file directly with the Office of the Whistleblower Program through the Securities Exchange Commission.

Any submission, either through Compliance or directly with the SEC, will result in no negative impact to the associate or his or her position at the Firm. If an associate decides to file with the SEC, the rules provide that certain criteria be met in order to be eligible for a whistleblower award.

Any whistleblower that interferes with the compliance program of its Firm or unreasonably delays in reporting a securities violation to its compliance program or the SEC may see a reduction in the amount of any whistleblower award due him or her.

The SEC will maintain confidentiality to the best of its ability with regard to a whistleblower’s identity. Examples of situations that may cause a whistleblower’s name to be revealed include when disclosure is required to a defendant or respondent in a federal court or administrative action or when the SEC determines that it is necessary to protect investors, it may reveal an associate’s name to the Department of Justice or other appropriate authority.

For more information on the Whistleblower Program associates are encouraged to visit the program’s website at http://www.sec.gov/whistleblower.

Appendix A: Anti-Money Laundering (AML) Program

Last revision: July 24th, 2025

Introduction

This program is intended to assure compliance with the letter and spirit of the following anti-money laundering laws:

- OFAC Regulations, 31 CFR Pt. 500, et seq., and relevant Executive Orders;
- The Bank Secrecy Act, 31 USC §5301, et seq., as amended by the USA PATRIOT Act, Public Law 107-56 and regulations promulgated thereunder;
- Internal Revenue Code Section 60501/Patriot Act § 365;
- SEC Rule 17a-8 under the Securities Exchange Act of 1934 and FINRA Conduct Rules 3110 and 3310;
- 18 USC §§ 1956-57 and other applicable criminal statutes; and
- Countering the Financing of Terrorism National Priorities
- Applicable state laws.

The CEO of the broker/dealer is ultimately responsible for ensuring that the broker/dealer establishes and maintains an adequate anti-money laundering program. The anti-money laundering program and any amendments thereto shall be dated and approved by the CEO in writing at least once per calendar year. Kolby Griffin is designated as the Anti Money Laundering Compliance Officer (“AML-CO”). AML-CO responsibilities include:

1) Implementing the AML program;
2) Designing and implementing employee and representative AML training;
3) Filing reports required or permitted by law with regulatory authorities;
4) Reporting any WFS change in contact information to FINRA.

The AML-CO may assign others to perform tasks necessary to implement this anti-money laundering program, but may not delegate the responsibility for the program.

Firm Policy

It is the policy of the Firm to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities by complying with all applicable requirements under the Bank Secrecy Act (BSA) and its implementing regulations.

Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds so that the proceeds appear to have derived from legitimate origins or constitute legitimate assets. Generally, money laundering occurs in three stages. Cash first enters the financial system at the "placement" stage, where the cash generated from criminal activities is converted into monetary instruments, such as money orders or traveler's checks, or deposited into accounts at financial institutions. At the "layering" stage, the funds are transferred or moved into other accounts or other financial institutions to further separate the money from its criminal origin. At the "integration" stage, the funds are reintroduced into the

economy and used to purchase legitimate assets or to fund other criminal activities or legitimate businesses.

Terrorist financing may not involve the proceeds of criminal conduct, but rather an attempt to conceal either the origin of the funds or their intended use, which could be for criminal purposes. Legitimate sources of funds are a key difference between terrorist financiers and traditional criminal organizations. In addition to charitable donations, legitimate sources include foreign government sponsors, business ownership and personal employment. Although the motivation differs between traditional money launderers and terrorist financiers, the actual methods used to fund terrorist operations can be the same as or similar to methods used by other criminals to launder funds. Funding for terrorist attacks does not always require large sums of money and the associated transactions may not be complex.

The Firm's AML policies, procedures and internal controls are designed to ensure compliance with all applicable BSA regulations,[118] FINRA rules,[119] and other applicable rules will be reviewed and updated on a regular basis to ensure appropriate policies, procedures and internal controls are in place to account for both changes in regulations and changes in the Firm's business.

AML Compliance Person Designation and Duties[120]

As of April 12, 2021, the Firm has designated Kolby Griffin as its Anti-Money Laundering Program Compliance Person ("AML-CO"), with full responsibility for the Firm's AML program. The AML-CO has a working knowledge of the BSA and its implementing regulations and is qualified by experience, knowledge and training. The duties of the AML-CO will include monitoring the Firm's compliance with AML obligations, overseeing communication related to the AML Program, and AML training for applicable employees. The AML-CO will also ensure that the Firm keeps and maintains all the required AML records and will ensure that Suspicious Activity Reports (SAR-SFs) are filed with the Financial Crimes Enforcement Network (FinCEN) when appropriate. The AML-CO is vested with full responsibility and authority to enforce the Firm's AML program.

The Firm provided FINRA with contact information for the AML-CO, including: (1) name; (2) title; (3) mailing address; (4) email address; (5) telephone number; and (6) facsimile number through the FINRA Contact System (FCS).[121] The Firm will promptly notify FINRA of any change in this information through the FCS. The CCO will review, and, if necessary, update this information within 17 business days after the end of each calendar year.[122] In

[118] *See* 31 C.F.R. § 103.120(c), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.120.pdf.
[119] *See* FINRA Rule 3310, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3310.
[120] *See* NTM 06-07, https://www.finra.org/rules-guidance/notices/06-07; *see also* NTM 02-78, https://www.finra.org/rules-guidance/notices/02-78.
[121] *See* FINRA Rule 3310(d), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3310; 31 C.F.R. § 103.120, available at https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.120.pdf.
[122] *See* FINRA Rule 4517(c)(1), https://www.finra.org/rules-guidance/rulebooks/finra-rules/4517; FINRA, *FINRA Contact System*, https://www.finra.org/filing-reporting/fcs/finra-contact-system-fcs-instructions-help; FINRA Rule 3310.01.

addition, if there is any change to the information, the CCO will update the information promptly, but in any event not later than 30 days following the change.[123]

Giving AML Information to Federal Law Enforcement Agencies and Other Financial Institutions[124]

Financial Crimes Enforcement Network ("FinCEN") Requests under USA PATRIOT Act Section 314(a)[125]

Pursuant to the BSA and its implementing regulations, financial institutions are required to make certain searches of their records upon receiving an information request from FinCEN. WFS will download the list of individuals and entities communicated through the 314a Information Sharing secured web site and compare such names (and other identifying information as applicable) to the Firm's client database. Although WFS holds no customer accounts, WFS defines their customers as the Issuer of an offering or Regulation A offering for which WFS processed a transaction (including their authorized representatives) and the subscribers for any offering where WFS is considered the broker-dealer of record.

In order for a firm to obtain information requests from FinCEN, the firm must first designate an AML-CO (AML Contact Person) in the FINRA Contact System ("FCS"). To change the person who receives FinCEN requests, you must change the AML contact information in FCS. In the event of a change in personnel who will receive this information, you should be aware that FinCEN receives a data feed of this revised information from FCS every other week and that it may take several weeks for a firm's new AML contact person to receive information from FinCEN. Therefore, it is advisable for a firm that is aware that a person who had been receiving FinCEN is leaving the firm to change the information on FCS as soon as practical to ensure continuity of receiving FinCEN information.

WFS will respond to a FinCEN request concerning accounts and transactions (a 314(a) Request) by immediately searching the Firm's records to determine whether we have engaged in any transaction (i.e. Reg. D Issuer/ Private Placement Investor), with each individual, entity or organization named in the 314(a) Request as outlined in the Frequently Asked Questions (FAQ) located on FinCEN's secure Web site. The Firm understands that it has 14 days (unless otherwise specified by FinCEN) from the transmission date of the request to respond to a 314(a) Request. The Firm will designate through the FCS one or more persons to be the point of contact (POC) for 314(a) Requests and will promptly update the POC information following any change in such information. Unless otherwise stated in the 314(a) Request or specified by FinCEN, the

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[123] *See* FINRA Rule 4517(c)(1); FINRA Rule 3310.01.

[124] FINCEN, Press Release (Feb. 6, 2003), https://www.fincen.gov/news/news-releases/fincen-reinstate-usa-patriot-act-section-314a-information-requests; FINCEN, Press Release (Feb. 12, 2003), https://www.fincen.gov/news/news-releases/usa-patriot-act-section-314; NASD Member Alert (Feb. 14, 2003), https://www.finra.org/sites/default/files/NoticeDocument/p003346.pdf. FinCEN also provides financial institutions with General Instructions and Frequently Asked Questions relating to 314(a) requests through the 314(a) Secured Information Sharing System or by contacting FinCEN at (800) 949-2732.

[125] 31 C.F.R. § 103.120, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.120.pdf.

Firm is required to search those documents outlined in FinCEN's FAQ. If a match is found, the AML-CO will report it to FinCEN via FinCEN's Web-based 314(a) Secure Information Sharing System within 14 days or within the time requested by FinCEN in the request. If the search parameters differ from those mentioned above (for example, if FinCEN limits the search to a geographic location), the AML-CO will structure the search accordingly.

If the AML-CO searches the Firm's records and does not find a transaction, then the AML-CO will document that he or she has performed the require search by printing the self-verification document from FinCEN's 314(a) Secure Information Sharing System confirming that the firm has searched the 314(a) subject information against our records.

The Firm will not disclose the fact that FinCEN has requested or obtained information from the Firm, except to the extent necessary to comply with the information request. The AML-CO will review, maintain and implement procedures to protect the security and confidentiality of requests from FinCEN similar to those procedures established to satisfy the requirements of Section 501 of the Gramm-Leach-Bliley Act with regard to the protection of customers' nonpublic information.

The Firm will direct any questions about the 314(a) Request to the requesting federal law enforcement agency as designated in the request.

Unless otherwise stated in the 314(a) Request, the Firm will not be required to treat the information request as continuing in nature, and the Firm will not be required to treat the periodic 314(a) Requests as a government provided list of suspected terrorists for purposes of the customer identification and verification requirements.

AML/CFT Priorities[126]

In 2021, FinCEN issued the first government-wide priorities for anti-money laundering and countering the financing of terrorism (AML/CFT) policy (the "Priorities"), following consultation with other relevant Department of the Treasury offices, as well as Federal and State regulators, law enforcement, and national security agencies. The Priorities identify and describe the most significant AML/CFT threats currently facing the United States. In no particular order, these include: corruption, cybercrime, domestic and international terrorist financing, fraud, transnational criminal organizations, drug trafficking organizations, human trafficking and human smuggling, and proliferation financing.

The firm has reviewed these priorities and has policies and procedures currently in place to counteract the Financing of Terrorism.

National Security Letters[127]

[126] FINCEN, Anti-Money Laundering and Countering the Financing of Terrorism National Priorities (June 2021), https://www.fincen.gov/sites/default/files/shared/AML_CFT%20Priorities%20(June%2030%2C%202021).pdf.

[127] FINCEN, *The SAR Activity Review Trends, Tips & Issues* (Issue 8, April 2005), https://www.fincen.gov/sites/default/files/shared/sar_tti_08.pdf.

National Security Letters (NSLs) are written investigative demands that may be issued by the local Federal Bureau of Investigation and other federal government authorities conducting counterintelligence and counterterrorism investigations to obtain, among other things, financial records of broker-dealers. NSLs are highly confidential. No broker-dealer, officer, employee or agent of the broker-dealer can disclose to any person that a government authority or the FBI has sought or obtained access to records.

Firms that receive NSLs must have policies and procedures in place for processing and maintaining the confidentiality of NSLs. If you file a Suspicious Activity Report (SAR-SF) after receiving a NSL, the SAR-SF should not contain any reference to the receipt or existence of the NSL.

Grand Jury Subpoenas[128]

Grand juries may issue subpoenas as part of their investigative proceedings. WFS understands that the receipt of a grand jury subpoena concerning a customer does not in itself require that the Firm file a SAR-SF. When a grand jury subpoena is received, the Firm will conduct a risk assessment of the customer subject to the subpoena and will review the customer's activity in WealthForge transactions. If the Firm uncovers suspicious activity during its risk assessment and review, the Firm will elevate that customer's risk assessment and file a SAR-SF in accordance with the SAR-SF filing requirements.

The Firm understands that none of its officers, employees or agents may directly or indirectly disclose to the person who is the subject of the subpoena its existence, its contents or the information the Firm used to respond to it. To maintain the confidentiality of any grand jury subpoena received, the Firm will process and maintain the subpoena by using password protected documents (if documents are electronic in nature) and keep all hard copy documents related to such subpoenas in a secure location, only accessible by the AML-CO.

If the Firm files a SAR-SF after receiving a grand jury subpoena, the SAR-SF will not contain any reference to the receipt or existence of the subpoena. The SAR-SF will only contain detailed information about the facts and circumstances of the detected suspicious activity.

Joint Filing of SARs by Broker-Dealers and Other Financial Institutions

The obligation to identify and properly report a suspicious transaction and to timely file a SAR-SF rests separately with each broker-dealer.[129] However, one SAR-SF may be filed for a suspicious activity by all broker-dealers involved in a transaction (so long as the report filed contains all relevant and required information) if the SAR-SF is jointly filed.[130]

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[128] FINCEN, *The SAR Activity Review Trends, Tips & Issues* (Issue 10, May 2006), https://www.fincen.gov/sites/default/files/shared/sar_tti_10.pdf.

[129] 31 C.F.R. § 103.19(a)(1), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.19.pdf.

[130] *See generally* 31 C.F.R. § 103.110, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.110.pdf.

In addition, if a broker-dealer and another financial institution that is subject to the SAR regulations are involved in the same suspicious transaction, the financial institution may also file a SAR jointly (so long as the report filed contains all relevant and required information). For example, a broker-dealer and an insurance company may file one SAR with respect to suspicious activity involving the sale of variable insurance products. Disclosures that are made for the purposes of jointly filing a SAR are protected by the safe harbor contained in the SAR regulations. The financial institutions that jointly file a SAR shall each be separately responsible for maintaining a copy of the SAR and should maintain their own SAR supporting documentation in accordance with BSA recordkeeping requirements.[131] See Section XVI (Suspicious Transaction and BSA Reporting) for information on a broker-dealers obligation to file a SAR to report suspicious transactions.

Should WFS share information and determine to file joint SARs with another financial institution the following procedures and circumstances will apply:

- WFS does not maintain a clearing relationship, therefore the Firm will NOT share information about particular suspicious transactions with a clearing broker.
- Although it is not contemplated in the future, should WFS seek the services of a clearing broker the AML-CO will complete the 314(b) Voluntary Information Sharing notice to share information with the clearing broker as needed. In cases where it is determined WFS and the clearing broker will file a joint SAR-SF for a transaction that has been handled both by the Firm and by the clearing broker, the Firm may share with the clearing broker a copy of the filed SAR-SF.
- Both WFS and the clearing broker are responsible for maintaining copies of the jointly filed SAR-SF and any supporting documentation.
- If the Firm determines it is appropriate to jointly file a SAR-SF, with another financial institution other than a clearing broker, the Firm understands that the Firm cannot disclose that it has filed a SAR-SF to any financial institution except the financial institution that is filing jointly. If determined it is not appropriate to file jointly (e.g., because the SAR-SF concerns the other broker-dealer or one of its employees), the Firm understands that it cannot disclose that the Firm has filed a SAR-SF to any other financial institution or insurance company.

Sharing SAR-SFs with Parent Companies[132]

On January 20, 2006, FinCEN issued guidance permitting under certain conditions the sharing of SAR-SFs with either foreign or domestic parent entities.

Because the Firm is a subsidiary, the Firm may share SAR-SFs with WealthForge Holdings, Inc. ("WealthForge Holdings"). Before the Firm shares SAR-SFs with WealthForge Holdings, the Firm will have in place written confidentiality agreements or written arrangements that WealthForge Holdings protects the confidentiality of the SAR-SFs through appropriate internal controls.

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[131] *See generally* 31 C.F.R. § 103.38, https://www.govinfo.gov/content/pkg/CFR-2010-title31-vol1/pdf/CFR-2010-title31-vol1-sec103-38.pdf.

[132] *See* FinCEN, *Guidance on Sharing of Suspicious Activity Reports by Securities Broker-Dealers, Futures Commission Merchants, and Introducing Brokers in Commodities* (Jan. 20, 2006), https://www.fincen.gov/resources/statutes-regulations/guidance/guidance-sharing-suspicious-activity-reports-securities.

Checking the Office of Foreign Assets Control Listings[133]

Although not part of the BSA and its implementing regulations, the Office of Foreign Assets Control ("OFAC") compliance is often performed in conjunction with AML compliance. OFAC is an office of the U.S. Treasury that administers and enforces economic sanctions and embargoes based on U.S. foreign policy and national security goals that target geographic regions and governments (e.g., Cuba, Sudan and Syria), as well as individuals or entities that could be anywhere (e.g., international narcotics traffickers, foreign terrorists and proliferators of weapons of mass destruction).

As part of its enforcement efforts, OFAC publishes a list of Specially Designated Nationals and Blocked Persons (SDN list), which includes names of companies and individuals who are connected with the sanctions' targets. U.S. persons are prohibited from dealing with SDNs wherever they are located, and all SDN assets must be blocked.

Before closing a transaction, and on a periodic basis, the Registered Representative ("RR") or Investment Banking Representative ("IB") will check to ensure that a customer does not appear on the SDN list or is not engaging in transactions that are prohibited by the economic sanctions and embargoes administered and enforced by OFAC.

Because the SDN list and listings of economic sanctions and embargoes are updated frequently, the Firm will consult them on a regular basis and subscribe to receive any available updates when they occur. With respect to the SDN list, the Firm may also access that list through various software programs to ensure speed and accuracy.

OFAC Search Tool: https://sanctionssearch.ofac.treas.gov/

The AML-CO will review existing customers against the SDN list and listings of current sanctions and embargoes periodically when they are updated.

If the Firm determines that a customer is on the SDN list or is engaging in transactions that are prohibited by the economic sanctions and embargoes administered and enforced by OFAC, the Firm will reject the transaction and/or block the customer's assets and file a blocked assets and/or rejected transaction form with OFAC within 10 days. The Firm will also call the OFAC Hotline at (800) 540-6322 immediately.

For entities that are customers, the Firm will review its equity owners to ensure that 50% or more is not owned by blocked persons. If 50% or more of an entity is owned by a

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[133] *See* SEC, *Anti-Money Laundering (AML) Source Tool for Broker-Dealers*, Item 12 (May 16, 2022), https://www.sec.gov/about/offices/ocie/amlsourcetool; OFAC, *Sanctions List Search*, https://sanctionssearch.ofac.treas.gov/ (including links to the SDN List and lists of sanctioned countries); FINRA, *All Compliance Tools*, https://www.finra.org/compliance-tools/all-compliance-tools.

Note that an individual may also subscribe to receive updates on the OFAC Subscription webpage (https://ofac.treasury.gov/faqs/topic/1511). See also the following OFAC Forms, which can be found at https://ofac.treasury.gov/ofac-reporting-system: Blocked Properties Reporting Form; Voluntary Form for Reporting Blocked Transactions; Voluntary Form for Reporting Rejected Transactions; and OFAC Guidance Regarding Foreign Assets Control Regulations for the Securities Industry.

blocked person, or persons, then that entity qualifies as a blocked person and the Firm may not engage in the transaction.

The Firm's review will include transactions involving customers (including activity that passes through the firm such ACH transactions or Wire transactions) and the review of customer transactions that involve physical security certificates.

Customer Identification Program
Firms are required to have and to follow reasonable procedures to document and verify the identity of their customers who open new accounts. These procedures must address the types of information the Firm will collect from the customer and how it will verify the customer's identity. These procedures must enable the Firm to form a reasonable belief that it knows the true identity of its customers. The final rule, which FinCEN and the SEC jointly issued on April 30, 2003, applies to all new accounts opened on or after October 1, 2003. WealthForge does not have customer accounts but will apply these rules to investors who participate in a WealthForge transaction

The firm's customer identification program (CIP) must be in writing and be part of the firm's AML compliance program.

Note that the CIP rule applies only to **"customers"** who open new "accounts" with a broker-dealer. Specifically, the CIP rule defines a "customer" as (1) a person that opens a new account or (2) an individual who opens a new account for an individual who lacks legal capacity or for an entity that is not a legal person.[134]

"Customer" does not refer to persons who fill out account opening paperwork or who provide information necessary to establish an account, if such persons are not the accountholder as well. Again, WealthForge does not have accounts, but considers investors who participate in a WealthForge transaction to be its customers and will follow these guidelines for such persons.[135]

Also, for purposes of the CIP rule's definition of customer, the following entities are excluded from the definition of "customer":

- a financial institution regulated by a federal functional regulator (that is, an institution regulated by the Board of Governors of the Federal Reserve;
- Federal Deposit Insurance Corporation;
- National Credit Union Administration;
- Office of the Comptroller of the Currency;
- Office of Thrift Supervision; Securities and Exchange Commission; or
- Commodity Futures Trading Commission) or a bank regulated by a state bank regulator;
- a department or agency of the United States, of any State, or of any political subdivision of any State;

[134] 31 C.F.R. § 103.122(a)(4)(i), https://ofac.treasury.gov/ofac-reporting-system.
[135] 31 C.F.R. § 103.122(a)(4)(ii), https://ofac.treasury.gov/ofac-reporting-system.

- any entity established under the laws of the United States, of any State, or of any political subdivision of a State that exercises governmental authority on behalf of the United States, any State, or any political subdivision of a State;
- any entity, other than a bank, whose common stock or analogous equity interests are listed on the New York Stock Exchange or the American Stock Exchange or have been designated as a NASDAQ National Market Security (now designated as either a NASDAQ Global Market Security or a NASDAQ Global Select Market Security) listed on the NASDAQ Stock Market, with the exception of stock or interests listed under the separate "NASDAQ Small-Cap Issues" (now known as NASDAQ Capital Markets) heading (but only to the extent of domestic operations for any such persons that are financial institutions, other than banks); or
- a person that has an existing account with the broker-dealer, provided the broker-dealer has a reasonable belief that it knows the true identity of the person.

Accordingly, a broker-dealer is not required to verify the identities of persons with existing accounts at the firm, as long as the broker-dealer has a reasonable belief that it knows the true identity of the customer.

For purposes of the CIP rule, an "**account**" is defined as a formal relationship with a broker-dealer established to effect transactions in securities, including, but not limited to, the purchase or sale of securities, securities loan and borrowing activity, and the holding of securities or other assets for safekeeping or as collateral.[136]

The following are excluded from the definition of "account": (1) an account that the broker-dealer acquires through any acquisition, merger, purchase of assets or assumption of liabilities and (2) an account opened for the purpose of participating in an employee benefit plan established under the Employee Retirement Income Security Act of 1974 (ERISA).[137]

CIP Procedures[138]
WFS will verify the identity of its customers either by documentary or non-documentary means.

In addition to the information, the Firm must collect under FINRA Rule 2010 (Standards of Commercial Honor and Principles of Trade), FINRA Rules 2111 (Suitability) and 3110 (Books and Records) and Securities Exchange Act of 1934 (Exchange Act) Rules 17a-3(a)(9) (Beneficial Ownership regarding Cash and Margin Accounts) and 17a-3(a)(17) (Customer Accounts), The Firm has established, documented, and maintained a written Customer Identification Program (CIP).

[136] 31 C.F.R. § 103.122(a)(1)(i), https://ofac.treasury.gov/ofac-reporting-system.
[137] 31 C.F.R. § 103.122(a)(1)(ii), https://ofac.treasury.gov/ofac-reporting-system.
[138] *See generally* 31 C.F.R. § 103.122, https://ofac.treasury.gov/ofac-reporting-system; SEC, *Question and Answer Regarding the Broker-Dealer Customer Identification Program Rule* (Oct. 1, 2003), https://www.sec.gov/divisions/marketreg/qa-bdidprogram.htm; NASD Notice to Members 03-34 (June 2003), https://www.finra.org/sites/default/files/NoticeDocument/p003246.pdf.

The Firm will collect certain minimum customer identification information from each customer who makes an investment; utilize risk-based measures to verify the identity of each customer who makes an investment; record customer identification information and the verification methods and results; provide the required adequate CIP notice to customers that the Firm will seek identification information to verify their identities; and compare customer identification information with government-provided lists of suspected terrorists, once such lists have been issued by the government.
See Section 5.g. (Notice to Customers) for additional information.

This information will be gathered for investor customers from the investor profile. For issuer customers the required CIP information will be gathered from the Bad Actor form.

The Firm will collect information to determine whether any entity (Issuer or Investor) that makes an investment would be excluded as a "customer," pursuant to the exceptions outlined in 31 CFR 103.122(a)(4)(ii) (e.g., documentation of a company's listing information, licensing or registration of a financial institution in the U.S, and status or verification of the authenticity of a government agency or department).

Required Customer Information[139]
Prior to engaging in a transaction, the RR or IB will collect the following information, if applicable, for any person, entity or organization that is engaging in a transaction:

1) the name;
2) date of birth (for an individual);
3) an address, which will be a residential or business street address (for an individual), an Army Post Office (APO) or Fleet Post Office (FPO) box number, or residential or business street address of next of kin or another contact individual (for an individual who does not have a residential or business street address), or a principal place of business, local office, or other physical location (for a person other than an individual); and
4) an identification number, which will be a taxpayer identification number (for U.S. persons), or one or more of the following: a taxpayer identification number, passport number and country of issuance, alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or other similar safeguard (for non-U.S. persons).

Due to the nature of the Firm's business transactions, in the event that a customer has applied for, but has not received, a taxpayer identification number, the Firm will not allow such persons as an investor into any Private Placement transaction processed by WFS. If an Issuer has applied for a taxpayer identification number but has not yet received such number, WFS will not process any transaction through a Private Placement raise until such Issuer has obtained the taxpayer ID and can supply WFS with evidence of such taxpayer ID.

[139] *See generally* 31 C.F.R. § 103.122(b)(2)(i), https://www.govinfo.gov/content/pkg/CFR-2004-title31-vol1/pdf/CFR-2004-title31-vol1-sec103-122.pdf.

WFS allows foreign individuals and foreign entities to invest in WealthForge offerings on a case-by-case basis. WFS does not raise funds for Foreign Issuers without US corporate affiliation. WFS will collect the following information for each foreign individual investor:

1) first name; last name;
2) government issued ID or passport;
3) date of birth;
4) physical address; and
5) proof of residence at that address.

WealthForge will collect the following information for each foreign entity that invests through WealthForge:

1) government issued ID or passport for the signor;
2) business address;
3) entity formation documents;
4) if available, government record of the entity.

Additionally, all foreign investors will be checked against the OFAC list and FINCEN, as required by applicable law.

All funds, whether for a foreign or domestic investment, must come from one of the following sources:

- an account in the name of the investor on the subscription agreement or other offering document,
- a rollover from a capital account at an affiliate of the issuer, where the affiliate provides an attestation that the funds sent were for the benefit of the subscriber.
- an account for an entity which is exclusively under the control of the investor (e.g. a single member LLC), or
- an account for a revocable trust for which the investor is the grantor.

In special circumstances, the AML-CO with the CCO's approval may allow funding of an investment from a source not listed above. This approval should be documented in writing. In the case that the funding does not run through an escrow account the Firm will require a copy of the source of funds received by the issuer be provided so the Firm may comply with its AML Policy.

In the case that WealthForge is the managing broker-dealer, the Firm will ensure that the source of funds for all investments meet the Firm's requirements as seen above.

In the case that WealthForge is a member of a selling syndicate and all funds are received by the managing broker-dealer, the Firm will rely on the managing broker-dealer's source of funds review.

Customer Due Diligence Rule[140]

[140] 31 C.F.R. §§ 1010, 1020, 1023, 1024, 1026, https://www.govinfo.gov/content/pkg/FR-2016-05-11/pdf/2016-10567.pdf.

In compliance with the Customer Due Diligence Rules ("CDD") effective May 11, 2018, WealthForge will gather the following information for beneficial owners and executives that meet either the Ownership Prong or Control Prong:

- Name
- Date of birth
- Address
- Social Security Number or other Government Issued ID number

Ownership Prong: The Firm must collect the above information for each individual, if any, who directly or indirectly owns 25% or more of the equity interests of a legal entity customer. For trusts that are beneficial owners of a legal entity customer, the Firm will only gather information on the trustee(s).

Control Prong: The Firm must collect the above information for a single individual with significant responsibility to control, manage, or direct a legal entity customer, including an executive officer or senior manager (e.g., a Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, or Treasurer); or any other individual who regularly performs similar functions. This list of positions is illustrative, not exclusive, as there is significant diversity in how legal entities are structured.

The following entities are exempt from this rule:

- A financial institution regulated by a Federal Functional Regulator or bank regulated by a State bank regulator
- A department or agency of the US, of any State, or of any political subdivision of any State
- Any entity established under the laws of the United States, of any State, or of any political subdivision of any State, or under an interstate compact between two or more States, that exercises governmental authority on behalf of the United States or any such State or political subdivision
- Any entity, other than a bank, whose common stock or analogous equity interests are listed on the New York Stock Exchange or the American Stock Exchange or whose common stock or analogous equity interests have been designated as a NASDAQ National Market Security listed on the NASDAQ Stock Market (except stock or interests listed under the separate "NASDAQ Capital Markets Companies" heading) (a "listed entity", provided that, for purposes of this paragraph, a person that is a financial institution, other than a bank, is an exempt person only to the extent of its domestic operations
- Any subsidiary, other than a bank, of a listed entity that is organized under thelaws of the United States or of any State and at least 51 percent of whose common stock or analogous equity interest is owned by the listed entity, provided that, for purposes of this paragraph, a person that is a financial institution, other than a bank, is an exempt person only to the extent of its domestic operations
- An issuer of a class of securities registered under section 12 of the Securities Exchange Act of 1934 or that is required to file reports under section 15(d) of that Act

- An investment company, as defined in section 3 of the Investment Company Act of 1940, that is registered with the Securities and Exchange Commission under that Act
- An investment adviser, as defined in section 202(a)(11) of the Investment Advisers Act of 1940, that is registered with the Securities and Exchange Commission under that Act
- An exchange or clearing agency, as defined in section 3 of the Securities Exchange Act of 1934, that is registered under section 6 or 17A of that Act
- Any other entity registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934
- A registered entity, commodity pool operator, commodity trading advisor, retail foreign exchange dealer, swap dealer, or major swap participant, each as defined in section 1a of the Commodity Exchange Act, that is registered with the Commodity Futures Trading Commission
- A public accounting firm registered under section 102 of the Sarbanes-Oxley Act
- A bank holding company, as defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) or savings and loan holding company, as defined in section 10(n) of the Home Owners' Loan Act (12 U.S.C. § 1467a(n))
- A pooled investment vehicle that is operated or advised by a financial institution excluded in paragraphs 4-5
- A financial market utility designated by the Financial Stability Oversight Council under Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
- A foreign financial institution established in a jurisdiction where the regulator of such institution maintains beneficial ownership information regarding such institution
- A non-U.S. governmental department, agency or political subdivision that engages only in governmental rather than commercial activities

The following entities are subject only to the Control Prong of CDD:

1) A pooled investment vehicle that is operated or advised by a non-excluded financial institution.
2) Any legal entity that is established as a nonprofit corporation or similar entity and has filed its organizational documents with the appropriate State authority as necessary.

Customers Who Refuse to Provide Information

If a potential or existing customer either refuses to provide the information described above when requested, or appears to have intentionally provided misleading information, the Firm will NOT allow that customer to invest in an offering through WealthForge. The AML-CO will be notified so that the Firm can determine whether to report the situation to FinCEN on a SAR-SF.

Verifying Information[141]

[141] *See* 31 C.F.R. § 103.122(b), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.122.pdf.

Based on the risk, and to the extent reasonable and practicable, the Firm will ensure that it forms a reasonable belief that it knows the true identity of its customers by using risk-based procedures to verify and document the accuracy of the information received about its customers. The AML-CO will analyze the information obtained to determine whether the information is sufficient to form a reasonable belief that the Firm knows the true identity of the customer (e.g., whether the information is logical or contains inconsistencies).

The Firm will verify customer identity through documentary means, non-documentary means, or both. The Firm will use documents to verify customer identity when appropriate documents are available. In light of the increased instances of identity fraud, the Firm will supplement the use of documentary evidence by using the non-documentary means described below whenever necessary. The Firm may also use non-documentary means, if it is still uncertain about whether the Firm knows the true identity of the customer.

A reasonable belief as to the true identity of the customer may be partially formed based on the Firm's consideration of identifying information received by each customer, such as the customer's name, street address, zip code, telephone number (if provided), date of birth, and social security number.

Appropriate documents for verifying the identity of customers include the following:

- For an individual, an unexpired government-issued identification evidencing nationality or residence and bearing a photograph or similar safeguard, such as a driver's license or passport; and
- For a person (other than an individual), documents showing the existence of the entity, such as certified articles of incorporation, a government-issued business license, a partnership agreement or a trust instrument.

The Firm is not required to take steps to determine whether the document that the customer has provided to the Firm for identity verification has been validly issued and that it may rely on a government-issued identification as verification of a customer's identity. If, however, the Firm notes that the document shows some obvious form of fraud, the Firm must consider that factor in determining whether it can form a reasonable belief that it knows the customer's true identity.

The Firm will use the following non-documentary methods of verifying identity:

1) Independently verifying the customer's identity through the comparison of information provided by the customer with information obtained from a consumer reporting agency, public database or other source;
2) Checking references with other financial institutions; or
3) Obtaining a financial statement.

The Firm will use non-documentary methods of verification when:

- the customer is unable to present an unexpired government-issued identification document with a photograph or other similar safeguard;

- the firm is unfamiliar with the documents the customer presents for identification verification; and
- there are other circumstances that increase the risk that the firm will be unable to verify the true identity of the customer through documentary means.

The Firm will verify the information prior to closing the transaction. Depending on the nature of the requested transactions, the Firm may refuse to complete a transaction before it has verified the information, or in some instances when the Firm needs more time, it may, pending verification, restrict the customer transactions or dollar amount of transactions. If The Firm finds suspicious information that indicates possible money laundering, terrorist financing activity, or other suspicious activity, the Firm will, after internal consultation with the AML-CO, file a SAR-SF in accordance with applicable laws and regulations.

The Firm recognizes that the risk that it may not know the customer's true identity may be heightened for certain types of investments, such as an investment in the name of a corporation, partnership or trust that is created or conducts substantial business in a jurisdiction that has been designated by the U.S. as a primary money laundering jurisdiction, or a terrorist concern, or that has been designated as a non-cooperative country or territory.

The Firm will identify customers that pose a heightened risk of not being properly identified (such as obtaining information about beneficial ownership, individuals with authority or control over such investments). In such cases the AML-CO will also require the completion of an Enhanced Due Diligence Questionnaire (EDDQ) by an Investor as an additional measure to obtain information about the identity of the individuals associated with the customer when standard documentary methods prove to be insufficient.

The AML-CO will evidence her review of the EDDQ by placing her signature/initials and date on the form and note if any actions were taken or if the investment was not approved.

Lack of Verification[142]

When the Firm cannot form a reasonable belief that it knows the true identity of a customer, the Firm will do the following:

- ∑ impose terms under which a customer may conduct transactions while the Firm attempts to verify the customer's identity;
- ∑ determine whether it is necessary to file a SAR-SF in accordance with applicable laws and regulations.

Recordkeeping[143]

The Firm will document our verification, including all identifying information provided by a customer, the methods used and results of verification, and the resolution of any discrepancies identified in the verification process. The Firm will keep records containing a description of any document that it relied on to verify a customer's identity, noting the

[142] *See* 31 C.F.R. § 103.122(b)(2)(iii), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.122.pdf.
[143] *See* 31 C.F.R. § 103.122(b)(3), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.122.pdf.

type of document, any identification number contained in the document, the place of issuance, and if any, the date of issuance and expiration date. With respect to non-documentary verification, the Firm will retain documents that describe the methods and the results of any measures taken to verify the identity of a customer. The Firm will also keep records containing a description of the resolution of each substantive discrepancy discovered when verifying the identifying information obtained. The Firm will retain records of all identification information for six years after the transaction has closed; the Firm will retain records made about verification of the customer's identity for six years after the record is made.

Comparison with Government-Provided Lists of Terrorists[144]
At such time as the Firm receives notice that a federal government agency has issued a list of known or suspected terrorists and identified the list as a list for CIP purposes, the Firm will, prior to closing a customer's transaction (or earlier, if required by another federal law or regulation or federal directive issued in connection with an applicable list), determine whether a customer appears on any such list of known or suspected terrorists or terrorist organizations issued by any federal government agency and designated as such by Treasury in consultation with the federal functional regulators. The Firm will follow all federal directives issued in connection with such lists.

The Firm will continue to comply separately with OFAC rules prohibiting transactions with certain foreign countries or their nationals.

Notice to Customers
The CIP Rule requires the Firm to provide adequate notice to customers that it is requesting information from them to verify their identities. WFS posts this notice on its website. No matter which methods of giving notice is chosen, the Firm must give it before an account is opened. WealthForge does not have accounts and thus will provide this information prior to engaging in a transaction with a customer. FINRA has produced a Customer Identification Program Notice to assist firms in fulfilling this notification requirement. Please refer to FINRA's AML Webpage[145] for further details. The Firm will provide notice to customers that it is requesting information from them to verify their identities, as required by federal law.

WFS CIP Notice[146]
Important Information about Procedures for Opening a New Account
To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. WealthForge does not have accounts, but will collect the required information for each investor that chooses to invest in an offering through WealthForge.

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[144] *See* 31 C.F.R. § 103.122(b)(4), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.122.pdf; *see also* FINRA, NTM 02-21 (page 6, n.24), https://www.sec.gov/about/offices/ocie/aml2007/nasd-ntm-02-21.pdf; *see generally* 31 C.F.R. § 103.122.
[145] FINRA, *Anti-Money Laundering (AML)*, https://www.finra.org/rules-guidance/key-topics/aml.
[146] *See* 31 C.F.R.§ 103.122(b)(5), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.122.pdf.

What this means for the customer:
When choosing to invest in a WealthForge Offering, the Firm will ask for the customer's name, address, date of birth, and other information that will allow the Firm to confirm the customer's identity. The Firm may also ask to see the customer's driver's license or provide other identifying documents.

Reliance on another Financial Institution for Identity Verification[147]
The Firm may, under the following circumstances, rely on the performance by another financial institution (including an affiliate) of some or all of the elements of our CIP with respect to any customer that is opening an account or has established an account or similar business relationship with the other financial institution to provide or engage in services, dealings or other financial transactions:

- ∑ when such reliance is reasonable under the circumstances;
- ∑ when the other financial institution is subject to a rule implementing the anti- money laundering compliance program requirements of 31 U.S.C. § 5318(h), and is regulated by a federal functional regulator; and
- ∑ when the other financial institution has entered into a contract with our firm requiring it to certify annually to the Firm that it has implemented its anti-money laundering program and that it will perform (or its agent will perform) specified requirements of the customer identification program.

WFS will not be held responsible for the failure of the other financial institution to fulfill adequately our CIP responsibilities, provided that the Firm can establish that its reliance was reasonable and that it has obtained the requisite contracts and certifications.

High Risk and Enhanced Customer Due Diligence (ECDD)
It is important to our AML and SAR-SF reporting program that the Firm obtain sufficient information about each customer to allow it to evaluate the risk presented by that customer and to detect and report suspicious activity. When a customer engages in a transaction through WealthForge, the due diligence performed may be in addition to customer information obtained for purposes of our CIP.

For each customer WFS may review the following criteria, to determine if Enhanced Customer Due Diligence should be performed:

- ∑ customer's actual or anticipated business activity;
- ∑ customer's ownership structure;
- ∑ anticipated or actual volume and types of transactions;

[147] *See* 31 C.F.R. § 103.122(b)(6), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.122.pdf; *see also* No Action Letter to the Securities Industry and Financial Markets Association, (February 12, 2004, https://www.sec.gov/divisions/marketreg/mr-noaction/sia021204.htm; February 10, 2005, https://www.sec.gov/divisions/marketreg/mr-noaction/antiml021005.htm; July 11, 2006, https://www.sec.gov/divisions/marketreg/mr-noaction/antiml071106.htm; January 10, 2008, https://www.sec.gov/divisions/marketreg/mr-noaction/2008/sifma011008-aml.pdf). The letters provide staff guidance regarding the extent to which a broker-dealer may rely on an investment adviser to conduct the required elements of the CIP rule, prior to such adviser being subject to an AML rule.

- ∑ the source of the customer's funds.
- ∑ transactions involving high-risk jurisdictions;
- ∑ customers in businesses that have a history of being used to launder money.

For customers that the Firm has deemed to be higher risk, the Firm may obtain additional information as a part of its Enhanced Customer Due Diligence Program (ECDD).

Should WFS maintain an ongoing relationship with such customer, the customer will be asked to reaffirm the information on file with WFS on a periodic basis and no less than every 36 months.

Correspondent Accounts for Foreign Shell Banks[148]

The Firm does not hold accounts or transact with foreign entities and thus has no need for policies dealing with this possibility.

The Firm does not have, nor does it intend to open or maintain, correspondent accounts for foreign financial institutions. Any customer who chooses to invest into a transaction through WFS will be reviewed by the appropriate Supervisory Principal who will escalate any customer believed to such a correspondent account for a foreign financial institution to the AML-CO. The AML-CO will review and determine what actions must be taken with regards to such customer and documenting any actions taken.

Enhanced Due Diligence Requirements for Private Banking Accounts (PBA)/Senior Foreign Political Figures (SFPF)/Politically Exposed Persons (PEP)[149]

Firms must have an enhanced due diligence program that is reasonably designed to detect and report any known or suspected money laundering conducted through or involving any private banking account maintained by or on behalf of a non-U.S. person, as well as the existence of the proceeds of foreign corruption in any such account. This requirement applies to all private banking accounts for non-U.S. persons, regardless of when they were opened.

Accounts requested or maintained by or on behalf of "**Senior Foreign Political Figures (SFPF)**," which is defined below and includes their immediate family members and close known associates, require enhanced scrutiny. SFPFs are often referred to as "politically exposed persons" or "PEPs."

A "**Private Banking Account**" is an account (or any combination of accounts) that requires a minimum aggregate deposit of $1,000,000, is established for one or more individuals and is assigned to or administered or managed by, in whole or in part, an

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[148] *See* 31 C.F.R. § 103.175, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.175.pdf; 31 C.F.R. § 103.176, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.176.pdf; *see also FIN-2006-G009 Application of the Regulations Requiring Special Due Diligence Programs for Certain Foreign Accounts to the Securities and Futures Industries* (May 10, 2006), https://www.fincen.gov/resources/statutes-regulations/guidance/application-regulations-requiring-special-due-diligence-0.

[149] *See* 31 C.F.R. § 103.175; 31 C.F.R. § 130.178, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.178.pdf; U.S. DOJ, *Guidance on Enhanced Scrutiny for Transactions that May Inovlve the Proceeds of Foreign Official Corruption*, https://www.justice.gov/sites/default/files/criminal-fraud/legacy/2012/12/03/response2-appx-w.pdf.

officer, employee, or agent of a financial institution acting as a liaison between the financial institution and the direct or beneficial owner of the account.

A "**Senior Foreign Political Figure**" includes a current or former senior official in the executive, legislative, administrative, military, or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned commercial enterprise; a corporation, business, or other entity formed by or for the benefit of any such individual; an immediate family member of such an individual; or any individual widely and publicly known (or actually known by the firm) to be a close personal or professional associate of such an individual.

- As of February 2012, the Financial Action Task Force ("FATF") amended their definition of a "PEP" to include domestic individuals (within the U.S.) who hold or have previously held a position such as those described above under the SFPF definition.

WFS does not open or maintain PBAs, accounts for SFPFs or PEPs.

Compliance with FinCEN's Issuance of Special Measures against Foreign Jurisdictions, Financial Institutions or International Transactions of Primary Money Laundering Concern[150]

WFS does NOT maintain any accounts (including correspondent accounts) with any foreign jurisdiction or financial institution. However, if FinCEN issues a final rule imposing a special measure against one or more foreign jurisdictions or financial institutions, classes of international transactions or types of accounts deeming them to be of primary money laundering concern, the Firm understands that it must read FinCEN's final rule and follow any prescriptions or prohibitions contained in that rule.

Monitoring Customers for Suspicious Activity[151]

The AML-CO will monitor customer activity for unusual size, volume, pattern or type of transactions, taking into account risk factors and red flags that are appropriate to our business. (Red flags are identified in Section 11.b. below.)

Since WFS does not hold customer account monitoring will be conducted through the following methods:

∑ New Customer Procedures (CIP, ECDD or other EDD Programs);

[150] *See* 31 C.F.R. §§ 103.186, 103.187, 103.188, 103.192, 103.193, https://www.govinfo.gov/content/pkg/CFR-2010-title31-vol1/pdf/CFR-2010-title31-vol1-part103.pdf; *see also* Section 311 – Special Measures (for information on all special measures issued by FinCEN), https://www.fincen.gov/resources/statutes-and-regulations/311-and-9714-special-measures; FINRA, NTM 07-17, https://www.finra.org/sites/default/files/NoticeDocument/p018973.pdf; FINRA, NTM 06-41, https://www.finra.org/sites/default/files/NoticeDocument/p017183.pdf.

[151] *See* 31 C.F.R. 103.19, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.19.pdf; FINRA Rule 3310(a), https://www.finra.org/rules-guidance/rulebooks/finra-rules/3310; *see also* 67 Fed. Reg. 44048 (July 1, 2002), https://www.sec.gov/about/offices/ocie/aml2007/67fr44048-57.pdf ("it is intended that broker-dealers, and indeed every type of financial institution to which the suspicious transaction reporting rules of 31 C.F.R. part 103 apply, will evaluate customer activity and relationships for money laundering risks, and design a suspicious transaction monitoring program that is appropriate for the particular broker-dealer in light of such risks").

- ∑ Review of Escrow Account Activity (i.e. insufficient funds) prior to the disbursement of any funds upon completion of the firms fund raising efforts;
- ∑ Review of previous transaction blotters for inconsistencies or patterns of unusual activity;
- ∑ The AML-CO or his designee will be responsible for this monitoring, conducting an appropriate investigation, and will determine whether any additional steps are required, will document when and how this monitoring is carried out, and will report suspicious activities to the appropriate authorities.

Emergency Notification to Law Enforcement by Telephone

In situations involving violations that require immediate attention, such as terrorist financing or ongoing money laundering schemes, the Firm will immediately call an appropriate law enforcement authority.

If a customer or company appears on OFAC's SDN list, the Firm will call the OFAC Hotline at (800) 540-6322. Other contact numbers we will use are:

- FinCEN's Financial Institutions Hotline (866) 556-3974, (especially to report transactions relating to terrorist activity),
- local U.S. Attorney's office at (804) 786-2071,
- local FBI office (804) 261-1044 and
- Philadelphia Regional SEC Office at (215) 597-3100 (to voluntarily report such violations to the SEC in addition to contacting the appropriate law enforcement authority).

If the Firm notifies the appropriate law enforcement authority of any such activity, the Firm must still file a timely SAR-SF.[152]

Although the Firm is not required to, in cases where it has filed a SAR-SF that may require immediate attention by the SEC, the Firm may contact the SEC via the SEC SAR Alert Message Line at (202) 551-SARS (7277) to alert the SEC about the filing. The Firm understands that calling the SEC SAR Alert Message Line does not alleviate its obligations to file a SAR-SF or notify an appropriate law enforcement authority.

Red Flags

Red flags that signal possible money laundering or terrorist financing include, but are not limited to:

Customers – Insufficient or Suspicious Information

- Provides unusual or suspicious identification documents that cannot be readily verified.
- Reluctant to provide complete information about nature and purpose of business, prior banking relationships, anticipated investment activity, officers and directors or business location.

[152] *See* FINCEN, *FinCEN Form 101a Suspicious Activity Report (SAR-SF) Instructions*, https://www.fincen.gov/sites/default/files/shared/fin101_instructions_only.pdf.

- Refuses to identify a legitimate source for funds or information is false, misleading or substantially incorrect.
- Background is questionable or differs from expectations based on business activities.
- Customer with no discernible reason for using the firm's service.

Efforts to Avoid Reporting and Recordkeeping

- Reluctant to provide information needed to file reports or fails to proceed with transaction.
- Tries to persuade an employee not to file required reports or not to maintain required records.
- "Structures" deposits, withdrawals, or purchase of monetary instruments below a certain amount to avoid reporting or recordkeeping requirements.
- Unusual concern over the firm's compliance with government reporting requirements and firm's AML policies.

Certain Funds Transfer Activities

- Wire transfers to/from financial secrecy havens or high-risk geographic location without an apparent business reason.
- Many small incoming wire transfers or deposits made using checks and money order that are almost immediately withdrawn or wired out in manner inconsistent with customer's business or history may indicate a Ponzi scheme.
- Wire activity that is unexplained, repetitive, unusually large or shows unusual patterns or with no apparent business purpose.

Certain Securities Transactions

- Customer transfer of securities between unrelated parties for no apparent business reason.
- Customer's investment patterns suggest that he or she may have inside information.

Transactions Involving Penny Stock Companies

- Company has no business, no revenues, and no product.
- Company has experienced frequent or continuous changes in its business structure.
- Officers or insiders of the issuer are associated with multiple penny stock issuers.
- Company undergoes frequent material changes in business strategy or its line of business.
- Officers or insiders of the issuer have a history of securities violations.
- Company has not made disclosures in SEC or other regulatory filings (when applicable).
- Company has been the subject of a prior trading suspension.

Activity Inconsistent with Business

- Transaction patterns show a sudden change inconsistent with normal activities.

- Unusual transfers of funds/securities among accounts without any apparent business purpose.
- Maintains multiple accounts or maintains accounts in the names of family members or corporate entities with no apparent business or other purpose.
- Appears to be acting as an agent for an undisclosed principal but is reluctant to provide information.

Other Suspicious Customer Activity

- Law enforcement subpoenas.
- Large numbers of securities transactions across a number of jurisdictions.
- Payment by third-party check or money transfer without an apparent connection to the customer.
- No concern regarding the cost of transactions or fees

Responding to Red Flags and Suspicious Activity

When an employee of the Firm detects any red flag, or other activity that may be suspicious, he or she will notify the AML-CO and provide him with a summary of the red flags identified. The summery should allow him to conduct a reasonable investigation into the activity generating the red flag(s).

The AML-CO will determine whether and how to further investigate the matter. This may include gathering additional information internally or from third-party sources, contacting the government, stopping any in process transactions and/or filing a SAR-SF.

Suspicious Transactions and BSA Reporting

Filing a SAR-SF

The AML-CO will file SAR-SFs with FinCEN for any transactions conducted or attempted by, at, or through the Firm involving $5,000 or more of funds or assets (either individually or in the aggregate) where the Firm knows, suspect or has reason to suspect:

1) the transaction involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity as part of a plan to violate or evade federal law or regulation or to avoid any transaction reporting requirement under federal law or regulation;
2) the transaction is designed, whether through structuring or otherwise, to evade any requirements of the BSA regulations;
3) the transaction has no business or apparent lawful purpose or is not the sort in which the customer would normally be expected to engage, and after examining the background, possible purpose of the transaction, and other facts, the Firm knows of no reasonable explanation for the transaction; or
4) the transaction involves the use of the firm to facilitate criminal activity.

The AML-CO will also file a SAR-SF and notify the appropriate law enforcement authority in situations involving violations that require immediate attention, such as terrorist financing or ongoing money laundering schemes. In addition, although the Firm is not required to, it may contact that SEC in cases where a SAR-SF the Firm has filed may require immediate attention by the SEC. See Section 11 for contact numbers. The Firm

also understands that, even if it notifies a regulator of a violation, unless it is specifically covered by one of the exceptions in the SAR rule, it must file a SAR-SF reporting the violation.

The Firm may file a voluntary SAR-SF for any suspicious transaction that it believes is relevant to the possible violation of any law or regulation but that is not required to be reported by the Firm under the SAR rule. It is the Firm's policy that all SAR-SFs will be reported regularly to the Board of Directors and appropriate senior management, with a clear reminder of the need to maintain the confidentiality of the SAR-SF.

The Firm will report suspicious transactions by completing a SAR-SF, and will collect and maintain supporting documentation as required by the BSA regulations. The Firm will file a SAR-SF no later than 30 calendar days after the date of the initial detection of the facts that constitute a basis for filing a SAR-SF. If no suspect is identified on the date of initial detection, we may delay filing the SAR-SF for an additional 30 calendar days pending identification of a suspect, but in no case will the reporting be delayed more than 60 calendar days after the date of initial detection. The phrase "initial detection" does not mean the moment a transaction is highlighted for review. The 30-day (or 60-day) period begins when an appropriate review is conducted and a determination is made that the transaction under review is "suspicious" within the meaning of the SAR requirements.[153] A review must be initiated promptly upon identification of unusual activity that warrants investigation.

The Firm will retain copies of any SAR-SF filed and the original or business record equivalent of any supporting documentation for five years from the date of filing the SAR-SF. The Firm will identify and maintain supporting documentation and make such information available to FinCEN, any other appropriate law enforcement agencies, federal or state securities regulators or SROs upon request. All such records will be maintained by the AML-CO in a secure location.

Understanding the confidentiality of such information, the Firm will NOT notify any person involved in the transaction that the transaction has been reported, except as permitted by the BSA regulations. The Firm understands that anyone who is subpoenaed or required to disclose a SAR-SF or the information contained in the SAR-SF will, except where disclosure is requested by FinCEN, the SEC, or another appropriate law enforcement or regulatory agency, or an SRO registered with the SEC, decline to produce the SAR-SF or to provide any information that would disclose that a SAR-SF was prepared or filed. The Firm will notify FinCEN of any such request and its response.
Firms are exempt from reporting on a SAR-SF the following violations:[154]

1) a robbery or burglary that is committed or attempted and already reported to appropriate law enforcement authorities;

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[153] *See* FINCEN, *Frequently Asked Questions Suspicious Activity Reporting Requirements for Mutual Funds*, (Question 7), https://www.fincen.gov/resources/statutes-regulations/guidance/frequently-asked-questions-suspicious-activity-reporting.

[154] *See* FINCEN, *FinCEN Form 101a Suspicious Activity Report (SAR-SF) Instructions*, https://www.fincen.gov/sites/default/files/shared/fin101_instructions_only.pdf.

2) lost, missing, counterfeit or stolen securities that the firm has reported pursuant to Exchange Act Rule 17f-1; and
3) violations of the Federal securities laws or self-regulatory organization (SRO) rules by the firm, its officers, directors, employees or registered representatives, that are reported appropriately to the SEC or SRO, except for a violation of Exchange Act Rule 17a-8, which must be reported on a SAR-SF.

However, if a Firm relies on one of these exemptions, it may be required to demonstrate such reliance, and it must maintain records, for at least five years, of its determination not to file a SAR-SF based on the exemption.

Currency Transaction Reports[155]
A firm must file a currency transaction report (CTR) for each deposit, withdrawal, exchange of currency, or other payment or transfer by, through or to the firm that involves a transaction in currency of more than $10,000 or for multiple transactions in currency of more than $10,000 when a financial institution knows that the transactions are by or on behalf of the same person during any one business day, unless the transaction is subject to certain exemptions. “Currency” is defined as “coin and paper money of the United States or of any other country” that is “customarily used and accepted as a medium of exchange in the country of issuance.” Currency includes U.S. silver certificates, U.S. notes, Federal Reserve notes, and official foreign bank notes that are customarily used and accepted as a medium of exchange in a foreign country.

WFS prohibits transactions involving currency. If we discover such transactions have occurred, the AML-CO will file with FinCEN CTRs for currency transactions that exceed $10,000. Also, we will treat multiple transactions involving currency as a single transaction for purposes of determining whether to file a CTR if they total more than $10,000 and are made by or on behalf of the same person during any one business day. We will use the CTR Form provided on FinCEN’s Web site.[156]

Currency and Monetary Instrument Transportation Reports[157]
A currency and monetary instrument transportation report (CMIR) must be filed whenever more than $10,000 in currency or other monetary instruments is physically transported, mailed or shipped into or from the United States. A CMIR also must be filed whenever a person receives more than $10,000 in currency or other monetary instruments that has been physically transported, mailed or shipped from outside the United States and a CMIR has not already been filed with respect to the currency or other monetary instruments received. A CMIR is not required to be filed by a securities broker-dealer mailing or shipping currency or other monetary instruments through the postal service or by common carrier.

[155] 31 C.F.R. § 103.11(h), https://www.fincen.gov/sites/default/files/shared/31CFR10311.pdf.
[156] See FinCEN, *Bank Secrecy Act Filing Information,* https://www.fincen.gov/resources/filing-information.
[157] 31 C.F.R. § 103.23 https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.23.pdf; 31.C.F.R. § 103.11, https://www.fincen.gov/sites/default/files/shared/31CFR10311.pdf.

"**Monetary Instruments**" include the following: currency (defined above); traveler's checks in any form; all negotiable instruments (including personal and business checks, official bank checks, cashier's checks, third-party checks, promissory notes and money orders) that are either in bearer form, endorsed without restriction, made out to a fictitious payee or otherwise in such form that title passes upon delivery; incomplete negotiable instruments that are signed but omit the payee's name; and securities or stock in bearer form or otherwise in such form that title passes upon delivery.

WFS prohibits both the receipt of currency or other monetary instruments that have been transported, mailed, or shipped to the Firm from outside of the United States, and the physical transportation, mailing or shipment of currency or other monetary instruments by any means other than through the postal service or by common carrier. The AML-CO will file a CMIR with the Commissioner of Customs if the Firm discovers that it has received, caused, or attempted to receive from outside of the U.S. currency or other monetary instruments in an aggregate amount exceeding $10,000 at one time (on one calendar day or, if for the purposes of evading reporting requirements, on one or more days).

The AML-CO will also file a CMIR if the Firm discovers that it has physically transported, mailed or shipped or caused or attempted to physically transport, mail or ship by any means other than through the postal service or by common carrier currency or other monetary instruments of more than $10,000 at one time (on one calendar day or, if for the purpose of evading the reporting requirements, on one or more days). The Firm will use the CMIR Form provided on FinCEN's Web site.[158]

Foreign Bank and Financial Accounts Reports[159]

The regulations under the BSA require broker-dealers to report and keep records related to any financial interest in, or signature authority over, a bank account, securities account or other financial account that the firm has in a foreign country in which the aggregate value of any accounts exceed $10,000. Foreign bank and financial account reports (FBARs) must be filed with the Commissioner of the IRS on or before June 30th of each calendar year for the previous year in which such accounts exist.

WFS does conduct business with Foreign Investors, but it does not hold accounts for customers and does not have any financial interest in, or signature authority over, a bank account or other financial account in any foreign countries.

If in the future the Firm engages in business activities or hold customer accounts with for a Foreign Investors/Issuers, the AML-CO will file a FBAR with the IRS for any financial accounts of more than $10,000 that the Firm holds, or for which it has signature or other authority over, in a foreign country.
The Firm will use the FBAR Form provided on the IRS's Web site.[160]

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[158] *See* FINCEN, *Bank Secrecy Act Filing Information,* https://www.fincen.gov/resources/filing-information.
[159] 31 C.F.R. § 103.24, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.24.pdf.
[160] *See* IRS, *Report of Foreign Bank and Financial Accounts (FBAR),* https://www.irs.gov/businesses/small-businesses-self-employed/report-of-foreign-bank-and-financial-accounts-fbar.

Monetary Instrument Purchases[161]
WFS does not issue bank checks or drafts, cashier's checks, money orders or traveler's checks in the amount of $3,000 or more.

Funds Transmittals of $3,000 or More under the Travel Rule[162]
When the Firm is the transmittor's financial institution in funds of $3,000 or more, the Firm will retain either the original or a copy (e.g., microfilm, electronic record) of the transmittal order. The Firm will also record on the transmittal order the following information:

1) the name and address of the transmittor;
2) the amount of the transmittal order;
3) the execution date of the transmittal order; and
4) the identity of the recipient's financial institution.

In addition, the Firm will include on the transmittal order as many of the following items of information as are received with the transmittal order:

1) the name and address of the recipient;
2) the account number of the recipient;
3) any other specific identifier of the recipient; and
4) any form relating to the transmittal of funds that is completed or signed by the person placing the transmittal order.

The Firm will also verify the identity of the person placing the transmittal order (if the Firm the transmitting Firm), provided the transmittal order is placed in person and the transmittor is not an established customer of the Firm (*i.e.*, a customer of the Firm who has not previously participated in a transaction with the Firm or for whom the Firm has not obtained and maintained a file with the customer's name, address, taxpayer identification number, or, if none, alien identification number or passport number and country of issuance).

If a transmittor or recipient is conducting business in person, the Firm will obtain:

1) the person's name and address;
2) the type of identification reviewed and the number of the identification document (*e.g.*, driver's license); and
3) the person's taxpayer identification number (*e.g.*, Social Security or employer identification number) or, if none, alien identification number or passport number and country of issuance, or a notation in the record the lack thereof.

If a transmittor or recipient is not conducting business in person, the Firm shall obtain the person's name, address, and a copy or record of the method of payment (e.g., check or ACH transaction). In the case of transmittors only, the Firm shall also obtain the

[161] 31 C.F.R. § 103.29, https://www.govinfo.gov/content/pkg/CFR-2010-title31-vol1/pdf/CFR-2010-title31-vol1-sec103-29.pdf; Amendments to the Bank Secrecy Act Regulations Relating to Identification Required to Purchase Bank Checks and Drafts, Cashier's Checks, Money Orders, and Traveler's Checks, 59 Fed. Reg. 0 (Oct. 17, 1994), https://www.govinfo.gov/content/pkg/FR-1994-10-17/html/94-25490.htm; *see also* 31 C.F.R. § 103.22(b), https://www.govinfo.gov/content/pkg/CFR-2010-title31-vol1/pdf/CFR-2010-title31-vol1-sec103-22.pdf.
[162] 31 C.F.R. § 103.33(f) and (g), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.33g.pdf.

transmittor's taxpayer identification number (e.g., Social Security or employer identification number) or, if none, alien identification number or passport number and country of issuance, or a notation in the record of the lack thereof. In the case of recipients only, the Firm shall obtain the name and address of the person to which the transmittal was sent.

AML Recordkeeping:

Responsibility for Required AML Records and SAR-SF Filing[163]

The AML-CO and/or a designee will be responsible for ensuring that AML records are maintained properly, and that SAR-SFs are filed as required.

In addition, as part of the Firm's AML program, the Firm will create and maintain SAR-SFs, CTRs, CMIRs, FBARs, and relevant documentation on customer identity and verification (See Section 5 above) and funds transmittals. The Firm will maintain SAR-SFs and accompanying documentation for at least five years. The Firm will keep other documents according to existing BSA and other recordkeeping requirements, including certain SEC rules that require six-year retention periods (e.g., Exchange Act Rule 17a-4(a) requiring firms to preserve for a period of not less than six years, all records required to be retained by Exchange Act Rule 17a-3(a)(1)-(3), (a)(5), and (a)(21)-(22) and Exchange Act Rule 17a-4(e)(5) requiring firms to retain for six years account record information required pursuant to Exchange Act Rule 17a-3(a)(17)).

SAR-SF Maintenance and Confidentiality[164]

WFS will hold SAR-SFs and any supporting documentation confidential. The Firm will not inform anyone outside of FinCEN, the SEC, an SRO registered with the SEC or other appropriate law enforcement or regulatory agency about a SAR-SF. The Firm will refuse any subpoena requests for SAR-SFs or for information that would disclose that a SAR-SF has been prepared or filed and immediately notify FinCEN of any such subpoena requests that the Firm receives (*see* Section 11 for contact numbers). The Firm will segregate SAR-SF filings and copies of supporting documentation from other Firm books and records to avoid disclosing SAR-SF filings. The AML-CO will handle all subpoenas or other requests for SAR-SFs.

Additional Records[165]

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[163] 31 C.F.R. § 103.38, https://www.govinfo.gov/content/pkg/CFR-2010-title31-vol1/pdf/CFR-2010-title31-vol1-sec103-38.pdf; 17 C.F.R. § 240.17a-8, https://www.law.cornell.edu/cfr/text/17/240.17a-8 (requiring registered broker-dealers subject to the Currency and Foreign Transactions Reporting Act of 1970 to comply with the BSA regulations regarding reporting, recordkeeping, and record retention requirements); FINRA Rule 3310, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3310.

[164] 31 C.F.R. § 103.19(e), https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.19.pdf; 67 Fed. Reg. 44048, 44054, https://www.govinfo.gov/content/pkg/FR-2002-07-01/pdf/02-16416.pdf; FINRA *Notice to Members* 02-47, https://www.finra.org/rules-guidance/notices/02-47.

[165] 31 C.F.R. §§ 103.33, https://www.govinfo.gov/content/pkg/CFR-2003-title31-vol1/pdf/CFR-2003-title31-vol1-sec103-33.pdf; 31 C.F.R. § 103.35(b), https://www.govinfo.gov/content/pkg/CFR-1999-title31-vol1/pdf/CFR-1999-title31-vol1-sec103-35.pdf.

A firm is required by the BSA to retain either an original or a microfilm copy or some other form of copy of certain records.

If applicable, we shall retain either the original or other copy of each of the following:

- A record of each extension of credit in an amount in excess of $10,000, except an extension of credit secured by an interest in real property. The record shall contain the name and address of the person to whom the extension of credit is made, the amount thereof, the nature or purpose thereof and the date thereof;
- A record of each advice, request, or instruction received or given regarding any transaction resulting (or intended to result and later canceled if such a record is normally made) in the transfer of currency or other monetary instruments, funds, checks, investment securities, or credit of more than $10,000 to or from any person, account or place outside the U.S.;
- A record of each advice, request, or instruction given to another financial institution (which includes broker-dealers) or other person located within or without the U.S. regarding a transaction intended to result in the transfer of funds, or of currency, other monetary instruments, checks, investment securities or credit, of more than $10,000 to a person, account, or place outside the U.S.;
- Each document granting signature or trading authority over each customer's account;
- Each record described in Exchange Act Rule 17a-3(a):
- blotters,
    1. ledgers for assets and liabilities, income, and expense and capital accounts,
    2. ledgers for cash and margin accounts,
    3. securities log,
    4. ledgers for securities in transfer, dividends and interest received, and securities borrowed and loaned,
    5. order tickets,
    6. purchase and sale tickets,
    7. confirms, and
    8. identity of owners of cash and margin accounts;
- A record of each remittance or transfer of funds, or of currency, checks, other monetary instruments, investment securities or credit, of more than $10,000 to a person, account, or place outside the U.S.; and
- A record of each receipt of currency, other monetary instruments, checks, or investment securities and of each transfer of funds or credit of more than $10,000 received on any one occasion directly and not through a domestic financial institution from any person, account, or place outside the U.S.

Clearing/Introducing Firm Relationships[166]

WFS does not maintain a Clearing Firm Relationship or hold customer accounts.

[166] 31 C.F.R § 103.110, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.110.pdf; FINRA Rule 3310, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3310; FINRA Rule 4311, https://www.finra.org/rules-guidance/rulebooks/finra-rules/4311; FIN-2006-G003, *Frequently Asked Questions: Foreign Bank Recertifications under 31 C.F.R. § 103.77* (Feb. 3, 2006), https://www.fincen.gov/sites/default/files/guidance/faqsguidance.pdf.

Training Programs[167]

The AML-CO will develop ongoing employee training under the leadership of senior management. The Firm's training will occur on at least an annual basis. It will be based on the Firm's size, its customer base, and resources, and it will be updated as necessary to reflect any new developments in the law.

The training will include, at a minimum:

1) how to identify red flags and signs of money laundering that arise during the course of the employees' duties;
2) what to do once the risk is identified (including how, when, and to whom to escalate unusual customer activity or other red flags for analysis and, where appropriate, the filing of SAR-SFs);
3) what employees' roles are in the firm's compliance efforts and how to perform them;
4) the firm's record retention policy; and
5) the disciplinary consequences (including civil and criminal penalties) for non-compliance with the BSA.

The Firm will develop training, or contract for it. Delivery of the training may include educational pamphlets, videos, intranet systems, in-person lectures and explanatory memos. The Firm will maintain records to show the persons trained, the dates of training and the subject matter of their training.

The Firm will review its operations to see if certain employees, such as those in compliance and/or corporate security, require specialized additional training. The written procedures will be updated to reflect any such changes.

Program to Independently Test AML Program

As the Firm does not execute transactions for customers or otherwise hold customer accounts and does not act as an introducing broker with respect to customer accounts (e.g., engages solely in proprietary trading or conducts business only with other broker-dealers) it may perform an independent test every two calendar years. As a general matter, independent testing of the AML compliance program should include, at a minimum:

1) evaluating the overall integrity and effectiveness of the Firm's AML compliance program;
2) evaluating the Firm's procedures for BSA reporting and recordkeeping requirements;
3) evaluating the implementation and maintenance of the Firm's CIP;

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[167] FINRA Rule 3310; *see* FINRA *Notice to Members 02-21*, https://www.finra.org/sites/default/files/NoticeDocument/p003704.pdf; FINCEN, *SAR Narrative Guidance Package* (Nov. 2003), https://www.fincen.gov/resources/statutes-regulations/guidance/sar-narrative-guidance-package; FINCEN, *Suggestions for Addressing Common Errors Noted in Suspicious Activity Reporting* (Oct. 10, 2007), https://www.fincen.gov/resources/statutes-regulations/guidance/suggestions-addressing-common-errors-noted-suspicious.

4) evaluating the Firm's customer due diligence requirements;
5) evaluating the Firm's transactions, with an emphasis on high-risk areas;
6) evaluating the adequacy of the Firm's staff training program;
7) evaluating the Firm's systems, whether automated or manual, for identifying suspicious activity;
8) evaluating the Firm's system for reporting suspicious activity;
9) evaluating the Firm's policy for reviewing customers that generate multiple SAR-SF filings; and
10) evaluating the Firm's response to previously identified deficiencies.

Program to Internally Test Investor Source of Funds
In addition to reviewing an investor's source of funds at the time of the investment, the Firm will also conduct periodic spot checks on a sample of closed investments to ensure that the Firm's AML policy on Source of Funds is being followed.

Staffing[168]
Since WFS does not execute or hold customer accounts, WFS will obtain a qualified independent third party to evaluate the AML program. Independent testing will be performed at least annually or more frequently if circumstances warrant.

Evaluation and Reporting[169]
After the independent testing is completed, the AML-CO will report any findings to senior management. The AML-CO will promptly address each of the resulting recommendations and keep a record of how each noted deficiency was resolved.

Monitoring Employee Conduct and Accounts[170]
Employee accounts will be subjected to the same AML procedures as customers; they will be under the supervision of the AML-CO. The AML-CO will also review the AML performance of supervisors as part of the annual performance review. The CEO will review the AML Compliance Person's accounts.

Confidential Reporting of AML Non-Compliance[171]
Employees will promptly report any potential violations of the Firm's AML compliance program to the AML-CO, unless the violations implicate the AML-CO, in which case the employee shall report to CEO. Such reports will be confidential, and the employee will suffer no retaliation for making them.

Additional Risk Areas

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[168] 31 C.F.R. § 103.120, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.120.pdf; FINRA Rule 3310, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3310; FINRA, *Notice to Members 06-07*, https://www.finra.org/rules-guidance/notices/06-07.
[169] 31 C.F.R. § 103.120; FINRA Rule 3310.
[170] 31 C.F.R. § 103.19, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.19.pdf; 31 C.F.R. § 103.120; FINRA Rule 3310.
[171] 31 C.F.R. § 103.120; FINRA Rule 3310.

The Firm has reviewed all areas of its business to identify potential money laundering risks that may not be covered in the procedures described above. No additional areas of risk were identified.

Senior Manager Approval[172]

Senior management must approve this AML compliance program in writing, indicating the program is reasonably designed to achieve and monitor the Firm's ongoing compliance with the requirements of the BSA and the implementing regulations under it.

The CEO will sign the AML to attest that they have reviewed the findings and will take the findings to the board.

DocuSigned by:
Kolby Griffin
C4D9525DA1C0430...
Kolby Griffin

AML Officer, Compliance Manager

[172] 31 C.F.R. § 103.120, https://www.sec.gov/about/offices/ocie/aml2007/31cfr103.120.pdf; FINRA Rule 3310, https://www.finra.org/rules-guidance/rulebooks/finra-rules/3310.

Appendix B: Business Continuity Plan

This "Business Continuity Plan" has been created to meet the requirements described in FINRA Rule 4370. This Business Continuity Plan is reasonably designed to enable WealthForge Securities, LLC to meet its obligations to customers in the event of a Significant Business Disruption.

Authorized Approval Signature: _____
Printed Name & Title: James L Raper Jr. Chief Compliance Officer
Date: February 27th, 2024

This Plan is effective from the date approved until the date of its authorized revision, update or replacement (see below).

Date this Plan was no longer effective (date of revision, update or replacement):
_____

Introduction

FINRA Rule 4370 requires WealthForge to create and maintain a business continuity plan that identifies procedures relating to an emergency or significant business interruption that are "reasonable designed to enable the member to meet its existing obligations to its customers." In addition, the plan will also address the existing relationships with other members and counter-parties. This plan will be promptly made available to the FINRA staff upon request.

As Rule 4370(b) requires WF will review its plan at least annually to determine if any changes are needed and update its plan more frequently in the event of any material change to its operations, structure, business or location.

However, at a minimum, WealthForge's plan must address the following areas:

- Data back-up and recovery (hard copy and electronic);
- All mission critical systems;
- Financial and operational assessments;
- Alternate communications between customers and the member;
- Alternate communications between the member and its employees;
- Alternate physical location of employees;
- Critical business constituents, banks, and counter-party impact;
- Regulatory reporting;
- Communications with regulators; and how the member will assure customers' prompt access to their funds and securities in the event that the member determines that it is unable to continue its business.

The Firm is required to only address the elements applicable to its business, but the plan must contain an explanation if any element above is not included.

In accordance with Rule 4370 WF will provide, review and update this information on FINRA's Contact System, in accordance with Rule 1160.

Emergency Contact Persons
WealthForge has designated the following individuals to act as contact persons for the Firm as required under Rule 4370:

Donna Arles and Kolby Griffin.

This information has been reported to FINRA via the FINRA Contact System. In addition, the CCO, or his designee, will review and update this information, within 30 days of any material change. The FINRA Contact system will be reviewed within 17 business days of the end of each calendar year to ensure all updates have been made.

Executive Representative
WealthForge Securities LLC's Executive Representative is James Raper.

Disaster Recovery Coordinator/Team
The Firm has designated Donna Arles as the "Disaster Recovery Coordinator" and Kolby Griffin as the "Back-up Disaster Recovery Coordinator".

The "Disaster Recovery Coordinator" has the responsibility to make an immediate preliminary assessment of the nature and extent of the disruption by assessing the following: electricity supply; condition of computer network/phones; damage to the building; HVAC in extreme weather; and other hazards.

If the Coordinator determines that personnel should evacuate the affected location(s), he must make an announcement to all personnel as appropriate procedures. The announcement may be given via personal contact, e-mail, text or other methods as appropriate given the systems available and size of staff and building. This announcement will be short and concise, calmly identify the situation and provide instructions to employees on how to respond and repeated as often as necessary to avoid confusion and to ensure all employees are aware of the situation. After ensuring the physical safety of Firm personnel, the Coordinator must then implement this BCP.

If the situation does not merit evacuation, steps will be taken to alert designated persons of necessary actions to facilitate ongoing operations in the face of limited disruption. In this case, the Coordinator will determine which, if any, procedures in this BCP should be implemented.

In the event that the Significant Business Disruption (SBD) has directly affected other areas of the building but has not directly impacted the Firm's office, the Coordinator will contact building security or emergency personnel for instructions on how the Firm should respond and proceed accordingly.

Firm Policy
WealthForge's policy is to respond to a Significant Business Disruption (SBD) by safeguarding employees' lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, and protecting all of the Firm's books and records.

Approval and Execution Authority
James Raper, as CCO, is authorized and is responsible for approving the plan and for conducting the required annual review.

Plan Location and Access
WealthForge Securities LLC will maintain copies of its BCP plan, a record of the Firm's annual reviews, and the changes that have been made to the BCP for inspection by regulators. A hard copy of the Firm's Plan is located in its main business location and may be accessed by contacting Donna Arles or James L Raper Jr. at (804) 308-0431. An electronic copy of the Firm's plan is maintained by the Firm's CCO, or his designee, at an alternative business location. A copy of the BCP will be provided to the FINRA District upon request. Requested contact information will be provided to FINRA within 15 days of request.

Business Description
WealthForge acts as the placement agent in the issuance of unregistered, private securities under Regulation D and Regulation A, a broker-dealer selling interests in Non-traded REITs, as an advisor for Mergers and Acquisition activities. The Firm does not hold customer funds or securities. The issuer maintains all records related to customers' investments and will deliver securities upon the customer's request. The Firm services only accredited individuals.

Office Locations
The Firm or its registered personnel currently operate from the locations listed below:

3015 W. Moore St., Suite 102
Richmond, VA 23230
(804) 308-0431

Alternative Physical Location(s) of Employees
In the event the Home Office must be vacated, office staff will work remotely utilizing the Firm's approved third-party, web-enabled services.

In the event of an office evacuation at a time when staff members are present in the home office, firm personnel shall meet to be notified of a safe alternative Physical Location.

In the event of an office evacuation or for social distancing purposes in the event of health crises, certain staff members may be instructed to either stay at home without working, or work from their personal residences. If staff members are instructed to work from their homes, the Firm requires that their personal residences are adequately equipped to allow

safe communication with customers, counterparties, vendors, regulators, etc., via secure internet connections equipped with firewalls and anti-virus software. The Coordinator is responsible for either permitting or not allowing use of residential offices, and will communicate his or her decisions and instructions to respective personnel.
Depending on the SBD, some or all of these methods will be used to ensure that communications with our clients are not disrupted.

The Firm has the ability to have all phone calls forwarded to another alternative phone number. Voicemail recording and received messages can be accessed and updated remotely via telephone. Email can be accessed through web-mail and updates to our public web site do not require us to be on-site in the home office. In the event of such evacuation, the firm's telephone numbers will be forwarded to the firm personnel's home or cellular telephones.

The closest hospital to the firm's office is:
Retreat Doctor's Hospital (1.2 mi)
2621 Grove Ave,
Richmond, VA 23220
(804) 254-5100

The closest fire department to the firm's office is:
Richmond Fire Station 18
412 N. Thompson Street,
Richmond, VA 23221
Phone: (804) 646-1119

The closest police precinct to the firm's office is:
Richmond Police Department Precinct 4
2219 Chamberlayne Ave.
Richmond, VA 23222
Phone: (804) 646-4105

Pandemic Preparedness
The business continuity principal has reviewed FINRA Notice 09-59 on pandemic preparedness. At this time, given the size of the Firm and the nature of its business, among other factors, the Firm does not find it necessary to implement specific pandemic preparedness procedures. In general, the Firm will expect its personnel to make use of home computers to conduct Firm business, as described above, in the event of a pandemic. Should the Firm determine at a later date that detailed pandemic preparedness procedures are necessary to ensure business continuity the business continuity principal will reference Notice 09-59 for guidance in creating and implementing procedures.

The guidance can be found at this link:
http://www.finra.org/web/groups/industry/@ip/@reg/@notice/documents/notices/p120207.pdf

Customers' Access to Funds and Securities
WealthForge does not maintain custody of customers' funds or securities. Respective Issuers maintain all account records and documentation related to our customers' investments.

In the event of an SBD, if telephone service is available, our registered persons will make efforts to assist customers in contacting these entities by providing phone numbers and email addresses, if so requested.

While not likely applicable, the following procedure is included to address regulatory expectations: If SIPC determines that the Firm is unable to meet its obligations to its customers or if the Firm's liabilities exceed its assets in violation of Securities Exchange Act Rule 15c3-1, the Firm will cooperate with SIPC's requests for information if action is deemed necessary.

Data Back-Up and Recovery
WealthForge maintains its financial books and records books and records in electronic copy in the Home Office via Sharefile. Donna Arles, CFO is responsible for the maintenance of these books and records.

WealthForge maintains the following document types and forms that are not transmitted to the product sponsor or issuer: Contracts, product information and financial information.

Back-up of Paper Records
The Firm utilizes ShareFile as a backup filing system for its books and records. ShareFile will house internal compliance documents, and client (investor and issuer) information. The Firm does not handle or retain customer funds, securities or customer investments; therefore, an internal or external SBD should not pose a threat to customer records or financial holdings. Financial books and records are maintained at the home office with a back-up copy at its alternative business location.

Back-up of Electronic Records
WealthForge Securities, LLC maintains Investor and transaction records in an approved format hosted externally. Decisions conducts data synchronization of the Firm's electronic investor records. The Firm also utilizes the service of SMARSH, the Firm's designated third party storage provider, to provide additional file backup and security. The Firm utilizes Gmail webmail for its hosted email solution. The Firm also engages SMARSH email archiving system that retains an offsite copy of every inbound and outbound email. We have reviewed each company's privacy policies and a security statement detailing their data encryption procedures.

In the event of an internal or external SBD that causes the loss of WealthForge's paper records, the Firm will physically continue operations from an alternate location. The Firm will recreate the environment by procuring new hardware and restoring connections to their hosted services. Electronic records maintained by the Firm's hosted solutions can at any point be restored.

Financial and Operational Assessments Operational Risk
In the event of an SBD, WealthForge Securities, LLC will immediately identify any methods available that will permit personnel to communicate with customers, other employees, critical business constituents, critical banks, critical counter-parties, and regulators.

Although the effects of an SBD will determine the means of alternative communication, the communications options the Firm may employ will include telephone, telephone voice mail, and secure e-mail. In addition, WealthForge will retrieve key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

Financial and Credit Risk
In the event of an SBD, WealthForge's FINOP will determine the value of its assets and its ability to liquidate its investments in order to evaluate the Firm's ability to continue to fund its operations and remain in capital compliance.

In the event there is suspension or termination of the Firm's business, the Firm will attempt to notify customers regarding the situation and provide them with instructions for conducting future business. Notification will be made in a form to be determined based on the circumstances permitted by regulatory authorities and may include telephone calls, letters or a posting on the Firm's website.

Mission Critical Systems

Internal Mission Critical Systems
WealthForge does not maintain trading or other critical systems to handle customer accounts since its business is limited to acting as the placement agent in the offering of private, unregistered securities. The issuer of these securities is solely responsible for maintaining information regarding the holdings and the valuation of each investor's interest in these issues.

The following chart summarizes the operations of the Firm's mission critical systems:

Name of Vendor	Primary Contact	Operational Function
Smarsh	Josh Wallman Support Line: (866) SMARSH-1 support@smarsh.com	Email Retention and Archiving
ShareFile	Help Line is 800-441-3453	Share File will preserve all electronic books and records with the exception of emails and social media, which are maintained by a separate vendor.

Intacct	Help line is (877) 437-7765	Intacct is used for all financial and accounting records
Compliance Science, Inc	Chris Gepford 540-240-6784	Registered representative onboarding and administration
RedOak Compliance Solutions	Cathy Vasilev Support Line: 888.302.4594	Advertising review
Box.com Inc	Product Support: 1.877.218.0963	Secure data room for offering diligence materials
Quest CE Compliance Management System	Kaitlyn Morris 877.593.3366	Continuing education
Decisions	Jessica D. Decocq 978-420-7820	Back office operations system
Thomson Reuter's Clear	Tony Giudice Tony.guidice@thomsonreuters.com	Operational function for KYC, OFAC, and bad actor checks
Refinitiv WorldCheck	Bobth Tadeo bobeth.tadeo@iseg.com 646.794.7016	Operational function for KYC/OFAC
IDology	customerservice@idology.com 866.520.1234	Operational function for KYC
Microbilt	support@microbilt.com 800.884.4747	Operational function for soft credit checks

Order Execution, Entry, Settlement

The Firm does not execute, enter, or settle orders. All business transacted by the Firm is done on a subscription basis and execution is handled by the product manager or issuer.

Alternate Communications Between the Firm and Customers, Employees, and Regulators

Customers

The Firm currently communicates with our customers using the telephone and e-mail. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. For example, if we have communicated with a party by e-mail but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the U.S. mail.

Employees
The Firm currently communicates with its employees using the telephone, e-mail, and in person.

In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

Employees will be notified directly by the Disaster Recovery Coordinator, or his designee, as to events and the manner in which they should proceed.

Regulators
The Firm is a FINRA member and is registered with the SEC.
WealthForge Securities, LLC communicates with applicable regulators using the telephone and e-mail. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

Critical Business Constituents, Banks, and Counter-Parties

Business Constituents
WealthForge Securities LLC has contacted our critical business constituents (businesses with which the Firm has an ongoing relationship in support of its operating activities, such as vendors providing critical services), and determined the extent to which the Firm can continue its business relationship with these businesses in light of the internal or external SBD. The Firm will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when we need them because of a SBD to them or our firm.

Business Constituent	Business Type	Address, Phone Number
Smarsh	Communication Retention and Archiving	921 SW Washington St., Suite 540, Portland, OR 97205 (971) 998-9956 (866) SMARSH-1
ShareFile	Preserves all electronic books and records	701Corporate Center Drive Suite 300 Raleigh, NC 27607 (800) 441-3453
Holcomb + Ward, LLP	Legal Council	3455 Peachtree Rd, #500, Atlanta, GA 30326 (404)601-2803

Thalhimer	Building Management	11100 West Broad Street, Glen Allen, VA 23060 (804)240-3596
Keiter Stephens	Auditor	4401 Dominion Blvd. Glen Allen, VA 23060 (804) 747-0000
Compliance Science, Inc	Registered representative onboarding and administration	136 Madison Avenue, New York, NY 10016 (212)327-1533
RedOak Compliance Solutions	Advertising review	1101 Arrow Point Drive, Bldg 3, Suite 301, Cedar Park, TX 78613 (888)302.4594
Box.com Inc	Secure data room for offering diligence materials	900 Jefferson Ave, Redwood City, CA 94063 1.877.218.0963
Thomson Reuter's Clear	Operation function for KYC, OFAC, and Bad Actor checks	333 Bay Street, Toronto, Ontario M5H 2R2, Canada 732.372.5181
Decisions	Back office operations system	4588 Virginia Beach Blvd, Suite 104, Virginia Beach, VA 23462 978.420.7820
IDOLOGY	Operational function for KYC	2018 Powers Ferry RD SE, Suite 720, Atlanta, GA 30339 866.520.1234
MICROBILT	Operational function for soft credit checks	1640 Airport Rd, Suite 115, Kennesaw, GA 30144 800.884.4397
Quip	Collaborative productivity software for internal processes	45 Main Street, Suite 630, Brooklyn, NY 11201
Quest CE Compliance Management System	Continuing education	10100 W Innovation Drive, Suite 200, Milwaukee, WI 53226 877.593.3366

Banks

WealthForge Securities LLC has contacted its banks and lenders to determine if they can continue to provide the financing that the Firm may need in light of the internal or external SBD. The Firm's accounts are currently with the following institutions:

Types of account (i.e. checking, savings, PAIB, escrow)	Name of Financial Institution	Address of Financial Institution	Telephone Number	Contact Name
Checking Account	TRUIST	919 E. Main Street, 7th Floor Richmond, VA 23219	804-782-5407	Megan Gazzola
Issuer Escrow Account Money Market Account Checking Account	South State Bank	945 East Paces Ferry Road, NE, Suit 160, Atlanta, GA 30326	(404) 995-6070	John Seeds

Regulatory Reporting
WealthForge Securities LLC is subject to regulation by FINRA and SEC, as well as various state and other securities regulators (see list below).

The Firm currently files reports with our regulators using paper copies in the U.S. mail, and electronically using, e-mail, and the Internet. In the event of an SBD, we will check with the SEC, FINRA, and other regulators to determine which means of filing are still available to us, and use the means closest in speed and form (written or oral) to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using the communication means available to us.

The Firm's regulators can be reached as follows:

FINRA District Office
Address: Boca Center Tower 1, 5200 Town Center Circle
Boca Raton, FL 33486
Phone: (561)443-8000
FINRA Coordinator: Erin Jett, Andy Wu

SEC Regional Office Address:
701 Market St.
Philadelphia, PA 19106-1532
Phone: (215) 597-3100
Regional Director: Daniel Hawke

Disclosure of Business Continuity Plan
The Firm will disclose in writing or electronically a summary of our BCP to customers when requested. The Firm will notify customers in writing or via email when material changes are made to the Plan that may affect their business relationship with the Firm. The summary addresses the possibility of a future SBD and how we plan to respond to events of varying scope. In addressing the events of varying scope, the summary:

1. Provides specific scenarios of varying severity
2. States whether we plan to continue business during that scenario and, if so, our planned recovery time; and
3. Provides general information about our intended response.

Our summary also discloses the existence of back-up facilities and arrangements. A copy of the Firm's disclosure statement is included below.

Updates and Annual Review
The Firm will update this plan whenever there is a material change to its operations, structure, business, or location.

WealthForge aims to review and modify the BCP no longer than within 12 months of the date on which this Plan was put into effect or previously reviewed, to take into account any changes in the Firm's operations, structure, business, or location. The firm must keep a record of having conducted this review, whether it resulted in changes or not. Records may consist of marked prior versions.

Customer Disclosure Statement - WealthForge LLC
WealthForge Securities, LLC (or the "Firm") plans to quickly recover and resume business operations after a significant business disruption (SBD) and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the Firm's books and records, and allowing our customers to transact business. In short, our Firm's business continuity plan (BCP) is designed to permit us to resume operations as quickly as possible, given the scope and severity of the SBD.

The BCP addresses: data back-up and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; and regulatory reporting if we are unable to continue our business. The Firm does not hold customer funds or securities. The product sponsor or issuer maintains all records related to your investments and account holdings and backs up important records in accordance with its business continuity plan. For more information on the issuer's contingency plan, please contact the manager or GP directly at the telephone number provided on your offering documents or through their website.

Significant Business Disruptions
The Firm's plan takes into account two kinds of Significant Business Disruptions: internal and external. Internal SBDs affect only the Firm's ability to communicate and do

business, such as a fire or loss electrical power in the office or building. External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a natural disaster, or another event that causes a wide-scale, regional disruption in essential services. The Firm's response to an external SBD will rely more heavily on other organizations and systems, especially on the capabilities of the product sponsors, federal emergency authorities, local officials, and utility companies.

Internal SBDs
In the event of a disruption in the Firm's business operations due an internal SBD, the Firm will attempt to continue to conduct business as usual by utilizing alternative communication methods (if available), such as the Internet, cell phones, etc., or by moving its operations to an alternative location.
If personnel or operations must be moved to an alternate location, the Firm anticipates that it will resume regular operations with 24 hours.

External SBDs
In the event of a disruption in the Firm's business operations due to an external SBD, the Firm will attempt to continue to conduct business as usual by moving its operations to an alternative location outside the affected area, if possible, or by providing customers with alternative communication arrangements, as indicated below, to conduct business or to access their funds and securities.

The Firm will attempt to resume business within 24-48 hours and to keep its customers informed regarding relevant events to the best of its ability based on the circumstances.
In all cases, the Firm will resume normal business operations as soon as it is able to do so, based on the type and the extent of the disrupting event.
If the significant business disruption is so severe that it prevents us from remaining in business, your investments will be unaffected, as the product sponsors or issuers will be responsible for assuring your prompt access to funds and securities.

Communications
In the event you are unable to reach the Firm at our main number, please proceed as follows:

- Contact the respective securities issuer directly at the number provided in the offering documents.
- Contact FINRA's District office at the following telephone number for more information on the Firm's status and additional instructions: (561)443-8000.

Contact information
Any questions regarding the Firm's Business Continuity Plans should be addressed to: James L Raper Jr. or Donna Arles at 3015 W. Moore St., Suite 102
Richmond, VA 23230, (804) 308-0431

Appendix C: Continuing Education Program & Training Plan

Needs Analysis, Completion Records and Training Materials: See separate records

Introduction

This Continuing Education Program and Firm Element Training Plan (or "Manual") is a basic part of WealthForge, LLC (the "Firm" or "WFS") Continuing Education Program. Each person in the Firm who has direct contact with customers in the conduct of the Firm's investment banking activities, the immediate supervisors of such persons, registered assistants of such persons and their supervisors and all other registered persons deemed "covered" by the Firm (collectively "covered persons") will be required to participate in the WFS formalized Continuing Education Program.

This plan must be reviewed at least annually and updated to incorporate changes in regulations or the Firm's business and will be updated to reflect changes in the Firm's training focus or methodology.

The Supervisory Principal designated by the Firm as having primary responsibility for the Continuing Education Program and all components thereof will be **Merritt Harrell**. This "Continuing Education Program and Firm Element Training Plan" has been created to meet the requirements described in FINRA Rule 1250 and is reasonably designed to meet our firm's obligations to educate our registered persons.

Regulations

The Regulatory Element

The **Regulatory Element** requires all registered persons to complete computer-based training on their 2nd anniversary of initial registration, and annually thereafter for as long as they remain registered.

Failure to Complete

Unless otherwise determined by FINRA, any registered person who has not completed the Regulatory Element within the prescribed time frames (120 days from anniversary of base date) will have their registrations deemed inactive until such time as the requirements of the Program have been satisfied. A person who does not satisfy the Regulatory Element requirement and is deemed inactive may not engage in, or receive compensation for, any activities requiring registration.

In addition, any principal deemed inactive for continuing education may not supervise activities that would require his/her registration as a principal. Therefore, representatives supervised by that principal would be restricted from conducting securities business unless another supervisor was appointed by the member firm.

The Firm Element

The **Firm Element** requires broker-dealers to provide ongoing training, tailored specifically to the products and services they provide. Broker-dealers are required to annually evaluate and prioritize their training needs through a Needs Assessment and to develop a written plan at least annually.

The objective of the Firm Element is to promote high standards of ethical behavior and just and equitable principles of trade by ensuring that all covered registered persons are trained regularly on products or services in which they deal. The training must cover topics specifically related to their business, such as new products, sales practices, risk disclosure, and new regulatory requirements and concerns

The CE Council publishes a Firm Element Advisory, a guide for firms to use when developing their continuing education Firm Element training plans. The Firm Element Advisory lists topics that the Council considers to be particularly relevant to the industry. The list is based on a review of recent regulatory events. Each SRO may publish other notices for its members. The most current CE Council Advisory was published in the fall of 2013. This Advisory and other resource materials are also available on the Council's website at http://www.cecouncil.com/.

Covered Persons

The Firm Element requirements apply to all covered persons. A "covered person" includes:
All registered persons who deal with customers or who are involved in the Firm's investment-banking business.

1. Individuals that directly supervise covered persons, or supervisor/principal, who are involved in the investment banking activities of the Firm.
2. Registered assistants or individuals if their activities involve conduct that would require registration.
3. Any other person designated by the firm as "covered."

For the purposes of this Manual, the term "customer" applies to the firm's investors and private placement issuers and any party subject to a proposed merger or acquisition.

Exceptions

Generally, no covered person is grandfathered or exempt from the Firm Element. SRO rules require all covered persons to participate in training as prescribed by their firms. Failure to do so could result in disciplinary action against the registered person by their firm or by a regulatory authority.

Needs Analysis

Each firm is required to analyze and evaluate its training needs in light of the firm's size, organizational structure, scope of business, types of products and services it offers, as well as regulatory developments and the performance of its registered persons in the Regulatory Element. Particular emphasis should be placed on changes to firm or industry demographics from the prior year. New products, new rules related to its business and problems the firm has experienced (such as complaints, regulatory or legal actions) are other particularly important considerations.

The method by which each firm will conduct this evaluation will vary and may include surveys, questionnaires, and analyses of customer complaints, industry trends, issues of regulatory focus, aggregate results from participants in the Regulatory Element, the Firm Element Advisory (published by the Council), in addition to other methods that the firm determines applicable.

The Rule requires each member to focus specifically on supervisory needs in its analysis and, if it is determined that supervisory training is necessary, it must be addressed in the Firm Element training plan. Firm Element training for supervisors would typically include a review of the firm's internal supervisory policies, the effective use of internal monitoring or supervisory systems, and the sources of information or assistance to supervisors available within the firm.

Each firm must administer its Firm Element continuing education program in accordance with its annual Needs Analysis and written plan, and must maintain records documenting the Needs Analysis, the content of the program and completion of the program by covered persons.

Recordkeeping

The materials reviewed and conclusions reached in the annual Needs Assessment, as well as written training plans and other documentation (e.g., training results and/or attendance records) must be retained. Under SEC Rule 17a-4, continuing education records must be retained for a period of three years, with the first two years in an easily accessible location, for regulatory examination or upon request. These records include:

1. The annual Needs Analysis documents;
2. The Plan document;
3. A list of covered persons;
4. Evidence of each covered person's participation in the program including, but not limited to, notes, attendance documents, completion reports or certificates;
5. Training materials or a description thereof, including but not limited to, books, scripts, outlines, examinations, links to online training materials or other materials used in training; and
6. Other documentation, as required.

Course Assignments

A copy of the course assignments can be found in ShareFile

Consequences for Non-Compliance

Failure to comply with Firm Element requirements of the Rules may subject the Firm to disciplinary action by FINRA, including monetary fines. Failure by covered registered persons to attend training provided by the Firm or to comply with the Firm Element requirements may subject them to disciplinary action by FINRA and/or Firm.

Firm Policies
The Regulatory Element
Notification
The Supervisory Principal will monitor the CRD Firm Queues to determine the status of registered persons. All registered persons who are required to complete training or have been deemed inactive will be notified of their status.

WFS will notify representatives on a periodic basis from the due date of the Regulatory Element.

Failure to Complete

WFS will not permit any registered person to continue to perform duties as a registered person or to be compensated for activities requiring registration unless such registered person has complied with the Regulatory Element requirements. WFS may take any of the following actions should a representative be deemed inactive for failure to complete required Regulatory Element training:

1. Require the supervisor to submit a plan of supervision for the period of inactivity and document this supervision to ensure that the representative is not engaged in, or receiving compensation for, any activity that would require registration;
2. Impose a monetary penalty upon the inactive individual and/or his or her supervisor for additional supervision required during the period of inactivity; and/or
3. Terminate the individual’s registration.

The Firm Element
Notification

The Supervisory Principal will notify all covered persons, and their supervisors, in writing regarding their respective requirements under the Firm Element Plan. This notification will include the method(s) available for completing training, training content requirements and deadlines for completion.

In addition, the Supervisory Principal will track the progress of representatives throughout the program and will provide notifications to representatives of approaching deadlines or as periodic reminders.

Failure to Complete

Failure to complete all required elements of the Firm Element Continuing Education plan by any required (covered) person will result in definitive sanctions by the Firm. These sanctions may include, but are not limited to, one or more of the following:

1. Suspension from active status as an employee/representative;
2. All commissions and other remuneration related to securities business withheld;
3. Monetary fine (specific amount or daily charge); or
4. Termination from the Firm.

Appendix D: Compliance Positions

Position	Individual
Chief Executive Officer	Bill Robbins
Chief Compliance Officer	Jim Raper
Financial Operations Principal	Donna Arles
AML CO	Kolby Griffin
Email, Social Media Supervision	Merritt Harrell
Regulation Best Interest	Jim Raper
Investor Operations	Kolby Griffin
Senior Investor Specialist	Jim Raper
M&A Supervisory Principal	Jim Raper
Lead Banker	Kolby Griffin

Appendix E

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Appendix H: Fairness Opinions

Fairness Opinions

The M&A Supervisory Principal is also responsible for reviewing activity related to Fairness Opinions. The frequency of the reviews will be ongoing per transaction. The M&A Supervisory Principal will evidence his/her review by placing their signature or initials on the fairness opinion reviewed, as well as the date of review on a copy of the opinion that will be retained in the client's file.

The Firm may issue fairness opinions to its mergers and acquisitions customers relative to transactions involving a change of control of a Firm through merger, acquisition or sale. These opinions when issued by the Firm must not provide information contrary to fact and must contain appropriate, quantitative disclosure when the Firm has reason to believe the fairness opinion may be provided to the Firm's public shareholders. These disclosures must include:

- Whether the Firm will receive any compensation contingent on the successful completion of the transaction for acting as an adviser to any party in the transaction that is the subject of the fairness opinion for providing the opinion, acting as an advisor or providing any other services relative to the transaction.
  Note - Transactions also include:
- Subsequent related transactions that occur contingent to the transaction on which the fairness opinion is issued;
- Any material relationships that existed during the past years or any contemplated material relationships between the Company and any party to the transaction that is the subject of the fairness opinion that could result in the payment or receipt of compensation, other than de minimus fees;
- Whether the opinion was approved or issued by a fairness committee;
- Whether the opinion addresses the fairness of compensation paid to any insiders relative to compensation paid to public shareholders; and
- Whether the Firm has verified any information provided by the parties involved in the transaction with an independent third-party. Note - the Firm is not required to verify such information and if no verification is done, the disclosure would simply state that no such verification was made.

Appendix I: Underwriting

Pricing the Underwriting

Pricing of the offering will be determined using a variety of factors, which may include:

- The company's real or expected growth
- The company's operating history
- The quality of the company's management
- The company's approach to research and development
- Prospects for the industry in which the company operates
- Market comparison, such as price to earnings ratio of similarly-situated company that is publicly traded
- Growth prospects of the company's products and services and the impact on these
- The general conditions of the securities markets at the time of the offering

Designated Order Records

WFS will maintain records of designated order including:

- Name of the person making the designation
- Identity of the brokers or dealers designated
- Identity and amount of securities for which each broker /dealer is designated
- Date of commencement and termination of the offering

Offering Files

At the initial involvement in a potential underwriting, regardless of WFS's role, the Lead Banker will establish a "deal file" for the prospective underwriting. Following is a list of items that should be included in the offering file, depending on WFD's role in the offering:

- Due diligence records
- Signed engagement letter
- Underwriting Review Committee ("URC") approval of participation in underwriting
- Preliminary and final offering document
- Agreement among Underwriters
- Underwriting Agreement
- Selected Dealer Agreement (selling agreement)
- Regulatory filings
- Indications of interest
- Reviews for IPO certifications
- Records reflecting the compensation negotiated with the issuer and any adjustments if applicable
- When acting as managing underwriter:
    - Record of providing participants with offering circular
    - Other records of syndicate management activities
    - Underwriting Checklist

Best Efforts Underwriting
Best efforts underwritings come in a variety forms including "all or none," "minimum-maximum," or they may be “contingent” on the sale of a certain amount of the issuer's securities. Two primary concerns are that customer funds be transmitted to the issuer or to an escrow account and that only bona-fide purchasers are included in order to meet a stated minimum number of shares or units. Where the minimum is not sold within the deadline specified by the offering document, all customer funds must be refunded.

Sales will be made only to bona-fide purchasers to meet any minimum amount of the securities to be sold.

The CCO, or his designee, will:

- Evaluate issuer information and determine WF’s participation
- Establish an escrow account when necessary
- Confirm purchasers are bona fide purchasers where necessary
- Identify insiders, firm or employee account purchasers and obtain affirmation regarding holding period
- Close the escrow account and, if the contingency is met, immediately forward purchaser funds to issuer or, if the contingency is not met, immediately return funds to potential purchasers

Purchasers
The CCO, or his designee is responsible for establishing procedures regarding purchasers of securities issued through a best efforts underwriting including the following:

- Where the offering is contingent upon the sale of a certain quantity of the issue, confirm that all purchasers are bona-fide purchasers.
- Identify purchases by issuer insiders or employees and for those identified, obtain a written affirmation that the purchaser intends to hold the security as an investment or, in conjunction with the issuer, determine restrictions on immediate sale by such accounts.
- Record the review of purchasers in the offering file.

Managing Underwriter

As a managing underwriter, WFS is responsible for dealing with the issuer, developing the offering document with issuer’s and underwriter’s counsel, and other offering materials if forming the syndicate (when others will participate), submitting required regulatory filings, and running the syndicate.
If WFS acts as co-manager and the co-manager takes the lead in the offering some of the WFS responsibilities will be more limited with the lead manager assuming many of the syndicate responsibilities.

Underwriting Engagement Letters
WFS and the Issuer will usually sign an Underwriting Engagement Letter or Letter of Intent, which defines the framework of the potential offering.

Offering Review Procedures/Approval
The URC is responsible for the review of transactions under Regulation A that are being contemplated by the Investment Banking Department. The URC is comprised of the CCO (or his/her designee), the Firm's CEO and the Firm's CFO.

The URC has the primary responsibility for evaluating the potential issuer and the structure of any proposed offering and how to bring the issuer to market. The URC may approve or decline a transaction, or may request additional information.

The extent of due diligence review will vary depending on the issuer, knowledge of and past experience with the issuer, whether the issue is an IPO, etc.

The URC should be consulted as soon as adequate details of the proposed transaction are understood by the offering team.

Transactions Requiring URC Approval
The URC must approve any transaction where WFS is acting as underwriter/manager (sole and co-managed deals) for public transactions (i.e. Regulation A) on a best efforts basis.

Timing of URC Approval for a Capital Raise
For public capital raising transactions, the issuer may not file a registration statement with WF's name until the URC has approved the transaction. Because URC approval may be conditioned on doing further work (e.g., due diligence, background checks, etc.), bankers should seek URC approval with enough advance time to allow for additional information gathering.

URC Meeting and Due Diligence Materials
The URC process is informal but the Lead Banker should provide projections and comps and should be ready to discuss the potential deal; potential fees; how the offering came to the Firm; management background in general; issues in marketing such as potential language barriers or lack of presentation skills; and general investment considerations and risks.

Due Diligence Materials
Due diligence materials may include but is not limited to:

- Review of financial materials
- Evaluation of issuer's business model and how it fits into its business sector
- Review of information available from financial and other publishers
- Evidence of independent verification of management's representations (contact with issuer's customers; lenders, vendors, etc.)
- Review of news articles and industry publications regarding the issuer, its markets and competition

- Review of the company's internal documents such as operating plans, product literature, corporate records, financial statements, contracts and lists of distributors and customers
- Contact with the issuer's auditor and other experts knowledgeable about the company
- Written company assurances as to the accuracy of records and financial statements
- Contact with outside directors
- Interviews of key personnel or customers
- Information produced by third party due diligence firms

Due diligence should be continually updated until effectiveness of the offering.

URC Meetings
Due diligence materials and any other supporting documentation should be distributed via email to members of the committee no less than 3 business days prior to the request of such meeting. This will allow the members to review the documents prior to the meeting.

Materials to be Presented to the URC for Review
The following information should be included in the materials presented prior to the URC meeting:

1. Introduction - Names and phone numbers of bankers working on the transaction.
2. Description of the Company (competitive strengths, business strategy, growth strategy)
3. WF's role in the transaction (e.g., lead manager, co-manager, etc.), and names and roles of other banks (if applicable).
4. Market opportunity
5. Recent developments
6. Competition
7. Sources and uses of income
8. WF's economics and split among underwriters or placement agents.
9. Due diligence documents
10. Summary of the offering proposed.

Underwriting – Compensation & Arrangements

The URC will review underwriting compensation issues to ensure compliance with FINRA's Corporate Financing Rule. Underwriting compensation earned by WFS is determined through negotiation with the issuer and is reviewed by FINRA before the issue may be offered to the public. FINRA's Corporate Financing Rule regulates underwriting compensation and prohibits unfair arrangements in connection with public offerings of securities.

Regulatory rules restrict compensation relating to the sale and distribution of debt, equity, direct participation program (DPP), REIT securities, and municipal securities. WFS and

its associated persons may not accept (directly or indirectly) cash or non-cash compensation from outside firms or persons. The only exception includes compensation arrangements specifically approved by WF.

Determining Amount of Underwriting Compensation and Items of Value
All items of underwriting compensation shall be disclosed in the section on underwriting or distribution arrangements in the prospectus or similar document and, if the underwriting compensation includes items of compensation in addition to the commission or discount disclosed on the cover page of the prospectus or similar document, a footnote to the offering proceeds table on the cover page of the prospectus or similar document shall include a cross-reference to the section on underwriting or distribution arrangements.

FINRA’s Corporate Financing Rule will be consulted when determining the maximum amount of underwriting compensation considered fair and reasonable.

Non-Cash Compensation
The URC is responsible for ensuring that non-cash compensation is considered in determining total compensation.

"Compensation" shall mean cash compensation and non-cash compensation. "Non-cash compensation" shall mean any form of compensation received in connection with the sale and distribution of securities that is not cash compensation, including but not limited to merchandise, gifts and prizes, travel expenses, meals and lodging. "Offeror" shall mean an issuer, an adviser to an issuer, an underwriter and any affiliated person of such entities.

Restrictions on Non-Cash Compensation
WFD and associated persons are prohibited from directly or indirectly accepting or making payments or offers of payments of any non-cash compensation, except for the following:

- Gifts not exceeding $100 annually (aggregate value), per person. All gifts must be reported to Compliance under WFS Gifts and Gratuities policy.
- An occasional meal, ticket to a sporting event or show, or comparable entertainment that is not so frequent or so extensive as to raise any question of propriety.
- Payment or reimbursement by offerors in connection with meetings held by an offeror or by WFS for the purpose of training or educating associated persons, subject to several conditions.
- Approval must be obtained from the designated supervisor prior to attending the meeting; attendance may not be conditioned on achievement of a sales target or other incentives.
- The location of the meeting is appropriate for its purpose, e.g., an office of the issuer or issuer affiliate, a firm office, or a facility located in the vicinity of such office, or a regional location with respect to regional meetings.
- Only expenses incurred by WFS or its associated persons are eligible for payment. Expenses for guests of employees (spouse, etc.) will not be reimbursed.

- Payment or reimbursement by the issuer or issuer affiliate may not be conditioned by the issuer or affiliate on the achievement of a sales target or any other non-cash compensation arrangement explained next.

For registered individuals who maintain an approved outside business activity with an issuer, gifts provided at the expense of the issuer, not the registered individuals themselves, do not require Firm reporting.

Records of Non-Cash Compensation
The Designated Supervisor will review and if appropriate grant approval prior to the acceptance by any associated person the receipt of non-cash compensation. All records associated with the receipt of such non-cash compensation received by the Firm or its associated persons will be maintained in accordance with FINRA Corporate Financing Rules.

The records shall include:

1. the names of the offeror, non-members or other members making the non- cash compensation contributions;
2. the names of the associated persons participating in the arrangements;
3. the nature and value of non-cash compensation received;
4. the location of training and education meetings (if applicable); and
5. any other information that proves compliance by the member and its associated persons with FINRA Rule 5110.

Reports to the Issuer of Indications of Interest and Final Allocation
The Lead Underwriter must provide the Issuer will information regarding the demand of the issuer's securities. When acting as the Lead Underwriter, WFS will provide the issuer's pricing committee or Board of Directors (whichever is applicable) with the following information:

- Minimum/maximum offering size established. (No offering will break escrow until a minimum is deposited to Escrow.)
- Regular reports of indications of interest including the names of the proposed institutional investors and the number of shares indicated by each and a report indicating the aggregate amount of interest from retail investors; and
- After settlement date of the new issue, a report of the final allocation of shares including the names of institutional investors and the number of shares purchased by each and the aggregate sales to retail investors.

Preliminary and Final Offering Document
The preparation and filing of the offering document will be conducted by the issuer, and includes:

- Preparation of the preliminary offering circular
- Filing preliminary offering circular with regulators
- Providing preliminary offering circular to other potential participants
- File offering circular with SEC & FINRA
- Prepare final offering circular with price information

- Provide final offering circulars to participants in printed form or provide notice that offering circulars may be accessed electronically ("access equals delivery")

Registration Statement
The registration statement may be prepared and filed by the Lead Banker, and supervised by the CCO or his designee as follows:

- Upon approval of WFS's role managing the underwriting, will begin the process of drafting the registration statement.
- Finalize registration statement and file proper forms with the SEC.
- File registration statement with SROs.
- File interim amendment to registration statement, if necessary, with SEC.
- Registration statement becomes effective.

The CCO, or his designee will supervise the above referenced steps taken by the Lead Banker.

Filing Requirements
Underwriting are subject to FINRA notification requirements. All public offerings (including unregistered offerings unless there are restrictions on resale) are subject to filing requirements.

Neither WFS nor any person associated with WFS will participate in any manner in any public offering of securities unless the documents and information listed relating to the offering have been filed with and reviewed by FINRA.

SEC's "EDGAR" System
All documents that are filed with the SEC through the SEC's Electronic Data Gathering Analysis, and Retrieval ("EDGAR") System shall be treated as filed with FINRA.
Documents or information required to be filed with FINRA shall be considered to be filed only upon receipt by its Corporate Financing Department.

Timing for Filing
Unless filed by the issuer, the managing underwriter, or another FINRA member, WFS, when it anticipates participating in a public offering of securities shall file with FINRA the documents and information with respect to the offering listed below no later than three business days after any of such documents are filed with or submitted to:

a. the SEC; or
b. any state securities commission or other regulatory authority; or
   if not filed with or submitted to any regulatory authority, at least fifteen business days prior to the anticipated date on which offers will commence.

FINRA "No Objection" Letter
No sales of public securities will commence unless the documents and information listed below have been filed with and reviewed by FINRA and FINRA has provided an opinion that it has no objections to the proposed underwriting and other terms and arrangements or an opinion that the proposed underwriting and other terms and arrangements are unfair

and unreasonable. If FINRA's opinion states that the proposed underwriting and other terms and arrangements are unfair and unreasonable, the Firm may file modifications to the proposed underwriting and other terms and arrangements for further review.[173]

If the Firm is acting as a managing underwriter or in a similar capacity, and has been informed of an opinion by FINRA, or a determination by the appropriate standing committee of the Board of Governors, that the proposed underwriting terms and arrangements of a proposed offering are unfair or unreasonable, and the proposed terms and arrangements have not been modified to conform to the standards of fairness and reasonableness, WFS shall notify all other FINRA members proposing to participate in the offering of that opinion or determination at a time sufficiently prior to the effective date of the offering or the commencement of sales so the other members will have an opportunity as a result of specific notice to comply with their obligation not to participate in any way in the distribution of a public offering containing arrangements, terms and conditions that are unfair or unreasonable.[174]

Documents to be Filed

The following documents relating to all proposed public offerings of securities that are required to be filed under this section will be filed with FINRA for review:

- Three copies of the registration statement, offering circular, offering memorandum, notification of filing, notice of intention, application for conversion and/or any other document used to offer securities to the public;
- Three copies of any proposed underwriting agreement, agreement among underwriters, selected dealers agreement, agency agreement, purchase agreement, letter of intent, consulting agreement, partnership agreement, underwriter's warrant agreement, escrow agreement, and any other document that describes the underwriting or other arrangements in connection with or related to the distribution, and the terms and conditions relating thereto; and any other information or documents that may be material to or part of the said arrangements, terms and conditions and that may have a bearing on FINRA's review;
- Three copies of each pre- and post-effective amendment to the registration statement or other offering document, one copy marked to show changes; and three (3) copies of any other amended document previously filed above, one copy marked to show changes; and
- Three copies of the final registration statement declared effective by the SEC or equivalent final offering document and a list of the members of the underwriting syndicate, if not indicated therein, and one copy of the executed form of the final underwriting documents and any other document submitted to FINRA for review.

Information Required to be Filed with FINRA

Any person filing documents with FINRA will provide all information pursuant to FINRA Rule 5110(6) with respect to the offering through FINRA's electronic filing system.

[173] *See* FINRA Rule 5110(b)(4)(B).
[174] *See* FINRA Rule 5110(b)(4)(C).

Notify FINRA of Effectiveness

Any person filing documents as described above shall notify FINRA through its electronic filing system that the offering has been declared effective or approved by the SEC or other agency no later than one business day following such declaration or approval or that the offering has been withdrawn or abandoned within three business days following the withdrawal or decision to abandon the offering.

Offerings Required to be Filed

Documents and information relating to all other public offerings including, but not limited to, the following must be filed with FINRA for review:

- direct participation programs as defined in Rule 2310(a);
- mortgage and real estate investment trusts;
- rights offerings;
- securities exempt from registration with the SEC pursuant to Section 3(a)(11) of the Securities Act;
- securities exempt from registration with the SEC pursuant to Rule 504 of SEC Regulation D, unless the securities are "restricted securities" under Securities Act Rule 144(a);
- securities offered by a bank, savings and loan association, or common carrier even though such offering may be exempt from registration with the SEC;
- securities offered pursuant to SEC Regulation A;
- exchange offers that are exempt from registration with the SEC under Sections 3 of the Securities Act (if a member's participation involves active solicitation activities) or registered with the SEC (if a member is acting as dealer-manager)
- (collectively "exchange offers"), except for exchange offers exempt from filing pursuant to FINRA Rule 5110;
- any exchange offer, merger and acquisition transaction, or other similar corporate reorganization involving an issuance of securities that results in the direct or indirect public ownership of the member; and
- any offerings of a similar nature that are not exempt under of FINRA Rule 5110.

Underwriting – Unreasonable Terms and Arrangements

The Lead Banker for each transaction shall ensure that neither WFS nor any person associated with WFS will participate in any manner in a public offering of securities after any arrangement proposed in connection with the public offering, or the terms and conditions relating thereto, has been determined to be unfair or unreasonable pursuant to this Rule or inconsistent with any By-Law or any rule or regulation of FINRA.

TRACE Eligible Securities

For IPOs of TRACE-eligible securities, the CCO, or his designee is responsible for providing FINRA Operations with new issue notification prior to the execution of the first transaction in the distribution or offering.

For new issues that are priced and commence on the same business day between 9:30 a.m. E.T. and 4:00 p.m. E.T., as much information as available prior to execution of the first transaction must be provided, and all other information must be provided within 15 minutes of the time of execution of the first transaction.

Appendix J: Non-traded REIT Offerings

Non-Traded REITs

Non-traded Real Estate Investment Trusts ("Non-traded REITs") are public real estate securities that are not listed on a public exchange. Any investor, as long as he meets the suitability requirements and passes the Firm's investor diligence process, may invest in a Non-traded REIT.

Suitability Determination

The Firm does not hold accounts. As a result, the Firm evaluates suitability for an investor for each investment. The Firm's general suitability rules apply to Non-traded REIT offerings. As a result, the Firm will conduct both a "reasonable basis" suitability analysis to determine if the Non-traded REIT Offering is suitable for at least a single investor and the "customer specific suitability" analysis to determine whether the investment is suitable for that specific customer.

The initial suitability review will be conducted by an Investor Diligence Analyst. A supervisory principal will review a random selection of no less than 10% of subscribers processed each day to ensure that they meet the suitability requirements of the specific investment into which they are subscribing.

Non-traded REIT Specific Diligence

Due to the nature of Non-traded REITs being unlisted public securities, the Firm conducts the following diligence on the REIT offerings:

Issuer Diligence

The Firm will conduct diligence on the REIT itself. In this review, an Analyst will request and compile documents and information from the Trust pertaining to its structure, any assets, whether it is a blind pool REIT, the financial stability and experience of the management, and the Trust's investment strategy. Upon compiling this information, the Analyst will review the diligence with the Offering Diligence Principal.

Offering Diligence

The Firm will also conduct diligence on the offering materials. The assigned Analyst will review the offering materials to ensure all material information has been clearly disclosed, including the financial stability and experience of the management, the structure of the REIT, the Trust's investment strategy, the lack of liquidity, and any other risks that must be disclosed. In reviewing the risk factors, the Analyst will ensure that both general risk factors to REITs and real estate investments in general are discussed, as well as any specific risks associated with this particular Trust. All of this information will be reviewed by the Offering Diligence Principal as part of his or her overall review of the Diligence.

Financial Diligence

The Firm, through its Analyst, will also review the financials of the Trust and its management and any pro forma's associated with the offering of the Trust's interests. Included within this review will be a review of the amount and composition of any stated dividend distribution, particularly how much capital is returned in these payments and whether that amount is variable. Additionally, the Analyst will review whether there are impairments to the REIT's assets or any other issues that might affect the dividend distribution. All of this will be reviewed by the Offering Diligence Principal prior to approving the offering.

Independent Diligence

The Offering Diligence Analyst will independently verify any material information contained in the offering materials using third party databases or reports. The Offering Diligence Principal shall review this independent diligence in evaluating the offering.

Upon reviewing the issuer, offering, financial, and independent diligence, the Offering Diligence Principal will determine whether further information is needed or whether the Firm has a reasonable basis to believe the offering is not fraudulent and accept the offering on the Firm's behalf.

On-going Diligence

After completing the initial diligence, the Firm shall regularly update its diligence on the management and performance of the REIT offerings it is offering. This will consist of reviewing for any events that would disqualify the management from conducting a securities offering, requesting and reviewing on-going financial performance at least once a year, and monitoring for any negative news concerning the REIT.

Volume Discounts
In the case that the offering has Volume Discounts, those discounts will be disclosed to investors and administered in the Home Office by the Chief Compliance Officer and the FinOp.

5110 Filing
For each Non-traded REIT offering in which the Firm participates, a filing under FINRA Rule 5110 must be made with FINRA's Corporate Financing Department. This filing should be made by the managing broker-dealer within three business day after the documents are filed or submitted to the SEC. If the Firm is acting as the managing broker-dealer, the CCO, or his designee, will ensure that the proper 5110 filing has been made within three business day of the issuer filing the required forms with the SEC.

Per-share Value
Under Regulatory Notice 09-09 neither the Firm, nor any of its Associated Persons, will distribute per share estimated value based on data that is of a date more than 18 months prior to any statement's date. If per share estimated value is going to be distributed on a statement by a Registered Representative associated with the Firm, the Firm will review

the information upon which that value is based and the calculation of that value prior to distribution of the statement.

Flow of Funds

The Firm will comply with the policies and procedures laid out in the Customer Funds and Securities section of these WSPs.

Appendix K:

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Appendix L: Rep Cybersecurity Policy

OFF-SITE ASSOCIATED PERSONS CYBERSECURITY POLICY

This policy contains the requirements for Associated Persons ("APs") of WealthForge Securities ("Firm") that are not located at the OSJ. APs include both Registered Representatives and Non-Registered Fingerprint Persons. APs located at the OSJ are subject to the Firm's organization-wide cybersecurity policy.

The Firm is committed to securing the Firm's, its clients', its partners', and its employees' information and to protecting Firm technology and informational assets against unauthorized access, theft, and destruction. This policy reflects that commitment and is re-evaluated on a periodic basis to ensure continued preparedness for cyber threats in the face of an ever-changing environment.

Asset Management

Physical Devices and Systems

In the course of performing their duties on behalf of the Firm, it is understood that APs may use non-Firm provided IT assets to communicate and connect to Firm systems and with clients and investors. These assets, such as desktop computers, laptop computers, or mobile devices, while not directly managed by the Firm, must meet certain minimum standards laid out in this policy to ensure information security.

Software Platforms and Applications

The Firm regularly reviews who has access to their systems and revokes their priveldges as needed.

Network Connections

APs will conduct Firm business on secure networks only. The use of open, non-secure networks, such as unprotected and shared hotel or coffee shop Wi-Fi, presents an avoidable risk of disclosure of sensitive information and is strictly prohibited for conducting Firm business.

Endpoint Security

APs shall ensure that equipment on which they conduct Firm business has regularly-updated anti-virus and anti-malware software installed. APs shall also ensure that they promptly install security updates and patches on this equipment and limit access to it using strong passwords.

Sensitive Information Definition

Sensitive information includes:

Personally Identifiable Information (PII): Information that can be used to distinguish or trace an individual's identity (such as their social security number, taxpayer identification number, employer identification number, biometric data, or other similar information)

alone, or when combined with other personal information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, or other similar information.

Sensitive Financial Information: Information obtained during the offering or delivery of a financial product or service that would serve to identify an individual or could otherwise cause harm if disclosed to an unauthorized party.

Firm/Client/Partner Confidential Information: Information pertaining to legal proceedings, confidential business dealings, trade secrets, intellectual property and other proprietary or confidential matters.

Sensitive information may reside in hard copy or electronic records; both forms fall within the scope of this policy.

Non-Disclosure of Sensitive Information

In the course of conducting the Firm's business APs may encounter sensitive information. As an AP, you are expected to use, protect, and dispose of such sensitive information and resources in accordance with Firm policies and obligations. You are not to discuss the Firm's or its clients' affairs with, or in the presence of, persons who have no "need to know." This includes discussions in elevators, taxicabs, restaurants, and other public places.

In order to ensure the protection of sensitive information to which you have access, you must abide by the following Firm requirements:

All electronic devices should be protected by a password, PIN or biometric authentication method which adheres to industry best practices.

- Do not share unique User IDs, passwords or PINs with anyone or make physical copies of them, such as placing them on sticky notes.
- Clear your device/computer screen when your need to view it is over.
- Properly log off or lock your computer/device with a password prior to leaving it unattended.
- When left unattended, secure any sensitive information, whether in soft or hard copy form. Remove sensitive information from your desk and lock it in a drawer when your desk is unoccupied and at the end of the work day.
- Keys used for access to sensitive information must not be left at an unattended desk.
- When hard copies of documents containing sensitive information are no longer needed, securely dispose of them.
- Whiteboards containing sensitive information should be erased immediately after use.
- Electronic sensitive data is only to be stored on devices with active, industry standard encryption, such as BitLocker for Windows, FileVault for Mac, and self-encrypting USB drives.

- Portable computing devices containing sensitive data such as laptops must be secured with a cable lock or locked in a drawer when unattended. If a portable device the AP uses for Firm business is lost or stolen, the AP must promptly report the event to the Firm.
- Sensitive data may not be placed on mobile devices such as smartphones or tablets.
- Treat all mass storage devices such as CD-ROM, DVD, USB thumb drives and portable hard drives as sensitive and secure them in a locked drawer when not in use.
- Only print documents containing sensitive information when necessary. Immediately remove all papers from the printer as soon as the job has completed to ensure that sensitive documents are not disclosed to unauthorized parties.

Data Management and Handling

Retention: APs shall retain convenience copies of sensitive information only as long as necessary, in accordance with applicable federal and state law and industry regulations. APs shall shred hard copy convenience on a regular basis.

Electronic Records Access: The Firm maintains multiple IT systems where sensitive data may reside. The Firm allows access only to approved individuals and only to the extent required. The Firm shall terminate an AP's access to its systems upon termination of an AP's relationship with the Firm.

Physical Records Access: APs are to control access to paper records containing sensitive information by locking such records in files and data storerooms. APs shall only maintain physical records as long as necessary to conduct Firm business. APs shall follow a strict and secure destruction schedule when records are no longer needed.

Data Transmission and Transportation: The Firm understands that APs may need to access, transmit and transport sensitive information. The AP should minimize accessing, transmitting, and transporting sensitive information to the degree possible to meet business needs.

Vendors and Third Parties: The AP shall not share sensitive information with any party without prior written consent of the Firm.

Data Breach and Notification: Databases or data sets that include sensitive data may be breached inadvertently or through wrongful act. Upon becoming aware of a data breach, the AP shall report the breach to the Firm without delay upon discovery and fully cooperate with the Firm in investigating and responding to the incident.

Policy Compliance

Training: All APs are provided with a copy of this policy, and with introductory training regarding the provisions of this policy, and assistance with implementation of related procedures when requested.

Audits: The Firm will conduct audits of sensitive information the AP maintains to ensure that this policy remains strictly enforced. The Firm may further require periodic assessments to evaluate and attest compliance with these policies.

Regulatory Requirements: APs are to comply with federal and state law, and Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA) regulations governing PII. If any provision of this policy conflicts with a statutory or regulatory requirement governing sensitive data, the policy provision(s) that conflict are superseded.

You must not disable, bypass, circumvent, or otherwise attempt to negate Firm information security measures. If you discover an attempted or actual information security violation, you must immediately notify the Firm.

The Firm views the protection of this information to be of the utmost importance. Infractions of this policy or its procedures may result in disciplinary actions up to and including termination of relationship between the Firm and the AP and/or legal action. The Firm's enforcement of the Off-site Associated Person Cybersecurity Policy reinforces the Firm's continuing commitment to ensuring that Firm, client, partner and employee information is protected by the highest standards.