

# **Prime Capital Financial**

## **(Prime Capital Investment Advisors, LLC)**

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### **Form ADV Part 2A**

Date of Brochure: March 2026

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This brochure provides information about the qualifications and business practices of Prime Capital Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 913-491-6226 or at [compliance@pciwealth.com](mailto:compliance@pciwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Prime Capital Investment Advisors, LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view Prime Capital Investment Advisors' information on this website by searching for Prime Capital Investment Advisors. You may search for information by using Prime Capital Investment Advisors' name or by using Prime Capital Investment Advisors' CRD number. The CRD number for Prime Capital Investment Advisors is 288712.

\*Registration as an investment adviser does not imply a certain level of skill or training.

**Item 1 - Cover Page**

## Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV,” adopting new rules which required us to amend the disclosure brochure (“Brochure”) that we provide to clients.

In the following Summary of Material Changes, we report only the material change(s) made since the December 9, 2025 update of this Brochure.

*No items to report.*

Other change(s) were made to Items 4, 5, 7, and 12. Full details are outlined in this Brochure, which is available upon request. Prime Capital Financial (Prime Capital Family Office) offers family office services and consulting. Prime Capital Financial (Prime Capital Tax Advisory) offers tax planning and preparation services and consulting to certain high-net-worth and ultra-high-net-worth clients.

***Due to the changes made to this Brochure since prior updates, we suggest that all our clients carefully review this new Firm Brochure in its entirety and discuss any questions with their investment adviser representative (“IAR”, “rep-advisor”, “financial professional”).***

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## **Item 4 – Advisory Business**

Prime Capital Investment Advisors, LLC (referred to as “Prime Capital Financial”, “Adviser”, “Firm”, “Prime Capital Investment Advisors”, or “we” throughout this document) is an investment adviser registered with the United States Securities and Exchange Commission. Prime Capital Financial is a limited liability company (“LLC”) formed in May 2017 under the laws of the state of Kansas. Prime Capital Financial offers investment advisory and investment management services including asset management (wrap fee management program) and allocation services, qualified retirement plan sponsor and trustee services, financial planning services, business planning services, and consulting services. Prime Capital Financial has been registered as an investment adviser since June 23, 2017.

### ***Our Principal Owners***

Prime Capital Investment Advisors, LLC (“Prime Capital Financial”, “Firm”) is 100% owned by CHHSZ Holdings, LLC. CHHSZ Holdings, LLC is a limited liability company “LLC” formed in October 2019 under the laws of the state of Delaware. The major decisions of a strategic and administrative nature for the Firm are made by Scott Colangelo – Chairman, Brian Dillbeck – Chief Financial and Operations Officer (“CFO”, “COO”), Scott Duba – President, Tim Hakes – Vice Chairman, Will McGough – Chief Investment Officer (“CIO”), Glenn Spencer – Chief Executive Officer (“CEO”), and Anthony Woodard – Chief Risk and Compliance Officer (“CRO”, “CCO”).

### ***Client Assets Managed by Adviser***

The amount of clients’ assets managed by Adviser (Prime Capital Financial) totaled \$39,139,607,871 as of December 31, 2025 of which \$19,555,132,692 was managed on a discretionary basis and \$19,584,475,179 was managed on a non-discretionary basis.

### ***Advisory and Investment Management Services Offered***

Prime Capital Financial offers asset management services to advisory clients, which involves Prime Capital Financial providing clients with continuous and ongoing supervision over their accounts. In providing asset management services, Prime Capital Financial will continuously monitor a client’s account and make trades in his (her) accounts when necessary. Prime Capital Financial will assist clients in determining their objective(s), investment strategy, and investment suitability, prior and subsequent to opening an Asset Management account. Through personal discussions and other means in which goals and objectives based on a client's particular circumstances are established and after the client provides Prime Capital Financial with specific details concerning his or her current financial situation, investment objectives, and risk tolerance, Prime Capital Financial develops a client's Investment Policy Statement “IPS” or other such investment objectives. A client’s account will be managed by Prime Capital Financial based on this policy and his (her) financial situation, investment objectives and risk tolerance. Clients may impose restrictions on investing in certain securities or types of securities. Clients must contact us to notify of any changes in their investment objective(s), restriction(s), and/or financial situation. Prime Capital Financial will actively monitor a client’s account and will make management recommendations and decisions regarding buying, selling, reinvesting, or holding securities, cash, or other investments. Prime Capital Financial provides these

services to individuals, trusts, estates, charitable organizations, corporations, qualified and non-qualified retirement programs, and deferred compensation programs. When making the determination of whether one of the advisory services/programs available through Prime Capital Financial is appropriate for a client's needs, client should bear in mind that fee-based accounts, when compared with commission-based accounts, often result in lower costs during periods when trading activity is heavier, such as the year an account is established. However, during periods when trading activity is lower, the fee-based account arrangements may result in a higher annual cost for transactions. Thus, depending on a number of factors, the total cost for transactions under a fee account versus a commission account can vary significantly. Factors which affect the total cost include account size, amount of turnover, type and quantities of securities purchased or sold, commission rates and your tax situation. It should also be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between the client and Prime Capital Financial. Clients should discuss the advantages and disadvantages of fee-based and commission-based accounts with their investment adviser representative ("IAR") and clients should also read this Disclosure Brochure or if applicable, the Firm's *Wrap Fee Brochure for Asset Management Services*, carefully as it explains, in detail, our Asset Management Services. Prime Capital Financial also offers asset management services to clients who were acquired by way of adviser recruiting, mergers and acquisitions (i.e., legacy clients). Such clients may have advisory accounts and services that continue to be subject to prior contract terms, custodial arrangements, investment strategies, and fee structures, in order to facilitate continuity in both service and investment management. Such terms, arrangements, strategies, and fee structures are not otherwise available to other clients of Prime Capital Financial. Strategy availability can and does change, at the sole discretion of Prime Capital Financial. Prime Capital Financial requires that asset management clients establish brokerage accounts with a Prime Capital Financial-approved registered broker-dealer or qualified custodian (together "qualified custodian"), such as Fidelity, Goldman Sachs, or Schwab Advisor Services (Schwab), all registered broker-dealers, members SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The qualified custodian is the custodian for accounts established through our Asset Management Services Program. The client will appoint Prime Capital Financial as his (her) investment adviser of record on specified accounts. The client's account will consist only of separate account(s) held by said qualified custodian under his (her) name. Prime Capital Financial does not act as custodian and does not have direct access to client funds and securities except to have advisory fees deducted from client's account with the client's prior written authorization. The qualified custodian will maintain physical custody of all funds and securities of a client's account, and client will retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) for his (her) account. Prime Capital Financial provides such services subject to the limitations and restrictions imposed by the custodial platform chosen by the client. Other advisers may provide such advisory services to clients through programs, platforms, and custodians not available to Prime Capital Financial. The client will authorize Prime Capital Financial to have trading authorization on his (her) account and we will provide asset management services. The client will authorize either discretionary or non-discretionary management in his (her) agreement for our Asset Management Services. If the client has authorized us to provide asset management services on a discretionary basis, we will make all decisions to buy, sell or hold securities, cash, or other investments in the client's managed account in our sole discretion without consulting with the client before making any transactions. The client must provide us with written authorization to exercise this discretionary authority, and he (she) can place reasonable restrictions and limitations on our discretionary authority. The investment recommendations and any decisions of Prime Capital Financial on behalf of participants in any strategy, allocation, or portfolio offered by Prime Capital Financial are subject to various market, currency, economic, political, and business risks, and will not necessarily be profitable or meet the needs of the client. There are risks and loss of principal is one of those risks.

### **Asset Management Services (“Wrap Fee Management Program”)**

Prime Capital Financial offers asset management services to advisory clients through wrap fee management programs. In our wrap fee management programs, the fee for advisory services (including asset management) and transaction costs (including ticket charges and commissions on purchase and sales of stocks, bonds, exchange-traded funds, and options) are “wrapped” into one fee. Such Asset Management Services are considered a wrap fee program. Whenever a fee is charged for such services, we will receive all or a portion of the fee charged. Participants in our wrap fee management programs will receive a separate *Wrap Fee Brochure for Asset Management Services*.

### **Asset Management Services (using Transaction-based Pricing Custodial Platforms)**

Prime Capital Financial also offers asset management services to advisory clients through “transaction-based pricing custodial platforms.” Such clients do not participate in the Firm’s Wrap Fee Programs and therefore will also pay transaction costs (including ticket charges and commissions on purchase and sales of stocks, bonds, exchange-traded funds, and options) in addition to Prime Capital Financial advisory fees. Such Managed Account Services are offered through platforms made available by Prime Capital Financial-approved custodians and mutual funds (including mutual fund(s) transfer agent), and certain Prime Capital Financial-approved annuity providers (insurance companies).

### **Asset Management Services (Discretionary) through Pontera**

Certain client accounts receiving Prime Capital Financial’s asset management services through transaction-based pricing custodial platforms may be held at a custodian that is not directly accessible to our firm (“Held Away Accounts”). We can manage these Held Away Accounts using a third-party platform called Pontera Order Management System (“Pontera”). Specifically, Prime Capital Financial uses Pontera to implement ongoing tax-efficient asset allocation and opportunistic rebalancing strategies for held away assets such as defined contribution plan participant accounts (e.g., 401(k) accounts) and HSAs, with discretion. All clients engaging in Asset Management Services for Held Away Assets must either engage in Comprehensive Financial Planning with discretionary investment (asset) management (as described in this Brochure) or meet a \$100,000 minimum of assets under management. Pontera allows Prime Capital Financial to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades or withdraw funds. We are not affiliated with Pontera in any way and receive no compensation from Pontera for using its platform. A link will be provided to clients allowing them to connect their account(s) to the platform. Once client account(s) are connected to the platform, Prime Capital Financial will review the current account allocations. When deemed necessary, our firm will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. No guarantees expressed or implied.

### **Advisory Services for Non-Discretionary Assets**

The scope of such services is limited to making investment recommendations with respect to the assets, providing regular and periodic (no less than annual) supervision of the assets, implementing trades at the client’s direction, and to otherwise perform as described in Prime Capital Financial’s disclosure documents and in the client’s specific agreement with Prime Capital Financial.

## **Managed Account Allocations for Plan Participants**

Prime Capital Financial also offers its discretionary investment advisory services to 401(k), 403(b), Employee Stock Ownership Plans (ESOP), profit sharing, defined benefit pension and deferred compensation plans and their participants. These services are currently offered through platforms made available by firms that include, but are not limited to Ascensus, Empower Retirement, Fidelity, Newport Group, OneAmerica, Principal Financial, Prudential, TIAA-CREF, Transamerica Retirement Solutions, and through other Plan administrator firms, custodians, and record keepers that clear through Fidelity, Matrix Financial Solutions, Inc., Mid Atlantic Trust Company, Reliance Trust Company, Schwab, State Street, and Wilmington Trust. In some instances, Prime Capital Financial will work with a designated subadvisor or co-fiduciary to provide these services. Prime Capital Financial provides such qualified retirement plan services subject to the limitations and restrictions imposed by the applicable platform chosen by the client. Other advisers may provide such advisory services to retirement plans through platforms and custodians not available to Prime Capital Financial. By electing these investment advisory services, Plan(s) and Plan participants are offered either risk based managed account allocations (Conservative Income/Conservative, Income/Moderately Conservative, Conservative Growth/Balanced, Growth and Aggressive/Aggressive Growth) or goals-based managed account allocations. Goals-based managed account allocations are based primarily on a plan participant's years until retirement and desired retirement income, but can be further personalized based on a plan participant's individual circumstances. These allocations are comprised of investment options made available through and custodied by the applicable platform provider. As part of its Qualified Plan Investment Advisory recommendations, Prime Capital Financial may from time-to-time cover expenses incurred by Qualified Plan participants as part of any investment option change, transfer or rebalance which triggers a charge, adjustment, or fee to the participant. The facts and circumstances of any type of expense coverage by Prime Capital Financial will be fully disclosed to the applicable Qualified Plan Sponsor and Qualified Plan participant(s) prior to payment by Prime Capital Financial and crediting to the respective participant account.

## **Qualified Retirement Plan Sponsor and Trustee Services**

Prime Capital Financial, doing business as, Prime Capital Retirement (formerly Qualified Plan Advisors), also offers Qualified Retirement Plan services to Plan Sponsors and/or Plan Trustees. These services include design, implementation, monitoring and reporting of a Plan's Investment Policy Statement; analysis, monitoring and reporting of investment options made available to Plan participants; ERISA Section 3(38) investment manager services; Pension consulting; Plan design consulting; Form 5500 review; Plan trustee fiduciary communication and training; Plan benchmarking reporting; Plan Participant enrollments and education; Plan Health; a stream-lined ERISA Section 3(38) plan-level fiduciary service engagement named *Fiduciary Complete*. Such services do not constitute accounting or legal advice. Prime Capital Financial does not custody plan assets and is not a recordkeeper or third-party administrator. Prime Capital Financial provides qualified retirement plan advisory, plan sponsor and trustee services subject to the limitations and restrictions imposed by the applicable platform chosen by the client. Other advisers may provide such advisory services to retirement plans through platforms and custodians not available to Prime Capital Financial.

## **Collective Investment Funds Services**

A collective investment fund also known as a collective investment trust is a bank-maintained fund that is exempt from registration as a mutual fund under the Investment Company Act of 1940 and only available to qualified retirement plans. Prime Capital Financial offers investment advisory services by serving as an investment adviser to the Fiduciary Investment Trust (including Core Series) funds (also referred to as the Funds throughout this brochure). The Funds are organized as collective investment trusts. Comerica Bank & Trust, National Association (“Comerica”) serves as the Funds’ trustee and administrator, hires, and fires the investment adviser of the Funds and selects the qualified custodian. Comerica has established accounts for the Funds at its bank, which serves as the qualified custodian. UMB Fund Services provides the Funds with fund administration and accounting, omnibus transfer agency and sales support. As investment adviser Prime Capital Financial provides investment advice and management services to the Funds. The Funds are available only to retirement plans as an investment option: Aggressive; Growth; Balanced; Moderately Conservative; Conservative; and Core Series: Large Cap. Some retirement plans investing in the Funds could also be clients of Prime Capital Financial. Where such a plan is otherwise a client of Prime Capital Financial, Prime Capital Financial may perform Fiduciary Consulting Services, except for selecting, monitoring, or recommending any Funds, in which case it will receive a fee for such plan-level service. The plan sponsor is responsible for selecting and monitoring Funds. The investment management fee paid by the Funds to Prime Capital Financial may be at a rate that is higher than the fee Prime Capital Financial typically receives from the plan for the plan-level Fiduciary Consulting Services. Please refer to Item 5 of this Brochure for a description of our fees. Increases in Funds assets will result in increases in total management fees paid to Prime Capital Financial. In recognition of that incentive and to avoid any potential conflict of interest, any retirement plan utilizing Prime Capital Financial’s Fiduciary Consulting Services will need to make its own independent investigation and evaluation of the Funds. The Funds currently compose the sole collective investment fund client advised by Prime Capital Financial. Prime Capital Financial maintains limited power of attorney to act on a discretionary basis when managing the investments of the Funds. Prime Capital Financial is responsible for investment selection, asset allocation, and asset management decisions regarding the Funds. Prime Capital Financial does not have authority to disburse assets or securities from the Funds.

## **Third-Party Asset Management Services**

Prime Capital Financial engages in the selection of third-party money managers. Specifically, the Firm generally offers clients access to professional third-party money managers (“TPMM”) by means of “turnkey asset management programs”, or TAMPs. A TAMP is a program sponsored by a third-party that provides a wide range of services for a program fee. Services vary depending on the program and may include one or more of the following:

- Asset allocation models
- Money manager due diligence
- Market and manager analysis
- Client proposals and risk tolerance tools
- Account administration
- Performance reporting
- Training and education support

Under such programs, we assist you with identifying your risk tolerance and investment objectives. Clients who participate in a TAMP typically will complete a program questionnaire that helps to identify their investment needs and tolerance for risk. Based on the responses to the questionnaire, client assets will be invested in a portfolio of securities that is designed to meet their investment objectives. Clients who wish to participate in a TAMP or use a TPMM will receive additional material about it that is prepared by the sponsor of the TAMP (“TAMP Sponsor”) or TPMM. The additional material must be reviewed by a client before a TAMP or TPMM account can be opened. You must enter into an agreement directly with the TAMP Sponsor or TPMM who provides your designated account with asset management services. In general, sponsors of TAMP programs and TPMMs are given the authority to place trades on behalf of clients, a practice known as “discretion.” But some programs permit clients to impose reasonable restrictions on the management of their accounts. For example, the client may be able to specify that the client’s assets not be invested in certain types of securities, such as securities issued by tobacco companies. The TAMP Sponsor or the TPMM determines the reasonableness of the restrictions. TAMP Sponsors and TPMMs are responsible for continuously monitoring client accounts and making trades in client accounts when necessary. Some TAMP Sponsors and TPMMs will not open an account unless a specified minimum amount of money will be invested, but they usually reserve the right to waive the requirement, and often do so. The Firm’s involvement in third-party asset management services is generally limited to acting as either a (1) “promoter” (formerly solicitor) or (2) “co-advisor” for third-party program sponsors. The Firm’s obligations will vary to some extent depending on the nature of its role, and will vary from one TAMP to another or from one TPMM to another. When the Firm acts as a promoter, it refers clients to unaffiliated investment advisers who are TAMP Sponsors or TPMMs that offer asset management and other investment advisory services or sponsor so-called wrap fee programs. As a result of the referral, we are paid a portion of the fee charged and collected by the TAMP Sponsor or TPMM in the form of promoter fees. Each solicitation arrangement is performed pursuant to a written agreement and is in compliance with SEC Rule 206(4)-1 and applicable state securities rules and regulations. Clients referred by the Firm enter into an investment advisory agreement directly with the TAMP Sponsor or TPMM, which typically may be terminated by either party upon written notice. Prime Capital Financial is not a party to this agreement and does not have investment management responsibility for the provision of TAMP or TPMM services. Rather, the Firm’s role is limited to referring clients to the TAMP or TPMM and performing limited advisory services, assisting with certain administrative functions, and acting as a liaison between the client and the TAMP Sponsor or TPMM. Again, we do not have any trading authority with respect to your designated account managed by the TAMP Sponsor or TPMM. The Firm’s rep-advisor will provide the client with a copy of the TAMP Sponsor’s or TPMM’s brochure describing the program, as well as appropriate disclosure, including with regards to compensation and conflicts of interest, as applicable. The TAMP Sponsor’s or TPMM’s brochure and investment advisory agreement should describe its responsibilities and Prime Capital Financial’s responsibilities, and should be reviewed carefully before investing in the program. Under a typical co-advisory arrangement, the joint client “client” enters into an agreement with both the Firm and the TAMP Sponsor or TPMM, which may be terminated by any party upon written notice. Prime Capital Financial’s rep-advisor performs non-discretionary advisory tasks in addition to the ministerial or other tasks provided in some referral or promoter arrangements, including assisting the client with determining the appropriate asset allocation model, reviewing the client’s account activity, and reviewing the account with the client at least annually to identify any changes in the client’s information, financial situation, investment objectives or restrictions placed on the account. Under a co-advisory arrangement, Prime Capital Financial and its rep-advisors are responsible for recommending specific TAMP or TPMM model

allocations to clients and for determining if such recommendations are suitable for and in the best interest of clients. To the extent the client is a "Retirement Client", Prime Capital Financial acknowledges that it is a "fiduciary" (as defined by Employee Retirement Income Security Act of 1974 ("ERISA")) with respect to such Account, Securities, or other Investment Property that are subject to ERISA. As a result of the co-advisory arrangement, we are paid a portion of the fee charged and collected by the TAMP Sponsor or TPMM in the form of advisory fees. For all clients with TAMP or TPMM accounts, the Firm's rep-advisors will, at least once per year, contact the client to review and update the client's investment objectives and account restrictions, investment programs or asset allocation models based on changes in the client's goals, objectives, and/or financial situation. For more information about such programs, the fees applicable to them, and other matters of interest, please review Item 5 of this Brochure and the investment advisory or wrap program disclosure document of the relevant program sponsor, which will be provided to you before an account is opened. Although we review the performance of numerous third-party investment adviser firms, we enter into only a select number of relationships with third-party investment adviser firms that have agreed to pay us a portion of the overall fee charged to our clients. Therefore, Prime Capital Financial has a conflict of interest in that it will only recommend third-party investment advisors that will agree to compensate us for referrals of our clients. Clients are advised that there may be other third-party managed programs not recommended by our firm, that are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a third-party investment adviser recommended by our firm. Further, no guarantees of performance can ever be offered by our firm (Please refer to Item 8 of this Brochure for more details.)

### **Investment Advisory Services for Sub-Advisory Relationships**

Prime Capital Financial may appoint a sub-advisor (a/k/a "subadviser") to manage the assets of a client's advisory account(s) on a discretionary basis. After review of the information provided regarding a client's account(s), the appointed sub-advisor may accept or reject its appointment by Prime Capital Financial to provide investment advisory (sub-advisory) services to the client. Upon acceptance of its appointment by Prime Capital Financial, the sub-advisor will agree to manage the client's account(s) with discretion and to invest all securities and cash that a client may deposit into his or her account(s) without prior consultation with Prime Capital Financial, subject only to the investment objectives and restrictions imposed by written notice to sub-advisor by Prime Capital Financial. A client's Prime Capital Financial rep-advisor will assist the client with identifying his or her risk tolerance and investment objectives. Prime Capital Financial's and its rep-advisor(s)' recommendation to have a sub-advisor manage a client's account is based on the client's financial situation, level of financial sophistication, investment experience, and financial goals, and Prime Capital Financial's and its rep-advisor(s)' reasonable due diligence of such items and of the sub-advisor. A Prime Capital Financial rep-advisor is also responsible for reviewing a client's applicable account activity, and for reviewing the client's account(s) with the client, at least annually, to identify any changes in the client's information, financial situation, investment objectives or restrictions placed on the account, and for communicating such changes to the sub-advisor. Prime Capital Financial may exercise its fiduciary duties as required or requested by a client regarding participation in the accounts managed by a sub-advisor and the strategy chosen by the client. Prime Capital Financial also retains the right to terminate the sub-advisory relationship at its sole discretion, as Prime Capital Financial deems prudent. Prime Capital Financial and a client's Prime Capital Financial rep-advisor are also responsible for tracking and managing a client's cash held in his or her account(s), including deposits, contributions, withdrawals, and distributions, and for communicating such requests to the sub-advisor.

## **Financial Planning Services**

Prime Capital Financial also offers financial planning services for individuals, families, estates, and businesses including investment advice. An agreement is executed by the client and Prime Capital Financial outlining the terms and fees associated with developing a client's financial plan. The purpose of this service is solely to create a financial plan for the client. The planning process focuses on such areas as developing a comprehensive financial plan, portfolio evaluation, cash flow analysis, education planning, retirement account investment analysis, retirement planning, tax projections and planning, risk management, including a review of insurance coverage (which will exclude property and casualty insurance), estate analysis and planning, planning for special needs family members, negotiation of the purchase of substantial assets, and budgeting. This service may or may not grant discretionary power to Prime Capital Financial or IAR. Fees for financial planning services may be charged when assets are not under management of Prime Capital Financial and depend on the nature and complexity of the client's circumstances and needs. Clients may also elect to receive certain financial planning services on a monthly subscription basis. The exact fees and other terms (including discretion) will be outlined in the agreement between you and Prime Capital Financial. A client's IAR may be a Registered Representative of Private Client Services ("Broker-Dealer"), which is a Broker-Dealer registered with the Securities Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority ("FINRA"). Prime Capital Financial and Private Client Services are not affiliated. A client's IAR as a Registered Representative is capable of effecting on the client's behalf transactions in various securities products, including stocks, bonds, mutual funds, variable annuities, and variable life insurance. However, a client is always free to execute securities transactions and purchase insurance products through someone other than his or her Prime Capital Financial IAR. If a client chooses to purchase securities products through his or her Prime Capital Financial IAR in the capacity as a Registered Representative, then all such transactions will be placed through Private Client Services. Broker-Dealers are required to supervise the securities trading of their representatives. In this event, Private Client Services and Client's Registered Representative will receive compensation, including commissions and possible 12b-1 fees normally paid in connection with the sale of securities products. If a client elects to purchase insurance products through his or her Prime Capital Financial IAR, IAR will receive commissions normally paid in connection with these products in a separate capacity as a licensed insurance agent. The aforementioned compensation will be in addition to the fees a client will pay for "Financial Planning Services". Please see Item 14 of this Brochure for more information about the conflicts of interest associated with this arrangement. Prime Capital Financial provides the following types of financial planning services:

### **Custom Financial Planning Services**

#### ***Available Financial Planning Services***

- Retirement Planning
- College/Education Saving
- Major Purchases
- Budget/Cash-flow Analysis
- Investment Management
- Tax Planning, Projection
- Risk/Insurance Analysis
- Estate Review & Analysis

- Caring for parents / special needs planning
- Charitable Giving
- Business valuations and buy/sell planning (for business owners)

Special Notice regarding Estate Planning and Tax Planning Services

Since Prime Capital Financial does not practice law, this work will generally be done in coordination with lawyers separately selected and employed by the client.

**Business Planning Services and Consulting Services**

Business planning services include working with a client's legal and accounting professionals to gather and analyze the client's current circumstances, to help define the client's cash flow management, company financing, business valuation, succession planning, qualified corporate risk management and choice of entity. Consulting services provided by Prime Capital Financial include but are not limited to monitoring and performance reporting, investment manager review and selection, documentation review and analysis of general financial markets, public security markets and sector industries, and financial education and/or coaching. In addition, consulting services could include review and analysis of qualified and non-qualified retirement program design, operations, fee and/or expense structure and investment options. Since Prime Capital Financial does not practice law, this work will generally be done in coordination with lawyers separately selected and employed by the client. These services may or may not grant discretionary power to Prime Capital Financial or IAR. Fees for business planning services or consulting services may be charged when assets are not under management of Prime Capital Financial and depend on the nature and complexity of the client's circumstances and needs. The exact fees and other terms (including discretion) will be outlined in the agreement between you and Prime Capital Financial. A client's IAR may be a Registered Representative of Private Client Services ("Broker-Dealer"), which is a Broker-Dealer registered with the Securities Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority ("FINRA"). Prime Capital Financial and Private Client Services are not affiliated. A client's IAR as a Registered Representative is capable of effecting on the client's behalf transactions in various securities products, including stocks, bonds, mutual funds, variable annuities, and variable life insurance. However, a client is always free to execute securities transactions and purchase insurance products through someone other than his or her Prime Capital Financial IAR. If a client chooses to purchase securities products through his or her Prime Capital Financial IAR in the capacity as a Registered Representative, then all such transactions will be placed through Private Client Services. Broker-Dealers are required to supervise the securities trading of their representatives. In this event, Private Client Services and Client's Registered Representative will receive compensation, including commissions and possible 12b-1 fees normally paid in connection with the sale of securities products. If a client elects to purchase insurance products through his or her Prime Capital Financial IAR, IAR will receive commissions normally paid in connection with these products in a separate capacity as a licensed insurance agent. This compensation will be in addition to the fees a client will pay for "Business Planning Services" or "Consulting Services". Please see Item 14 of this Brochure for more information about the conflicts of interest associated with this arrangement.

## **Family Office Services**

Prime Capital Financial (Prime Capital Family Office) offers family office services. In addition to financial planning, investment management, and wealth advisory services, our available family office services include advanced reporting, financial administration, and family education and governance.

### *Advanced Reporting*

Our account aggregation and performance reporting service provides comprehensive oversight of the family's entire investment portfolio across all entities, accounts, and asset classes. We consolidate data from multiple sources including custodians, private investments, real estate holdings, and alternative assets to deliver unified reporting that tracks asset allocation, performance, risk metrics, and cash flows. Through our secure platform, authorized family members and advisors can access customized dashboards and detailed reports that provide both high-level portfolio views and granular investment analysis, enabling informed decision-making while maintaining strict confidentiality standards.

### *Financial Administration*

Financial Administration services include but are not limited to personal accounting and budgeting, bill pay, tax organization, payroll administration, and tracking of oil and gas interests and real estate interests.

### *Family Education and Governance*

Based on the needs of the client, we may also include family education and governance, including education and engagement for next-gen family members, family meeting facilitation, and philanthropy strategy and implementation.

Please note, some of these services may be performed by a third-party service provider and therefore may be subject to additional agreements and fee arrangements.

## **Family Office Consulting**

Prime Capital Family Office offers non-discretionary, family office consulting services as needed. We may summarize these consulting services in a written plan for the client, which reflects the client's current financial circumstances, financial outlook, and personal objectives or we may provide recommendations only. Upon completion of the analysis/review, our financial professional will prepare a detailed written report summarizing the findings, observations, and insights regarding the existing portfolio and managers. Our financial professional will present these findings to the client and engage in a discussion to address any questions. Family office consulting is a fixed fee and/or hourly rate billed engagement. The exact terms are set forth in a separate consulting agreement.

## **Tax Planning and Consulting**

Prime Capital Financial (Prime Capital Tax Advisory) offers tax planning and preparation services and consulting to certain high-net-worth and ultra-high-net-worth clients. Prime Capital Financial and its associates do not provide legal advice.

## **Seminar(s) for Fee(s)**

Please note that this section refers to educational seminars for individuals and does not refer to retirement plan sponsor/participant education. The intent of an educational seminar is to provide the attendee with various educational topics that are general in nature. The educational seminar will be impersonal and not consider the individual circumstances of the attendee. As such, the educational seminar should not be considered a comprehensive review, analysis, or customized advice in regards to the attendee's individual situation. The educational seminar is not a substitute for or the same as a consultation with an investment adviser in a one-on-one context whereby all the facts of the attendee's situation can be considered in their entirety and the investment adviser can provide individualized investment advice or a customized financial plan. It is important the attendee understands that the services of Prime Capital Financial under this type of agreement do not include any training, consulting, financial planning, investment management, or supervision with respect to the attendee's assets. If attendee desires such training, consulting, financial planning, investment management, or supervision services, attendee will be required to execute a separate agreement and pay fees in addition to the fees paid by attendee to Prime Capital Financial for a seminar. Prime Capital Financial requires a written Seminar Attendee Agreement (or similar document) to be completed for each seminar attendee before a seminar fee may be charged. This agreement is intended to be used for public seminars and not for client events. Again, public seminars are those seminars that are educational in nature and provided to the public. Conversely, a Seminar Attendee Agreement is not required when a seminar fee is not being charged.

## **Other Services**

### **Limited Advisory Services (also called Limited Scope Advisory Services)**

The Prime Capital Financial Limited Advisory Services or Limited Scope Advisory Services Program is a wrap fee program. Neither Prime Capital Financial nor any person associated with Prime Capital Financial shall provide continuous ongoing supervision and management for your account. Prime Capital Financial will not monitor specific securities or general portfolios within your account. You have the exclusive responsibility for the making investment decisions and monitoring of all securities that are held in or purchased or sold for your account. Participants in this wrap fee program will receive a separate *Wrap Fee Brochure for Limited Advisory Services*. Prime Capital Financial does not make any investment recommendations for your account except Prime Capital Financial may provide investment recommendation for your account in response to a specific request made by you. You understand that it will be incumbent upon you to make such request, and Prime Capital Financial may decline, at its discretion, to provide any recommendation for your account. The Account receiving Limited Advisory Services is expressly excluded from receiving other advisory services of Prime Capital Financial, unless otherwise agreed to in writing by you and Prime Capital Financial. Further description of the above program is provided in the Firm's *Wrap Fee Brochure for Limited Advisory Services*.

### ***Limits Its Advice to Certain Types of Investments***

Prime Capital Financial may provide investment advice on the following types of investments:

- Certificates of deposit
- Closed-end fund shares
- Collective Investment Trusts ("CIT"s)
- Corporate debt securities (other than commercial paper)

- Direct Participation Programs (“DPP”s)
- Exchange-listed securities
- Exchange-traded fund shares or units (“ETF”s)
- Exchange-traded notes (“ETN”s)
- Foreign issues
- Interests in Partnerships
- Interval fund shares
- Master Limited Partnerships (“MLP”s)
- Municipal securities
- Mutual fund shares (including money market mutual funds)
- Open-end fund shares
- Options contracts on securities
- Private Offerings or Placements
- Real Estate Investment Trusts (“REIT”s)
- Securities traded over-the-counter
- Separate account shares
- Stable value products (including guaranteed income funds)
- Structured products (including structured notes)
- Unit Investment Trusts (“UIT”s)
- United States government securities
- Variable annuities
- Variable life insurance

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client’s specific circumstances, needs, goals and objectives.

### ***Advisory Services Tailored to Individual Needs of Clients***

Prime Capital Financial’s advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information. We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines. For plan participants whose accounts are serviced under the Managed Account Allocation Program, the accounts are managed according to the selected strategy (Conservative Income, Income, Conservative Growth, Growth, and Aggressive/Aggressive Growth), or the strategy assigned by the goals-based managed account methodology, and the restrictions Prime Capital Financial can reasonably accommodate are more limited. For Qualified Retirement Plan Sponsor and Trustee Services, Financial Planning Services, Business Planning Services, and Consulting Services, the services are generally delivered upon client engagement for such services. For these services, issues may be prioritized and addressed all at one time, for example, with delivery of a financial plan, or alternatively, the services can be delivered over a specified duration of time, for example, if periodic monitoring is included in the services provided to a qualified retirement plan. For advisory service programs that are not of a limited duration, clients will have a scheduled conference

with their investment adviser representative at least annually to review any changes to the client's goals and objectives and for clients in the Asset Management Services Program, the Investment Policy Statement.

## **Item 5 – Fees and Compensation**

In addition to the information provide in Item 4 – Advisory Business, this section provides details regarding Prime Capital Financial's advisory services along with descriptions of each service's fees and compensation arrangements.

### **Fees for Asset Management Services (“Wrap Fee Management Program”)**

Prime Capital Financial's fees for asset management services, excluding such services pursuant to a Performance-Based Advisory Services Agreement, most often range between 1.00% and 1.50%, but will not be below 0.25% or above 2.50% of the assets held in the account. Fees charged for our asset management services are negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the level of trading activity, the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client. Thus, Prime Capital Financial's fees may vary among clients for the services provided due to such differing client needs, circumstances, objectives, services, and other factors that are deemed at the time to be relevant. It is important to note that it is possible that different investment advisor representatives may charge different fees for providing the same types and level of service to clients. The exact fee arrangements for each client will be specified in that client's investment management agreement or advisory services agreement with Prime Capital Financial. Further information on the fees associated with the above-mentioned services, including services pursuant to a Performance-Based Advisory Services Agreement, is provided in the Firm's *Wrap Fee Brochure for Asset Management Services*.

### **Fees for Asset Management Services (using Transaction-based Pricing Custodial Platforms)**

Prime Capital Financial's fees for such asset management services, most often range between 1.00% and 1.50%, but will not be below 0.25% or above 2.50% of the assets held in the account. These accounts use “transaction-based pricing” and will not participate in the Firm's Wrap Fee Program. Fees charged for such asset (investment) management services are charged based on a flat percentage of assets under management. Accounts that are billed in arrears, may be billed either on a monthly or quarterly calendar basis and are calculated based on the fair market value of the client's account as of the last business day of the current billing period. No fee will be charged on accounts until the assets are under Prime Capital Financial's Management. Fees are prorated (based on the number of days service is provided during the initial billing period) for a client's account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period will be billed in arrears at the end of that billing period. Accounts that are billed in advance, may be billed either on a monthly or quarterly calendar basis and are calculated based on the fair market value of the client's account as of the last business day of the prior billing period. No fee will be charged on Accounts until the assets are under Prime Capital Financial's Management. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed. Fees are assessed on all assets under management. Management fees charged by Prime Capital Financial are

separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses is available in each investment company security's prospectus. Sales charges and 12b-1 fees are not to be paid to Prime Capital Financial as we do not accept any sales charges or 12b-1 fees. Should such charges or fees be paid to Prime Capital Financial, Prime Capital Financial will direct the applicable custodian or platform to remit such charges or fees back to the client. Prime Capital Financial seeks to utilize the lowest cost options available when prudent. Fees charged for our asset management services are negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the level of trading activity, the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client. Thus, Prime Capital Financial's fees may vary among clients for the services provided due to such differing client needs, circumstances, objectives, services, and other factors that are deemed at the time to be relevant. It is important to note that it is possible that different investment advisor representatives may charge different fees for providing the same types and level of service to clients. Prime Capital Financial believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. Furthermore, the maximum annual asset-based fee of 2.50% would be higher than that normally charged in the industry. The exact fee arrangements for such clients will be specified in those clients' advisory services agreements with Prime Capital Financial.

#### ***Fees associated with Alternative Investments***

Clients will be subject to both the alternative investment's management fees and/or performance-based fees and Adviser's own advisory fees. The fees, expenses, and investment minimums of each alternative investment are fully described in the offering materials. Investors in such alternative investments must meet specific suitability and investor eligibility requirements in order to invest and specific opportunities may require higher levels of investment. Adviser's advisory fee, including prorated fee(s), with respect to alternative investments will be billed either in arrears [OR] in advance. The fair market value of the alternative investment is determined by the general partner, firm, or company that created or sponsored the offering, not Adviser. Clients are also expected to maintain a sufficient level of cash or money market funds within their accounts holding alternative investments to cover Adviser's advisory fees. In cases where the alternative investment is intended as a "stand alone" sleeve or account, the client, or account owner, is required to maintain a cash or cash-equivalent balance equal to the annual advisory fee charged by Adviser. The exact fee arrangements for such clients will be specified in those clients' advisory services agreements with Prime Capital Financial.

#### ***Fees associated with Private Offerings***

Clients will be subject to both the private offering's management fees and/or performance-based fees and Adviser's own advisory fees. The fees, expenses, and investment minimums of each private offering are fully described in the offering materials. Investors in such private offerings must meet specific suitability and investor eligibility requirements to invest and specific opportunities may require higher levels of investment. For an account(s) wherein Adviser DOES manage uncalled capital, Adviser's advisory fee, including prorated fees, with respect to private offerings will be billed either in arrears [OR] in

advance. For an account(s) wherein Adviser DOES NOT manage uncalled capital, Adviser's advisory fee with respect to private offerings will be billed in arrears (or in advance) on a quarterly calendar basis and is calculated based on the fair market value of "called capital" (a/k/a "drawn capital", "paid-in capital") as of the last business day of the current billing period for those Account(s) billed in arrears [OR] as of the last business day of the prior billing period for those Account(s) billed in advance. The fair market value of the private offering and its underlying called capital and uncalled capital amounts are determined by the general partner, firm, or company that created or sponsored the offering, not Adviser. Clients are also expected to maintain a sufficient level of cash or money market funds within their accounts holding private offerings to cover Adviser's advisory fees. The exact fee arrangements for such clients will be specified in those clients' advisory services agreements with Prime Capital Financial.

### ***Performance Based Fees***

Under certain situations, Prime Capital Financial charges performance-based fees to investors who meet the definition of "qualified client". Under these arrangements, you will be charged a fee based on the assets under management within your account and in accordance with the fee schedule and parameters detailed below. As a result, Prime Capital Financial has developed two basic fee schedules. The first fee schedule illustrated above is applied to non-qualified clients and the second fee schedule is applied to qualified clients. To be considered a qualified client of Prime Capital Financial, the client must have at least \$1.1 million under management with our firm immediately after entering into an advisory contract or we must have reasonable belief that the client has a net worth of more than \$2,200,000 (excluding the client's primary residence) at the time the investment advisory agreement is executed. Qualified clients are typically charged an annual base fee of (0.70% for Opportunistic Growth Strategy) on their assets under management, on a quarterly basis, in arrears. Such fees are negotiable. In addition to the annual base fee based on the value of the client's assets under management, we are compensated for our asset management services through a performance-based fee. Under this arrangement, the client will be charged a fee contingent upon the performance within the client's account(s). The performance-based fee will be tied to the capital appreciation (i.e., capital gains) within the account as evaluated semi-annually at the end of each semi-annual calendar period (i.e., June 30 and December 31). The performance-based fee will be payable semi-annually, in arrears. The performance-based fee will not exceed 20% of the capital appreciation attained within the client's account. For our firm to receive a performance-based fee, we must achieve capital appreciation within the account. We will charge performance-based fees in adherence with a high-water mark (i.e., no performance-based fee will be earned unless the Account's performance exceeds the previously achieved high water mark where performance-based fees were charged). The high-water mark will be used to prevent a scenario whereby we could receive a performance-based fee merely for recouping prior losses. Any contribution of funds or securities to the Account will increase the high-water mark by a corresponding amount, and any distributions of funds or securities from the Account will lower the high-water mark by a corresponding amount. Prime Capital Financial's Opportunistic Growth Strategy is also available to clients who are under an asset-based fee arrangement; the maximum annual fee is 2.20%. Please see Item 6 of this Brochure for more information about the conflicts of interest associated with performance-based fee arrangements. The exact fee arrangements for such clients will be specified in those clients' advisory services agreements with Prime Capital Financial.

### ***Account Threshold for accounts that are charged performance-based fees:***

A minimum investment of \$100,000 USD is required for the Opportunistic Growth Strategy.

### **Fees for Asset Management Services (Discretionary) through Pontera**

Prime Capital Financial's fees for such asset management services, most often range between 1.00% and 1.50%, but will not be below 0.25% or above 2.50% of the assets held in the account. These accounts use "transaction-based pricing" and will not participate in the Firm's Wrap Fee Program. Fees charged for such asset (investment) management services are charged based on a flat percentage of assets under management, billed in arrears (at the end of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the current billing period. No fee will be charged on accounts until the assets are under Prime Capital Financial's management. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period will be billed in arrears at the end of that billing period. Fees are assessed on all assets under management. With regards to Held Away Assets and Prime Capital Financial's discretionary asset management services through Pontera, it is impossible to directly debit Prime Capital Financial's advisory fees from these accounts. As such, clients will authorize Prime Capital Financial to debit its fees directly from one or more of the Client's taxable accounts, on a pro-rata basis. If there are insufficient funds available in another client account or Prime Capital Financial believes that deducting an advisory fee from another of the client's accounts would be prohibited by applicable law, it will invoice the client instead. Management fees charged by Prime Capital Financial are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses is available in each investment company security's prospectus. Sales charges and 12b-1 fees are not to be paid to Prime Capital Financial as we do not accept any sales charges or 12b-1 fees. Should such charges or fees be paid to Prime Capital Financial, Prime Capital Financial will direct the applicable custodian or platform to remit such charges or fees back to the client. Prime Capital Financial seeks to utilize the lowest cost options available when prudent. Fees charged for our asset management services are negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the level of trading activity, the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client. Thus, Prime Capital Financial's fees may vary among clients for the services provided due to such differing client needs, circumstances, objectives, services, and other factors that are deemed at the time to be relevant. It is important to note that it is possible that different investment advisor representatives may charge different fees for providing the same types and level of service to clients. Please note, Pontera's fee(s) are paid by Prime Capital Financial and are not passed along to you. However, the presence of this arrangement may affect Prime Capital Financial's willingness to negotiate its fees, and therefore may affect the overall fees paid by you. The exact fee arrangements for such clients will be specified in those clients' advisory services agreements with Prime Capital Financial.

### **Fees for Managed Account Services (for legacy Advisory clients)**

Former advisory clients of investment adviser firm(s) acquired by Prime Capital Financial, who become clients of Prime Capital Financial, may have advisory accounts that continue to be subject to prior contract terms, custodial arrangements, and fee structures to facilitate continuity in both service and investment management. Such terms, arrangements, and fee structures are not otherwise available to other clients

of Prime Capital Financial. The exact fee arrangements for such clients will be specified in those clients' advisory services agreements with Prime Capital Financial.

### **Fees for Advisory Services for Non-Discretionary Assets**

Such fees may be asset-based or performance-based, depending on the client's specific agreement with Prime Capital Financial. Such accounts may utilize transaction-based pricing or asset-based pricing, depending on the applicable custodian, bank, or third-party administrator (platform provider) holding or servicing such assets or accounts.

### **Fees for Plan Participant Managed Account Allocations**

The annual fee for Prime Capital Financial's Managed Account Allocations are billed monthly or quarterly in arrears depending on the administrative and/or recordkeeping platform chosen by the client and the terms of the applicable agreement between Prime Capital Financial and the client, and is generally based on either (1) the value of applicable Plan assets at the end of the previous month/quarter (generally calendar), (2) upon an average of month-end asset values for the preceding quarter (generally calendar), or (3) upon the average daily balance for the billing period. Retirement plan platform providers customarily and independently determine the specific methodology for calculating the fees charged to retirement plans, including our fees, and such methodology is subject to change. Nonetheless, fees will generally be assessed pro rata based on the number of days applicable services are rendered. In the event of contract termination, all applicable fees will be assessed and immediately withdrawn from the Qualified Plan's applicable account. The payment of fees for such services can be made by the custodian holding the Plan assets or the Plan Sponsor. Prime Capital Financial's fees for these retirement plan-related services are subject to negotiation with and approval by the Plan Sponsor. Prime Capital Financial's standard annual fee for Managed Account Allocations generally ranges from 10 to 100 basis points. Prime Capital Financial's fees for Plan Participant Managed Account Allocations are reflective of the service schedules selected by the Plan Sponsor which may vary depending on, for example but not limited to, number and physical location of participants, number and location of onsite meetings, plan asset size and other specific service requests of applicable plan sponsors. Minimum account deposits and fee minimums do not apply to the Plan Participant Managed Account Allocations. Prime Capital Financial will quote an exact percentage (or amount of Bps) to each client based on both the nature of the advisory services and total dollar value of that client's portfolio. Sales charges and 12b-1 fees are not to be paid to Prime Capital Financial as we do not accept any sales charges or 12b-1 fees. Should such charges or fees be paid to Prime Capital Financial, Prime Capital Financial will direct the applicable custodian or platform to remit such charges or fees back to the client. Prime Capital Financial seeks to utilize the lowest cost options available when prudent. The Firm's annual fee for its Retirement Plan Services may vary among clients due to differing client needs, circumstances, objectives, services, and other factors that are deemed at the time to be relevant. Prime Capital Financial's fees for such services are subject to negotiation. Prime Capital Financial may raise or lower its fees, following its consideration of various factors, including but not limited to: (1) number of participants and/or locations; (2) current and/or projected cash/asset inflow and outflow for the plan, including deferral rate(s), withdrawal rate(s), and aggregate participant loan balance(s); (3) current and/or projected average participant account balance statistics for the plan; (4) current and/or projected participant Managed Account Allocation utilization, which may include consideration of whether other similar investment option(s) are currently or expected to be made available to the plan, among other factors; (5) expenses expected to be incurred in connection with non-fiduciary education and enrollment services provided to plan participants; and (6) other general

business factors, considerations, and opportunities that are deemed at the time to be relevant. The following are “real world” examples of circumstances in which the Firm may adjust its fees for Managed Account Allocations. No guarantee expressed or implied. Fees are subject to negotiation.

- The Firm may lower its fees for Managed Account Allocations if the retirement plan sponsor desires basic on-line delivery of non-fiduciary education or enrollment services.
- The Firm may lower or raise its fees for Managed Account Allocations if the estimated time and cost associated with providing in-person non-fiduciary education or enrollment services are expected to differ from what is generally associated with a retirement plan consisting of less than one hundred (100) plan participants working in no more than three (3) locations (all locations within 75 miles of the servicing Prime Capital Financial office location). The requested number of such meetings or sessions may also be considered.
- The Firm may lower its fees for Managed Account Allocations if the Firm believes a retirement plan sponsor has current or future intangible factors (i.e. retirement plan sponsor is a well-known or nationally recognized company; retirement plan sponsor has a prior established relationship with the Firm and/or with its representatives; Firm, at its discretion, may choose to pursue new relationships with certain plan types, companies, or industries, that better align with its current business objectives).

### **Qualified Retirement Plan Investment Advisory, Plan Sponsor, and/or Trustee Services Fees**

Unless negotiated as a flat fee arrangement (billed either in arrears or in advance), the annual fee for Prime Capital Financial's (or under its doing business as name, Prime Capital Retirement's) Qualified Plan Investment Advisory, Plan Sponsor and/or Trustee Services are billed monthly or quarterly in arrears or in advance depending on the administrative and/or recordkeeping platform chosen by the client and the terms of the applicable agreement between Prime Capital Financial and the client, and is generally based on either (1) the value of applicable plan assets at the end of the previous month/quarter (generally calendar), (2) upon an average of month-end asset values for the preceding quarter (generally calendar), or (3) upon the average daily balance for the billing period. Prime Capital Financial will quote an exact percentage (or amount of Bps) to each client based on both the nature of the advisory services and total dollar value of that client's portfolio. Retirement plan platform providers customarily and independently determine the specific methodology for calculating the fees charged to retirement plans, including our fees, and such methodology is subject to change. Nonetheless, fees will generally be assessed pro rata based on the number of days applicable services are rendered. In the event of contract termination, all applicable fees will be assessed and immediately withdrawn from the Qualified Plan's applicable account. With respect to a “bill in advance” regime, in the event of contract termination, the unearned portion (i.e., portion of a fee not utilized following termination) of a pre-paid advisory fee will be promptly refunded (within 30 days) to the retirement plan client on a pro-rata basis. The payment of fees for Qualified Plan Investment Advisory, Plan Sponsor and/or Trustee Services can be made by the custodian holding the Plan assets or the Plan Sponsor. Prime Capital Financial's or Prime Capital Retirement's fees for these Qualified Plan related services are subject to negotiation with and approval by the Plan Sponsor. Sales charges and 12b-1 fees are not to be paid to Prime Capital Financial as we do not accept any sales charges or 12b-1 fees. Should such charges or fees be paid to Prime Capital Financial, Prime Capital

Financial will direct the applicable custodian or platform to remit such charges or fees back to the client. Prime Capital Financial seeks to utilize the lowest cost options available when prudent. Prime Capital Financial's standard annual fee for Non-Fiduciary Services, including Participant Education, generally ranges from 5 to 50 basis points. Prime Capital Financial may raise or lower its fees, following its consideration of the factors stated above.

### **Collective Investment Funds Services Fees**

Prime Capital Financial is paid an annual fee based on the amount of assets held in the Fund and the rate for such Fund or related share class. This standard annual fee will generally range from 5 to 72 basis points, depending on the Fund offering and share class. Such terms will be subject to agreement(s) between Prime Capital Financial and the collective investment fund sponsor(s). Prime Capital Financial's current annual fee for Fiduciary Investment Trust: Aggressive; Growth; Balanced; Moderately Conservative; and Conservative is generally based on the following schedule.

- Class A: 0.72%; Asset Minimum: \$0
- Class B: 0.62%; Asset Minimum: \$20 million
- Class C: 0.52%; Asset Minimum: \$60 million
- Class D: 0.42%; Asset Minimum: \$150 million
- Class E: 0.27%; Asset Minimum: \$300 million

The above asset levels relate to the total plan assets of the plan utilizing the particular Class. Prime Capital Financial's standard annual fee for Fiduciary Investment Trust Core Series: Large Cap will be no greater than 35 basis points.

A retirement plan's investment in a Fund is subject to a participation agreement between the retirement plan sponsor and the Fund sponsor, not Prime Capital Financial. The Firm's annual fees for various Funds may differ if the investment guidelines and scope of service(s) for the various Funds and/or related share classes also differ. The Fund and/or share class utilized may vary among investors due to differing investor needs, circumstances, objectives, services, and other factors that are deemed at the time to be relevant. The procurement of a particular Fund share class is subject to negotiation. Prime Capital Financial may request the procurement of a Fiduciary Investment Trust share class not corresponding to a plan's total assets, following its consideration of various factors, including but not limited to: (1) number of participants and/or locations; (2) current and/or projected cash/asset inflow and outflow for the plan, including deferral rate(s), withdrawal rate(s), and aggregate participant loan balance(s); (3) current and/or projected average participant account balance statistics for the plan; (4) current and/or projected participant Fund utilization, which may include consideration of whether other similar investment option(s) are currently or expected to be made available to the plan and whether the plan sponsor or other responsible plan fiduciary selects one of the Funds managed by Prime Capital Financial to be used as the plan's qualified default investment alternative, among other factors; (5) expenses expected to be incurred in connection with non-fiduciary education and enrollment services provided to plan participants relating specifically to Funds; and (6) other general business factors, considerations, and opportunities that are deemed at the time to be relevant. The following are "real world" examples of circumstances in which the Firm may request the procurement of a share class not corresponding to a plan's total assets. No guarantee expressed or implied that a retirement plan will receive a share class on such basis. Again, the procurement of a particular share class is subject to negotiation and investment in a particular share

class is subject to a participation agreement between the retirement plan sponsor and the Fund sponsor, not Prime Capital Financial.

- The Firm may request the procurement of a lower-cost share class if it expects a plan will achieve the applicable target asset level within twelve (12) to eighteen (18) months.
- The Firm may request the procurement of a lower-cost share class if the retirement plan sponsor or other responsible plan fiduciary selects one of the Funds managed by Prime Capital Financial to be used as the plan's qualified default investment alternative.
- The Firm may request the procurement of a lower-cost share class if the retirement plan sponsor desires basic on-line delivery of Fund-specific non-fiduciary education or enrollment services.
- The Firm may request the procurement of a lower-cost, or higher-cost, share class if the estimated time and cost associated with providing Fund-specific in-person non-fiduciary education or enrollment services are expected to differ from what is generally associated with a retirement plan consisting of less than one hundred (100) plan participants working in no more than three (3) locations (all locations within 75 miles of the servicing Prime Capital Financial office location). The requested number of such meetings or sessions may also be considered.
- The Firm may request the procurement of a lower-cost share class if the Firm believes a retirement plan sponsor has current or future intangible factors (i.e. retirement plan sponsor is a well-known or nationally recognized company; retirement plan sponsor has a prior established relationship with the Firm and/or with its representatives; Firm, at its discretion, may choose to pursue new relationships with certain plan types, companies, or industries, that better align with its current business objectives)

The annual fee for all Funds is divided and paid monthly in arrears based on the average daily balance of the Funds. Prime Capital Financial believes that its fees are competitive with those fees charged by other investment advisers for comparable services; however, fees of Prime Capital Financial may be higher than fees charged by other investment advisers. To the extent that a client utilizes Prime Capital Financial's retirement plan services and invests in the Funds, Prime Capital Financial will not assess against the value of the Funds any asset-based fee for Fiduciary Consulting Services. However, the retirement plan will be paying indirect compensation to Prime Capital Financial since the Funds will charge the retirement plan for Funds expenses which will include investment management fees paid to Prime Capital Financial. In addition, an investor of the Funds will pay other annual fund operating expenses such as distribution and service fees, shareholder servicing plan fees, acquired fund fees and expenses, and certain other fees ("Net Annual Collective Investment Funds Operating Expenses"). Sales charges and 12b-1 fees are not to be paid to Prime Capital Financial as we do not accept any sales charges or 12b-1 fees. Should such charges or fees be paid to Prime Capital Financial, Prime Capital Financial will direct the applicable custodian or platform to remit such charges or fees back to the client. Prime Capital Financial seeks to utilize the lowest cost options available when prudent. The Funds or Prime Capital Financial may terminate the collective investment trust services at any time upon notice to the other party given at least thirty (30) days prior to the effective date of termination. Upon receipt of written notice of termination

from the Funds, Prime Capital Financial shall, upon the Funds' request, immediately cease any and all activities related to the Funds.

### **Third-Party Money Managers**

Third-party managers generally have account minimum requirements that will vary among third-party money managers. Account minimums are generally higher on fixed income accounts than for equity-based accounts. A complete description of the third-party money manager's services, fee schedules and account minimums will be disclosed in the third-party money manager's disclosure brochure which will be provided to you prior to or at the time an agreement for services is executed and the account is established. The actual fee charged to you will vary depending on the third-party money manager. The portion retained by Prime Capital Financial in the form of promoter fees or advisory fees will not exceed 1.50%; however, the overall management fee charged by the third-party money manager, which includes the referral/promoter/advisory fee retained by Prime Capital Financial, will generally exceed 1.50%. All fees are calculated and collected by the third-party money manager who will be responsible for delivering our portion of the fee paid by you to us. Under this type of program, you can incur additional charges including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, custodial fees and charges, and IRA and qualified retirement plan fees. Prime Capital Financial does not accept any sales charges or 12b-1 fees.

### **Fees for Investment Advisory Services for Sub-Advisory Relationships**

Prime Capital Financial's annual fee for advisory services provided in connection with a sub-advisory arrangement most often ranges between 0.50% and 1.50%, but will not be below 0.25% or above 1.85%. Prime Capital Financial's advisory fees are negotiable. Prime Capital Financial believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services. Prime Capital Financial's investment advisory fee does not include the sub-advisor's fee. The sub-advisor may bill a client's account directly. A complete description of the sub-advisor's fee schedules and account minimums will be disclosed in the sub-advisor's disclosure brochure which will be provided to you prior to or at the time an agreement for such services is executed and the account is established. The actual fee charged to you and payment/collection method will vary depending on the sub-advisor utilized.

### **Financial Planning Services Fees**

Fees may generally be charged in the following ways:

1. As a fixed fee ("flat fee"), ranging from \$100 to \$25,000, depending on the nature and complexity of the client's financial circumstances and Prime Capital Financial services, or
2. On an hourly basis, ranging from \$100 to \$500 per hour (maximum \$25,000 annually), depending on the nature and complexity of the client's circumstances and Prime Capital Financial services. A total dollar "good faith" estimate will be provided at the start of the relationship, or
3. As a percentage fee based on the totality of assets upon which Prime Capital Financial is providing such services ("Asset Based Fee Agreement") (up to 1% annually, maximum of \$25,000 annually).

Fees for Financial Planning services most often range between \$500 and \$5,000 and can be on an annual recurring basis depending on the client's arrangement with Prime Capital Financial.

### **Business Planning Services and Consulting Services Fees**

Fees may generally be charged in the following ways:

1. As a fixed fee ("flat fee"), typically ranging from \$100 to \$25,000, depending on the nature and complexity of the client's financial circumstances and Prime Capital Financial services, or
2. On an hourly basis, ranging from \$100 to \$500 per hour (maximum typically \$25,000 annually), depending on the nature and complexity of the client's circumstances and Prime Capital Financial services. A total dollar "good faith" estimate will be provided at the start of the relationship.

Fees for Business Planning Services and Consulting Services may exceed \$25,000 (one-time or annual) in certain situations.

All such Planning fees are negotiable. Typically, a plan or service will generally be presented to the client within ninety (90) days of the contract date, provided that all information needed to prepare the financial plan or service has been promptly provided by the client. All fees for Financial Planning Services, Business Planning Services, and Consulting Services are generally billed in arrears, but can and may be billed in advance. The aforementioned planning or service fees do not cover expenses incurred by Client in connection with Client's use of other advisors, such as Client's attorney or accountant, in connection with this process. Clients may pay Financial Planning Services, Business Planning Services, and Consulting Services fees by personal check made payable to Prime Capital Investment Advisors, LLC or by debiting their brokerage account that is under current Prime Capital Financial advisement or management and is held with an approved custodian. Prime Capital Financial also utilizes non-affiliated, third-party platforms (currently AdvicePay) to process the monthly subscription fees for its financial planning services. The exact fee arrangements for such clients will be specified in those clients' advisory services (planning) agreements with Prime Capital Financial.

### **Fees for Family Office Services**

Prime Capital Family Office does not impose a minimum account balance for family office services. Such services typically involve two distinct fees; an advisory fee and an investment management fee. Our annual advisory fee is a flat fee, subject to a firm minimum. This advisory fee may be customized at the discretion of Prime Capital Family Office. Our investment management fee is asset-based and is assessed on all managed assets. This fee typically ranges from 0.20% to 1.00% annually. This fee may be customized at the discretion of Prime Capital Family Office. Managed assets invested in public markets and alternative investments are subject to this investment management fee. Managed variable life insurance and/or annuity sub-accounts are also subject to this investment management fee. Assets deemed to not be managed, or non-financial assets (i.e., non-securities) such as enterprise values, personal real estate, and personal property, are not subject to this investment management fee but may be included in a reporting. Under these arrangements, our investment management fee is based upon the value of the assets we manage. These fees are typically charged quarterly in advance and may be customized at the discretion of Prime Capital Family Office. Payments are due and are typically assessed on the first day of each quarter based on the previous quarter's ending balance of the account(s). Unless

billed monthly, Prime Capital Family Office will prorate its fees for deposits and withdrawals in the client's account during the billing period. Multiple accounts of immediately-related family members may be considered one consolidated relationship for billing purposes. The exact fee arrangements will be specified in your agreement with Prime Capital Family Office.

### **Fees for Family Office Consulting**

Our typical hourly rate for these consulting services ranges from \$500 to \$750. Our fees are based on several factors, including, but not limited to, time and labor, complexity of the consulting services provided, special circumstances involved, and qualifications or expertise of our financial professionals and firm. Fees are charged and due upon completion of the engagement which is marked by the presentation of the consulting findings to the client. Payments are due and will be assessed on the first day of each month. A client may also choose to have additional services billed on an hourly basis starting at \$500 per hour. The exact fee arrangements will be specified in your agreement with Prime Capital Family Office.

### **Fees for Tax Planning and Consulting**

Tax planning and preparation services and consulting are fixed fee and/or hourly rate billed engagements. Our fees are based on several factors, including, but not limited to, time and labor, complexity of the services provided, special circumstances involved, and qualifications or expertise of our financial professionals and firm. These fees may be customized at the discretion of Prime Capital Tax Advisory. The exact fee arrangements will be specified in your agreement with Prime Capital Tax Advisory.

### **Seminar(s) for Fee(s)**

Prime Capital Financial will not charge an attendee a seminar fee greater than \$1,000. To provide the most fair and equitable experience, all attendees will be charged the same fee-level for the same event. Prime Capital Financial may waive or reduce a seminar fee. However, if the fee is waived or reduced for one attendee, it will be waived or reduced dollar for dollar for all other attendees to the same event. As a reminder, such seminars do not include any financial planning, investment management, or supervision with respect to an attendee's assets. If attendee desires such financial planning, investment management, or supervision services, attendee will be required to execute a separate agreement and pay fees in addition to the fees paid by attendee to Prime Capital Financial for such seminar.

### **Fees for Limited Advisory (Limited Scope Advisory) Services Wrap Fee Program**

The annual Prime Capital Financial Wrap Fee rate (%) under this Program is .06% (6 Bps) or \$24 USD whichever is greater.

#### General Account Threshold

\$2,500 USD

Further information on the fees associated with the above-mentioned services is provided in the Firm's *Wrap Fee Brochure for Limited Advisory Services*.

## ***General Information on Fees***

### **Negotiability of Fees**

Unless stated otherwise, fees are subject to negotiation. Prime Capital Financial's fees may vary among clients for the services provided due to differing client needs, circumstances, objectives, services, and other factors that are deemed at the time to be relevant. Fee schedules provided in this Brochure are the Firm's basic fee schedules generally charged to clients, absent negotiable circumstances. Prime Capital Financial on occasion provides investment management and advisory services to certain clients and to Prime Capital Financial IARs and employees (including their spouses and certain immediate family members) at a reduced rate or on a "pro-bono" basis.

### **Fee Calculation (asset-based)**

The asset-based fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client.

### **Termination of Advisory Services or Relationship**

A Prime Capital Financial advisory services or investment management agreement or the services pursuant to such agreements may be terminated by either party at any time without penalty with termination effective upon receipt of written notice. Such termination shall not, however affect liabilities or obligations incurred or arising from transactions initiated under a client agreement prior to such termination, including the provisions regarding arbitration, which shall survive an expiration or termination of the agreement. Upon termination, you shall have the exclusive responsibility to monitor the securities in your account, and Prime Capital Financial shall have no further obligation to act or advise with respect to your assets. If you terminate your agreement with us or the services under such agreement within five (5) business days of its signing, you will not be charged for applicable investment advisory fees. If the agreement or the services under such agreement are terminated after five (5) business days of its signing, then Prime Capital Financial's investment advisory fee shall be calculated on a prorated basis and will be due immediately. With respect to a "bill in advance" regime, if an agreement or the services under such agreement are terminated after five (5) business days of its signing, the unearned portion (i.e., portion of a fee not utilized following termination) of a pre-paid advisory fee will be promptly refunded (within 30 days) to the Client on a pro-rata basis. Conversely, any earned portion of the fees incurred during the initial billing period shall be calculated on a prorated basis and will be due immediately.

For bill in arrears financial planning services, business planning services, and consulting services arrangements, the client or Prime Capital Financial may terminate an agreement or the services under such agreement at any time by notifying the non-terminating party in writing of the intent to terminate at least thirty (30) days before the date the agreement is to terminate. Any unpaid fees for services rendered will be due and paid immediately by the client on the date of termination. Failure of Prime Capital Financial to provide the client with agreed-upon planning or consulting services within ninety (90) days of the contract/agreement date due to any action(s) or failure(s) by the client shall also constitute a termination to which all agreed-upon services shall be considered fully rendered. Any unpaid fees for services rendered prior to termination will be due and paid immediately by the client on the date of termination. Conversely, failure of Prime Capital Financial to provide the client with agreed-upon planning or consulting services within ninety (90) days of the Agreement date due to any action(s) or failure(s) by Prime Capital Financial shall constitute a termination. For such planning or consulting services that are billed in advance, after five (5) business days of signing the planning or consulting agreement, the client or Prime Capital Financial may terminate such services at any time by providing the non-terminating party with 30-day advanced written notice. Any unpaid fees for services rendered will be due and paid immediately by the client on the date of termination. When a fee for such services is charged based on a flat percentage basis, the amount of

applicable client assets on the termination date will be used to determine the refund. Failure of Prime Capital Financial to provide the client with agreed-upon services within ninety (90) days of the corresponding agreement date due to any action(s) or failure(s) by the client shall constitute termination to which all agreed-upon services shall be considered fully rendered. Any unpaid fees for services rendered prior to the date of termination will be due and paid immediately by the client on the date of termination. Conversely, failure of Prime Capital Financial to provide the client with agreed-upon services within ninety (90) days of the corresponding agreement date due to any action(s) or failure(s) by Prime Capital Financial shall constitute termination and the unearned portion of the pre-paid fee will be promptly refunded (within 30 days) to the client on a pro-rata basis.

For agreements involving investment advisory services provided in connection with a sub-advisory arrangement, such agreements and the services pursuant to such agreements continue in effect until terminated by either party (i.e., Prime Capital Financial or client) by providing written notice of termination to the other party. For advisory services, when fees are billed in arrears, Prime Capital Financial will prorate the final fee payment based on the number of days services are provided during the final period. The amount of affected client assets on the termination date will be used to determine the final fee payment. Such termination shall not, however, affect liabilities or obligations incurred or arising from transactions initiated under an agreement prior to such termination, including the provisions regarding arbitration, which shall survive any expiration or termination of the agreement or the services under the agreement. Upon termination, the client shall have the exclusive responsibility to monitor the securities in the affected account(s), and Prime Capital Financial shall have no further obligation to act or advise with respect to those assets. If the client terminates an agreement or the services under the agreement within five (5) business days of its signing, the client shall not be charged for applicable advisory fee(s). If an agreement or any of the services under the agreement are terminated after five (5) business days of its signing, Prime Capital Financial advisory fee(s) shall be calculated on a prorated basis as mentioned above and will be due immediately.

#### *Termination of Sub-Advisor*

Prime Capital Financial retains the right to terminate the sub-advisory relationship with subadvisers at its sole discretion, as Prime Capital Financial deems prudent. Sub-advisory fees will also be prorated to the date of termination. Specifically, should the sub-advisory relationship with a subadvisor be terminated prior to the end of a quarter, the sub-advisory fee will be prorated as of the date of termination and in such event, subadvisor shall bill its fee on a pro-rata basis, for the period sub-advisory services were provided. Upon termination, the sub-advisor shall take no discretionary action regarding the assets in the client account(s), unless and until Prime Capital Financial instructs subadvisor otherwise in writing.

A seminar for fee is considered a one-time service fully rendered upon completion of such seminar. If Prime Capital Financial does not complete the seminar or otherwise terminates the seminar prior to completion, Prime Capital Financial will refund any seminar fees paid in advance by attendee within thirty (30) days of the termination date.

#### **Mutual Fund, Annuity & ETF Fees and Expenses**

All fees paid to Prime Capital Financial for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, annuities, and ETFs to their shareholders. These mutual fund, annuity and ETF fees and expenses are described in each fund's prospectus. Prime Capital Financial does not accept any sales

charges or 12b-1 fees. These mutual fund, annuity & ETF fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund, annuity, or ETF directly, without the services of Prime Capital Financial. In that case, the client would not receive the services provided by Prime Capital Financial which are designed, among other things, to assist the client in determining which mutual fund(s), annuity(ies) or ETF(s) are most appropriate to each client's financial condition and objective. Accordingly, you should review both the fees charged by the funds and the fees charged by Prime Capital Financial to fully understand the total amount of fees to be paid by you and to thereby evaluate the advisory services being provided.

### **Advisory Fees in General**

You should note that similar advisory services may be available from other registered investment advisors for similar or lower fees.

### ***Additional Compensation, Economic and Non-Economic Benefits***

From time to time, we receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products and recordkeeping platform providers. Travel expense reimbursements are typically a result of attendance by investment adviser representatives at due diligence and/or investment training events hosted by product sponsors or platform providers. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements is not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made. Prime Capital Financial and its investment adviser representatives endeavor at all times to put the interest of the clients first as a part of their fiduciary duty. However, clients should be aware that the receipt of additional compensation through nominal sales awards, expense reimbursements, etc. creates a conflict of interest that impacts the judgment of the investment adviser representatives when making advisory recommendations. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

A conflict of interest arises when Prime Capital Financial makes recommendations about plan or IRA rollovers ("rollover recommendations"), if it results in Prime Capital Financial receiving compensation for advisory services to the rollover IRA, for example, fees for advising a rollover IRA. Prime Capital Financial will manage this conflict by developing a prudent process for evaluating a client's needs and other relevant information and providing an informed recommendation that is in the best interest of the client, and by complying with the conditions of a Department of Labor exemption (PTE 2020-02). No client is under an obligation to roll over ERISA plan or IRA assets to an account advised by Prime Capital Financial.

### ***Income Continuation Program Agreement***

The Income Continuation Program Agreement itself "ICoPA" (including any such materially similar and related contractual provisions) is a program agreement for eligible disabled Prime Capital Financial Investment Adviser Representatives ("IAR") or the family/estate of eligible deceased Prime Capital Financial IAR(s). All client accounts that would be considered under this program agreement would be under the investment management of Prime Capital Financial and would continue to be so during the term of the ICoPA. ICoPA eligibility is based on set and agreed upon levels of production and tenure with Prime Capital Financial. After commencement of the ICoPA, the

inactive IAR is eligible to receive recurring investment advisory fee-based income based on the general guidelines agreed upon by Prime Capital Financial and said Prime Capital Financial IAR. Upon the Program Commencement Date "PCD", Prime Capital Financial will continue to provide said disabled IAR "inactive IAR" or deceased IAR's estate/heirs a fixed amount of the duly apportioned investment advisory fee-based income generated from applicable recurring Prime Capital Financial fee-based investment advisory accounts for a set period. Applicable accounts will have been serviced by said IAR prior to the PCD. The PCD is considered the date by which the said eligible and participating IAR becomes disabled or deceased. Prime Capital Financial sees the program agreement as a sensible way to ensure continuity of client service when an IAR leaves the workforce as the result of death or disability, while also allowing the IAR and their family/estate, a reasonable level of financial security. Most importantly, the issues related to client transition and continuity of service are mostly mitigated by the fact that the aforementioned investment advisory accounts continue to be under the management of Prime Capital Financial. In addition, the ICoPA and its carefully-supervised transfer period, ensure that participants and all applicable parties understand the new provisions/restrictions that come with departure from the industry.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

As described above in Item 5 – Fees and Compensation, Prime Capital Financial can charge certain clients a performance fee, which is based upon a share of capital gains or capital appreciation of the assets of such client. All performance-based fees are negotiated with each client. As mentioned above, we also provide services and are compensated on asset-based fees, which are based on the total amount of assets owned by the client. Therefore, Prime Capital Financial may simultaneously manage accounts that are charged performance-based fees and accounts that are charged asset-based fees. This portfolio management relationship is referred to as "side-by-side management." There are conflicts of interest Prime Capital Financial faces by managing performance-based accounts at the same time as managing asset-based, non-performance-based accounts. For example, the nature of a performance fee poses an opportunity for Prime Capital Financial to earn more compensation than under a stand-alone asset-based fee. Consequently, Prime Capital Financial may favor performance fee accounts over those accounts where we receive only an asset-based fee. One way that Prime Capital Financial may favor performance fee accounts is that we may devote more time and attention to performance fee accounts than to accounts under an asset-based fee arrangement. There are other conflicts associated with performance fees. Specifically, an adviser could allocate the best performing trades to the accounts that will accumulate higher fees. An adviser could time transactions in a client's account based on fee considerations rather than on what is in the best interest of the client. An adviser could take unnecessary risk/speculation with client assets to earn or increase the amount of the fee. The result of riskier investments can have a positive effect in that results could equal higher returns when compared to an asset-based fee account. Conversely, riskier investments historically have a higher chance of losing value. On the other hand, compared to a performance-based fee account, Prime Capital Financial will likely have an interest in engaging in relatively safer investments when managing accounts that pay asset-based fees. Thus, there are advantages and disadvantages associated with either type of fee arrangement. Prime Capital Financial's investment management services are based on your risk tolerance and your individual needs and preferences. With regards to our Opportunistic Growth Strategy, Prime Capital Financial places all participating clients regardless of fee-type in the same allocation; participating accounts are managed and traded in the same way. This mitigates the potential for us (1) allocating the best performing trades to the accounts that will accumulate higher fees, (2) timing transactions on the basis of fee considerations rather than on what is in the best interest of our clients, (3) devoting more time and attention to performance fee accounts than to accounts under an asset-based fee arrangement, and (4) taking unnecessary risk/speculation with client assets in order to earn or increase the amount of the fee.

Performance fees can potentially cause an investment adviser to engage in transactions or strategies which will increase the amount of the performance fees, but which may not increase the overall performance of the client's account. For example, an account may lose value during a year and no performance fee will be earned. In the following year, Prime Capital Financial may receive a performance fee for simply recouping losses from the previous year. Prime Capital Financial controls for this potential conflict of interest by using the high-water mark fee calculation method described in the preceding paragraph. Prime Capital Financial does not represent that the amount of the performance fees or the manner of calculating the performance fees is consistent with other performance related fees charged by other investment advisers under the same or similar circumstances. The performance fees charged by Prime Capital Financial may be higher than the performance fees charged by other investment advisers for the same or similar services. Additionally, other investment advisers may evaluate or determine the capital appreciation of performance-based accounts and update the high-water mark less frequently than semi-annually, which may positively impact net-of-fee returns. Prime Capital Financial has also established additional policies and procedures to address the various conflicts of interest and regulatory requirements associated with charging a performance fee:

- Only clients that can assume additional risk are solicited to engage in a performance fee arrangement. Prime Capital Financial provides such clients full disclosure of the additional risks associated with a performance fee arrangement.
- Client accounts subject to a performance fee are evaluated on an initial basis and every three years thereafter to determine whether the performance-based fee, as compared to a tradition asset-based fee, is in the client's best interest.

Performance based fee arrangements of Prime Capital Financial will comply with Section 205(e) of the Investment Advisers Act of 1940. According to Section 205(e) (see Rule 205-3 thereunder), only natural individual clients meeting the SEC's definition of "qualified clients" may enter into agreements providing for performance-based compensation to Prime Capital Financial. A natural person or company must meet the following conditions to be considered a qualified client:

- (1) Have at least \$1,100,000 under management with Prime Capital Financial at the time the client enters into an agreement with Prime Capital Financial; or
- (2) Provide documentation to Prime Capital Financial so that Prime Capital Financial will reasonably believe the client has either a net worth of \$2,200,000 or is a qualified purchaser under Section 2(a)(51)(A) of the Investment Company Act.

## **Item 7 – Types of Clients**

Prime Capital Financial generally provides investment advice to the following types of clients.

- Individuals
- High-Net Worth Individuals
- Banking or thrift institutions
- Pension and profit-sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

You are required to execute a written agreement with Prime Capital Financial specifying the advisory services to establish a client arrangement with Prime Capital Financial.

### ***Minimum Investment Amounts Required***

Prime Capital Financial generally requires a minimum account size to open an account, which will vary by strategy as disclosed below. Exceptions may be granted to this minimum in consideration of (1) the current aggregate investable balance of all household advisory accounts managed by Prime Capital Financial and/or (2) current and/or expected cash/asset inflow and outflow for the account over the next twelve (12) months.

- Core Portfolios - Ambassador Series, Account Minimum: \$50,000
- Core Portfolios - Diversified Income Strategy, Account Minimum: \$100,000
- Core Portfolios - Generations Series, Account Minimum: \$10,000
- Core Portfolios - Genesis Series, Account Minimum: \$2,500
- Satellite Strategies - Building Block Strategies, Account Minimum: \$10,000
- Satellite Strategies - Covered Calls Strategy, Account Minimum: \$1,000,000
- Satellite Strategies - Focused Equity Strategy, Account Minimum: \$50,000
- Satellite Strategies - Focused Yield Strategy, Account Minimum: \$50,000
- Satellite Strategies - High Quality - International, Account Minimum: \$100,000
- Satellite Strategies - Rising Dividend - US, Account Minimum: \$150,000
- Satellite Strategies - Sector Rotation Strategy, Account Minimum: \$5,000
- Satellite Strategies - Select Alternative Strategy – Liquid, Account Minimum: \$50,000
- Satellite Strategies - Tactical International Equity Strategy, Account Minimum: \$10,000
- Satellite Strategies - Tactical U.S. Equity Strategy, Account Minimum: \$10,000
- Satellite Strategies - Thematic Diversification Satellite Strategies, Account Minimum: \$10,000
- Satellite Strategies - Total Stock Portfolio (Core-Focused), Account Minimum: \$150,000
- Satellite Strategies - Ultra Stock Portfolio, Account Minimum: \$100,000
- Custom Strategies - Alternative Investments, Account Minimum: \$50,000 or sponsor minimum, whichever is greater
- Custom Strategies - Private Offering, Account Minimum: *See applicable Offering Memorandum or Documents*
- Custom Strategies - Custom IPS, Account Minimum: \$2,500
- Custom Strategies - Custom IPS PLUS, Account Minimum: \$1,000,000
- Rep-managed Accounts, Account Minimum: \$2,500

A minimum investment of \$100,000 USD is required for the Opportunistic Growth Strategy.

A minimum investment of \$2,500 USD is required for an account under the Prime Capital Financial Limited Advisory Services Program.

All clients engaging in Asset Management Services for Held Away Assets must either engage in Comprehensive Financial Planning with discretionary asset management (as described in this Brochure) or meet a \$100,000 minimum of assets under management.

The account size and related fees may also be negotiable under certain circumstances, such as its applicability to family members, employees, or employees of affiliated companies and their family members. For purposes of this section only, family member is defined as spouse, and/or minor children. The account size threshold and monthly/quarterly fee minimums do not apply to Qualified Plan participants as advisory fees for Qualified Plan participants are subject to negotiation reflecting the service schedules selected by the Plan Sponsor. Separate account managers and IARs/Agents/Brokers may and often require higher account minimums when offering their services to clients.

### **Collective Investment Trusts**

For investment management services to collective investment funds, Prime Capital Financial currently works with one collective investment fund client. The minimum fee charged for Fiduciary Investment Trust: Aggressive; Growth; Balanced; Moderately Conservative; and Conservative generally ranges from 27 to 72 basis points depending on the Fund class. The minimum fee charged for Fiduciary Investment Trust Core Series: Large Cap, generally ranges from 5 to 15 basis points depending on Fund class.

### **Third-party money managers and sub-advisors**

Third-party money managers and sub-advisors may have minimum account and minimum fee requirements to participate in their programs or obtain their services. Each third-party money manager or sub-advisor will disclose its minimum account size and fees in its Form ADV Part 2A Disclosure Brochure.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Prime Capital Financial may use the following methods of analysis in formulating investment advice:

### Bottom-Up Investing

This method initially involves evaluating specific companies and securities before evaluating higher-level components such as industries, sectors, and the overall state of the economy (macroeconomic). Investment decisions are therefore primarily based upon the strength of an individual company.

### Charting

This is a method used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these charting techniques believe that past trends in these indicators can be used to extrapolate future trends.

### Cyclical

This is a method of analyzing the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn

begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

#### Fundamental

This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial, and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

#### Modern Portfolio Theory

This is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

#### Technical

This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

#### Thematic

This method takes a “top-down” approach to investing and involves making investment decisions based on predictions about trends or other forward-looking criterion, rather than on past market performance and indicators or the fundamentals of a specific security.

#### Top-Down Investing

This method involves evaluating the overall state of the economy (macroeconomic) and then further evaluating the various components and sub-components in greater detail. For example, after evaluating the high-level economic environment, either on a global or domestic scale, analysts further examine the various market and industrial sectors to select those areas that are forecasted to outperform the overall market. Analysts then further evaluate specific asset classes and the securities of specific companies to determine an allocation or portfolio.

#### *Special Notice regarding our use of a social objective or other nonfinancial objectives*

Prime Capital Financial does incorporate social objective(s) or other nonfinancial objective(s) into its discretionary investment decisions for certain investment strategies,

portfolios, and allocations. This will result in investments and recommendations/advice that are not solely focused on maximizing a financial return.

*Special Notice regarding our legacy Sustainability ESG Strategy series*

The Sustainability ESG Strategy Series seeks to promote sustainability and minimize negative impact, without focusing on a specific theme or area of action, by using underlying investments that meet Morningstar's definition of a "General ESG Investment". Morningstar currently describes and defines "General ESG Investment (and related strategies)" as follows, "General ESG Investments" focus on the broad incorporation of environmental, social, and corporate governance factors, generally through the use of company ESG metrics and exclusions, where the use of these approaches plays a central role in their overall investment process."; "General ESG Investment strategies use ESG criteria as a central focus or binding factor in their security-selection and portfolio-construction process. Strategies that incorporate ESG factors typically have explicit sustainability criteria that invested companies must meet. These strategies may use ESG criteria to help them limit risk, identify investment opportunities, and engage with companies. They may also apply certain exclusions. These strategies endeavor to promote sustainability and minimize negative impact, without focusing on a specific theme or area of action." We believe that an asset allocation - the overall mix of asset types within your portfolio is an important determinant in your portfolio's behavior. These actively-managed strategies primarily invest in a mix of mutual funds and/or exchange-traded funds (ETFs) that Prime Capital Financial believes strictly adhere to ESG mandate(s) and meet Morningstar's definition of a "General ESG Investment" (together, "ESG-focused"). Prime Capital Financial also uses the alerts provided by Morningstar to monitor for material changes in fund mandates. Please note, this strategy is closed and is no longer available to new participation by clients.

*Special Notice regarding Sector Rotation strategy*

The Sector Rotation strategy is a sector-based price momentum allocation that seeks to capitalize on the continuance of existing trends in the market. The Strategy utilizes sector-based mutual funds and models offered by Guggenheim Partners, LLC ("Guggenheim"). The underlying mutual funds are focused on the following eighteen (18) sectors as defined by Guggenheim: Banking, Basic Materials, Biotechnology, Consumer Products, Electronics, Energy, Energy Services, Financial Services, Health Care, Internet, Leisure, Precious Metals, Real Estate, Retailing, Technology, Telecommunications, Transportation, and Utilities. Prime Capital Financial evaluates the aforementioned mutual funds on a quarterly basis using a Six (6)-Month Lookback and a Three (3)-Month Holding Period. The Strategy is reallocated quarterly as needed across the three (3) mutual funds that represent the top three (3) performing sectors as defined and determined by Guggenheim based upon the aforementioned Lookback and Holding Periods. Prime Capital Financial and Guggenheim are not affiliated.

*Special notice regarding Managed Account Services (for legacy Advisory clients)*

For former advisory clients of investment adviser firm(s) acquired by Prime Capital Financial, who become clients of Prime Capital Financial, Prime Capital Financial will generally use the following method of analysis for such advisory accounts that continue to be subject to prior contract terms, custodial arrangements, and fee structures. In such circumstances, Prime Capital Financial researches potential equity investments using its proprietary analytical models. Its equity research is designed to identify both small and large capitalization companies that consistently deliver above-average returns to shareholders, that favor a conservative capital structure, and that generate cash flow internally to fund growth. Once attractive growth stocks have been selected, Prime Capital Financial subjects them to several in-house valuation models to determine fair valuation, given their intrinsic characteristics. By carefully assessing each company's historical trading patterns and valuations, relative both to the market and to the industry, Prime Capital Financial determines which stocks represent attractive investment opportunities.

Prime Capital Financial uses an analytical model to provide information on certain equity investments selected by Prime Capital Financial as potential equity investments for clients. The information gathered through this analytical approach is used as part of the Firm's overall analysis in determining which equity investments should be selected for a given custom portfolio. Limitations exist with any research method. No analytical model should be an investor's sole source of information. Prime Capital Financial feels this proprietary research method sets a solid framework from which it can work.

From time to time, Prime Capital Financial uses carefully chosen exchange-traded funds or no-load mutual funds to diversify such client portfolios into areas that require specialized knowledge. For example, such funds can be a way to participate in foreign markets, real estate investment trusts (REITs), utilities, precious metals, and other areas for diversification purposes and to hedge market risk.

*Prime Capital Financial may use the following investment strategies when managing client assets and/or providing investment advice:*

Long term purchases

Investments held at least a year.

Short term purchases

Investments sold within a year.

Trading

Investments sold within 30 days.

Option writing including covered options, or spreading strategies

Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period.

Short sales

A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.

#### Margin transactions

When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock for Prime Capital Financial.

#### *Risk of Loss*

Past performance is not indicative of future results. Therefore, no current or prospective client should assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss that clients should be prepared to bear. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

#### *Use of Primary Method of Analysis or Strategy*

Because of the inherent risk of loss associated with investing, Prime Capital Financial is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. For accounts subject to transaction-based pricing, market conditions may require frequent trading of securities which can negatively impact investment performance, particularly through increased brokerage and other transaction costs and taxes. There are certain additional risks associated when investing in securities through Prime Capital Financial's investment management programs.

#### Company Risk

When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

#### Concentration Risk

Investments or portfolios that concentrate their assets in a particular security, market, industry, sector, country, or asset class, may be subject to greater risk of loss than is a more widely diversified investment.

#### Covered Call Risk

The writer of a covered call forgoes the opportunity to benefit from an increase in the value of the underlying interest above the option price, but continues to bear the risk of a decline in the value of the underlying interest.

#### Credit and Counterparty Risk

The issuer or guarantor of a fixed-income security, counterparty to an OTC derivatives contract, or other borrower may not be able to make timely principal, interest, or settlement payments on an obligation. In this event, the issuer of a fixed-income security may have its credit rating downgraded or defaulted, which may reduce the potential for income and value of the portfolio.

#### Equity (stock) Market Risk

Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

#### ETF and Mutual Fund Risk

When Prime Capital Financial invests in an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.

#### Fixed Income Risk

When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

#### Hedging Strategy Risk

While a given non-traditional or alternative asset may provide adequate diversification, many such assets use hedging strategies such as shorting securities, leverage, options, and numerous other derivative instruments to hedge away a security's underlying inherent risk. Consequently, such hedging strategies may increase secondary exposure to Hedging Strategies Risk. Hedging Strategies Risk may limit the opportunity for gains compared with unhedged investments, and there is no guarantee that hedges will reduce risk. An investment's use of leveraging or derivatives may result in a disproportionately magnified gain or loss.

#### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates (in the U.S. or other world markets) may reduce (or increase) the market value of a bond you hold.

#### Liquidity Risk

Liquidity Risk is the risk stemming from the lack of immediate marketability (or an available market) of an investment that cannot be bought or sold quickly enough to meet the investor's immediate needs or to prevent or minimize a loss.

#### Management Risk

Your investment performance varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease. This risk also pertains to strategies and portfolios managed by sub-advisors.

#### Margin Risk

When you purchase securities, you may pay for the securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you intended to borrow funds in connection with your Account, you will be required to open a margin account, which will be carried by the clearing firm. The securities purchased in such an account are the clearing firm's collateral for its loan to you. If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the brokerage firm is required to act to maintain the necessary level of equity in your account. The brokerage firm may issue a margin call and/or sell other assets in your account. It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin account that may be established as part of the Asset Management Agreement established between you and Prime Capital Financial and held by the account custodian or clearing firm. These risks include the following:

- You can lose more funds than you deposit in your margin account.
- The account custodian or clearing firm can force the sale of securities or other assets in your account.
- The account custodian or clearing firm can sell your securities or other assets without contacting you.
- You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call.
- The account custodian or clearing firm may move securities held in your cash account to your margin account and pledge the transferred securities.
- The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and they are not required to provide you advance written notice.
- You are not entitled to an extension of time on a margin call.

#### Market Risk

Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

#### Options Risk

Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

#### Sector Risk

Concentrating assets in a given sector may disproportionately subject the portfolio to the risks of that industry, including loss of value because of economic recession, availability of credit, volatile interest rates, government regulation, and other factors.

#### Underlying Fund/Fund of Funds Risk

A portfolio's risks are closely associated with the risks of the securities and other investments held by the underlying or subsidiary funds, and the ability of the portfolio to meet its investment objective likewise depends on the ability of the underlying funds to meet their objectives. Investment in other funds may subject the portfolio to higher costs than owning the underlying securities directly because of their management fees.

Prime Capital Financial's strategies from time to time may include the frequent trading of securities. The frequent trading of securities may have a positive or negative impact on investment performance. Performance from active trading can be lowered due to an increase in brokerage and other transaction costs.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

### **Item 9 – Disciplinary Information**

Neither the firm, nor any of its management persons, have been the subject of any material legal or disciplinary action.

### **Item 10 – Other Financial Industry Activities and Affiliations**

#### ***Other Business Activities***

Prime Capital Financial is not and does not have a related person that is a Broker-Dealer, municipal securities dealer, government securities dealer or broker, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, a lawyer or law firm, an insurance company, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships. Prime Capital Financial has a subsidiary (Prime Capital Tax Advisory) that is an accounting firm. Prime Capital Financial has an affiliate named PCRM LLC that is an insurance agency. Please see Item 14 of this Brochure for more information about the conflicts of interest associated with these arrangements. Prime Capital Financial only provides investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with us.

#### **Registered Representative of a Broker-Dealer**

Many of our representatives are also registered representatives of Private Client Services ("Broker-Dealer"), a securities broker-dealer. Prime Capital Financial and Private Client Services are not affiliated. You may work with your investment adviser representative in his or her separate capacity as a registered representative of Private Client Services. When acting in his or her separate capacity as a registered representative, your investment adviser representative can sell, for commissions, general securities

products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. As such, your investment adviser representative can suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. Please see Item 14 of this Brochure for a description of this other compensation and the conflicts of interest associated with it. You are under no obligation to use the services of our representatives in this separate capacity or to use Private Client Services and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use Private Client Services. Prior to effecting any such transactions, you are required to enter into a new account agreement with the Broker-Dealer and thus such transactions will be under the supervision of the Broker-Dealer, not Prime Capital Financial. The commissions charged by Private Client Services may be higher or lower than those charged by other broker/dealers.

### **Third-Party Money Managers**

Prime Capital Financial has developed programs, previously described in Items 4 and 5 of this disclosure brochure, designed to allow us to recommend and select third-party money managers for you. Once you select the third-party money manager to manage all or a portion of your assets, the third-party money manager will pay us a portion of the fees you are charged. Please refer to Items 4 and 5 for full details regarding the programs, fees, conflicts of interest and materials arrangements when Prime Capital Financial selects other investment advisers.

### **Insurance Agent or Agency**

The sale and service of insurance-based products require an appropriate insurance license. Your Prime Capital Financial investment adviser representative may be independently licensed as an insurance agent and sell insurance-based products such as general disability income insurance and fixed, non-variable life insurance and annuities. Your rep-advisor's role as an insurance agent will be different from his or her role as an investment adviser representative through Prime Capital Financial; it is a separate capacity. These rep-advisors will earn commissions when selling insurance-based products. Your investment adviser representative in his or her separate capacity as an insurance agent, can suggest that you implement recommendations of Prime Capital Financial by purchasing such insurance-based products. Also, PCRMLLC can and will often receive override commissions on the sale of such products. The receipt of sales commissions and override commissions creates an incentive to recommend to you those products for which your rep-advisor, and in turn Prime Capital Financial's affiliate, PCRMLLC, will receive compensation. Please see Item 14 of this Brochure for a description of this other compensation and the conflicts of interest associated with it. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative or PCRMLLC.

### **Other**

Other than the legacy arrangement described below, Prime Capital Financial only provides tax planning and preparation services and consulting through Prime Capital Tax Advisory. As previously mentioned, Prime Capital Financial and its associates do not practice law or provide legal advice, and such work will generally be done in coordination with lawyers separately selected and employed by the client. To maintain continuity of service, and to the extent specifically requested by legacy advisory client(s) ("legacy

clients”), a certain Prime Capital Financial IAR, in his separate capacity as an independent service provider (i.e., tax preparer), provides coordinated tax return preparation services (“tax services”) to said legacy clients as an integrated part of his investment advisory service offering. As an accommodation to both said Prime Capital Financial IAR and legacy clients, Prime Capital Financial is allowing the fee associated with such tax services to be included in the Firm’s advisory fee to said legacy clients. Fees are subject to negotiation. These legacy tax services, arrangements, and fee structures are not otherwise available to other clients of Prime Capital Financial. The receipt of compensation for the preparation of tax returns affects the objectivity of the advice given to such legacy clients by said Prime Capital Financial IAR and is a conflict of interest. Please see Item 14 of this Brochure for a description of this other compensation and the conflicts of interest associated with it. Such legacy clients acknowledge and agree that said Prime Capital Financial IAR in his separate capacity as a tax preparer, not Prime Capital Financial, is solely responsible for the preparing of tax returns and that should any dispute arise between such legacy clients and said Prime Capital Financial IAR with regards to such tax services, that said legacy clients will seek recourse exclusively from and against said Prime Capital Financial IAR in his separate capacity as a tax preparer.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

Prime Capital Financial has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Prime Capital Financial's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth Prime Capital Financial's practice of supervising the personal securities transactions of supervised persons with access to client information. Prime Capital Financial or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Prime Capital Financial that all persons associated in any manner with our firm must place clients’ interests ahead of their own when implementing personal investments. Prime Capital Financial and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry. We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees, and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an “insider”.
- Associated persons are discouraged from conducting frequent personal trading (e.g., day trading).
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted by the Chief Compliance Officer of Prime Capital Financial.

***Any associated person not observing our policies is subject to sanctions up to and including termination.***

Prime Capital Financial will provide a complete copy of its Code of Ethics to any client upon written request. Requests should be directed to the Chief Compliance Officer at Prime Capital Financial's principal address.

## **Item 12 – Brokerage Practices**

For discretionary clients, Prime Capital Financial requests that it be provided with written authority to determine which securities and the amounts of the securities that are bought or sold. Any limitations on this discretionary authority will be stated in this written authority statement. Clients may amend these limitations. Such amendments must be submitted in writing and will be effective once signed by both client and Prime Capital Financial.

### ***Advisory Clients Brokerage Discretion***

Prime Capital Financial requires its wrap-fee program clients, advisory clients who utilize transaction-based pricing custodial platforms, and also advisory clients who utilize a sub-advisor, to establish brokerage accounts with a Prime Capital Financial-approved registered broker-dealer or qualified custodian (together “qualified custodian”), such as Fidelity, Goldman Sachs, LPL, Pershing, or Schwab, all registered broker-dealers, members SIPC, to maintain custody of clients’ assets and to effect trades for their accounts. Prime Capital Financial is independently owned and operated and not affiliated with any custodian. Prime Capital Financial provides such services subject to the limitations and restrictions imposed by the applicable custodial platform chosen by the client. Prime Capital Financial, as the investment adviser, does not have the authority to negotiate commissions or obtain volume discounts. Transactions may not always be executed at the lowest available price, no assurance can be given that best execution will be achieved for each client transaction, and perceptions of what constitutes best execution in any given instance may vary. Ultimately, the required use of a particular broker-dealer may cost clients more money. Not all advisers require clients to use a particular broker-dealer. Other advisers may provide such advisory services to retirement plans through programs, platforms, and custodians not available to Prime Capital Financial. Certain client accounts receiving Prime Capital Financial’s asset management services through transaction-based pricing custodial platforms that are maintained by, and held at, a custodian that is not directly accessible to our firm, must use the third-party platform called Pontera. The final decision to custody assets with a particular custodian or to utilize Pontera, or both, is at the discretion of the Advisor’s clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder.

#### *Products and services Prime Capital Financial receive from qualified custodians*

Qualified custodian(s) provide(s) Prime Capital Financial with access to its institutional trading and custody services, which are typically not available to qualified custodian’(s) retail investors. Qualified custodian’(s) services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For Prime Capital Financial wrap-fee program client accounts and sub-advised advisory client accounts maintained in its custody, Qualified custodian(s) is (are) not compensated through commissions or other transaction-related or asset-based

fees for securities trades but rather through a flat fee based on a percentage of the client's assets under management in the account. Qualified custodian(s) also make(s) available to Prime Capital Financial other products and services that benefit Prime Capital Financial but may not benefit its clients' accounts. These benefits may include national, regional or Prime Capital Financial specific educational events organized and/or sponsored by qualified custodian(s). Other potential benefits may include occasional business entertainment of personnel of Prime Capital Financial by qualified custodian(s) personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Prime Capital Financial in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Prime Capital Financial fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Prime Capital Financial accounts, including accounts not maintained at qualified custodian(s). Qualified custodian(s) also make(s) available to Prime Capital Financial other services intended to help Prime Capital Financial manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance, and marketing. Qualified custodian(s) may offer banking and lending services to certain clients of Prime Capital Financial. Prime Capital Financial will generally receive compensation from such qualified custodian(s) in exchange for referring clients to said qualified custodian(s) for these services. In addition, qualified custodian(s) may make available, arrange, and/or pay vendors for these types of services rendered to Prime Capital Financial by independent third parties. Qualified custodian(s) may discount or waive fees it (they) would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Prime Capital Financial.

While, as a fiduciary, Prime Capital Financial endeavors to act in its clients' best interests, Prime Capital Financial recommendation/requirement that clients maintain their assets in accounts at certain custodians may be based in part on the benefit to Prime Capital Financial of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by such custodians, which may create a potential conflict of interest. We receive an economic benefit from qualified custodian(s) in the form of the support products and services they make available to us and other independent investment advisers whose clients maintain their accounts at said qualified custodian(s). These products and services, how they benefit us, and the related conflicts of interest are described above. The availability of qualified custodian's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

*Special notice regarding Managed Account Services (for legacy Advisory clients)*

For former advisory clients of investment adviser firm(s) acquired by Prime Capital Financial, who become clients of Prime Capital Financial, and who have advisory accounts that continue to be subject to prior contract terms, custodial arrangements, and fee structures, Prime Capital Financial and its rep-advisors may place certain fixed-income trades and certain small equity transactions with broker-dealers other

than Fidelity, Goldman Sachs, LPL, Pershing, or Schwab. Such brokers will be selected based on competence of execution, back-office expertise, competitive commission rates, and quality of research services applicable to effective management of accounts.

*Special notice regarding Advisory Services for Non-Discretionary Assets*

Client, not Prime Capital Financial, will choose the custodian, bank, or third-party administrator (platform provider) (together referred to as “Custodian”) to hold (if necessary) the Client’s applicable non-discretionary assets (“Holding(s)”), including all such related cash and proceeds, that are subject to the Client’s agreement with Prime Capital Financial and to effect and execute all transactions in, including payments to and from, such Holding(s). Prime Capital Financial provides investment advice and advisory services subject to the limitations and restrictions imposed by the Custodian. Clients should be aware that the Custodian may be unable to achieve best execution for transactions and that the Client may pay more for transactions and services in comparison with other clients using the same or different custodian(s)/bank(s)/platform provider(s). Other advisers may provide advisory services to clients through custodians, banks, and platform providers not available to Prime Capital Financial.

**Soft-Dollar Benefits**

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer. Prime Capital Financial currently does not participate in soft dollar arrangements with any broker-dealers or third-parties; Prime Capital Financial does receive certain other products and services from qualified custodians, including Schwab.

**Brokerage for Client Referrals**

Prime Capital Financial receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

**Clients Directing Which Broker-Dealer/Custodian to Use**

As previously mentioned, Prime Capital Financial requires advisory clients to use specific broker-dealers to execute transactions. Not all advisers require clients to use a particular broker-dealer.

**Order Aggregation and Allocation (Block Trading)**

For advisory clients, including clients that are also associated persons of Prime Capital Financial, we may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when Prime Capital Financial believes such action may prove advantageous to clients. When we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Prime Capital Financial uses the average price allocation method

for transaction allocation. Under this procedure Prime Capital Financial will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account. When we determine to aggregate client orders for the purchase or sale of securities, including securities in which Prime Capital Financial or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, SMC Capital, Inc. Neither we nor our associated persons receive any additional compensation because of block trades. As part of Prime Capital Financial's fiduciary duty to put the interest of its clients first, non-advisory accounts will not be included in Prime Capital Financial Advisory-client trade blocks or batches. Prime Capital Financial's ability to block trades may be impaired or affected by limitations and restrictions imposed by the applicable custodian or platform. Such ability may also be impaired or affected by limitations and restrictions imposed by a product sponsor or fund company including, but not limited to, holding or redemption periods or whether a fund or security is or remains available for transacting. Prime Capital Financial's ability to block trades may also be impaired or affected by any client-specific instructions or restrictions and various account-specific characteristics such as account or transfer status, current account holdings, or transaction history.

### ***Retirement Plan Advisory Clients Brokerage Discretion***

A plan sponsor has the exclusive option to choose the platform provider or custodian through which Plan and participant investment transactions will be executed. The available platform options for which Prime Capital Retirement may provide advisory services currently include, but are not limited to, 401 GO, ADP Retirement Services, Alerus, American Funds, Ameritas, Ascensus, Aspire, Bank of Oklahoma (BOK), BPAS, Cuna Mutual Group, Empower Retirement, Fidelity, Guideline, Guidestone, Insperty, John Hancock, JP Morgan, Lincoln Financial, Nationwide, Newport Group, OneAmerica, Paychex, Inc., PCS Retirement, Principal Financial, Prudential, The Standard, TIAA-CREF, T. Rowe Price, Transamerica Retirement Solutions, Ubiquity, Vanguard, Vestwell, Voya, Wells Fargo, and through other Plan administrator firms, custodians, and record keepers that clear through Fidelity, Matrix Financial Solutions, Inc., Mid Atlantic Trust Company, Reliance Trust Company, Schwab, State Street, and Wilmington Trust. Other advisers may provide advisory services to retirement plans through platforms and custodians not available to Prime Capital Financial.

### ***Handling Trade Errors***

Prime Capital Financial has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Prime Capital Financial to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by Prime Capital Financial if the error is caused by Prime Capital Financial. If the error is caused by the broker-dealer, sub-advisor, platform provider, or custodian, the broker-dealer, sub-advisor, platform provider, or custodian, is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. Prime Capital Financial may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons). For errors involving or occurring in the Fiduciary Investment Trust funds (including Core Series) ("Funds"), the Funds' sponsor, Comerica Bank & Trust, N.A. ("Comerica"), retains the exclusive rights to

define what constitutes a “trade error”, to determine if such errors are material, and to determine if a correction or reimbursement is required. Prime Capital Financial will never benefit or profit from trade errors.

## **Item 13 – Review of Accounts**

Client accounts are reviewed for appropriateness in light of each client’s investment objectives, risk tolerance and financial goals. Prime Capital Financial Investment Adviser Representatives (“IAR”) periodically review their designated client accounts on a regular basis and no less than annually. Prime Capital Financial and its IARs act as the portfolio manager(s) for advisory accounts receiving our Asset Management and Managed Account Services. Portfolio securities and markets are monitored on an ongoing basis. The Firm's financial professionals responsible for the particular client relationship have the primary responsibility for determining and knowing each client's circumstances and managing the client's portfolio consistent with the client's objectives.

The Firm's Investment Advisory Board (“IAB”) has the overall responsibility for ensuring the implementation and monitoring of the investment processes policy, practices, disclosures, and recordkeeping for the firm. Specifically, the IAB (1) provides oversight of the Firm’s investment products, (2) approves the addition or removal of investment strategies and permissible investments, asset types, or asset classes, (3) ensures proper documentation and record keeping by Prime Capital Wealth (formerly Prime Capital Wealth Management) and Prime Capital Financial Compliance for regulatory purposes, and (4) determines the Firm’s Investment Advisory Committee (“IAC”) members and structure.

The Firm’s Chief Compliance Officer (“CCO”) is responsible for the general oversight of all supervised persons. The Firm’s IAB has ultimate authority over portfolio management, fundamentals, model portfolio constituents, asset allocation, and related areas of potential concern (i.e., governance).

### ***Chief Investment Officer and Investment Advisory Committee***

The Firm’s Chief Investment Officer (“CIO”), including through Prime Capital Wealth, conducts and oversees the investment review, selection, management, and trading processes for the Firm and its affiliates. Specifically, said processes include, but are not limited to, (1) selection and ongoing evaluation of investments and/or investment advisors, (2) modeling asset allocation, (3) ongoing research and investment review, and (4) trading.

The primary function of the Firm’s Investment Advisory Committee (“IAC”) is to provide feedback to CIO and Prime Capital Wealth. The IAC is a committee comprised of multiple Prime Capital Financial officers together with multiple Prime Capital Financial investment adviser representatives and employees. The IAC meets quarterly with a pre-set and documented agenda.

When managing portfolios, the baseline criteria for research and selection generally includes:

- Research investments with the goal of obtaining lower volatility portfolios
- Attempt to manage with significant diversification
- Select outside managers or mutual funds that have consistently, over long periods of time, outperformed their peers
- Be prudent when reviewing costs associated with different managers and advisors

The Firm will make best efforts to identify and utilize a mutual fund's lowest (i.e., lowest net cost) available share class given any platform or fund restrictions, and will monitor for changes to fund families' and platforms' share class offerings no less than annually.

Prime Capital Financial's allocations, strategies, and portfolios for advisory clients including Core Portfolios and Satellite Strategies, and for retirement plan advisory clients including Conservative (including Conservative Income), Moderately Conservative (including Income), Balanced (including Conservative Growth), Growth, Aggressive (including Aggressive Growth) portfolios, are reviewed by Prime Capital Wealth on a periodic basis, no less than annually. Purchases and sales of securities, reallocations, and rebalances are made on an ongoing basis, as deemed necessary. Custom IPS, Custom IPS PLUS, and PbASA allocations, strategies, and portfolios are reviewed by Prime Capital Wealth and/or Prime Capital Financial Compliance on a periodic basis, no less than annually. Purchases and sales of securities, reallocations, and rebalances are made on an ongoing basis, as deemed necessary. The Fiduciary Investment Trust (including Core Series) fund allocations managed by Prime Capital Financial are reviewed by Prime Capital Wealth no less than annually. Purchases and sales of securities, reallocations, and rebalances are made on an ongoing basis, as deemed necessary. Client account(s) receiving our firm's Asset Management Services using Transaction-based Pricing Custodial Platforms, Asset Management Services (Discretionary) through Pontera, and our Rep-managed Accounts platform, are reviewed by Prime Capital Wealth, Prime Capital Financial Compliance, and/or a Prime Capital Financial rep-advisor, for appropriateness in light of each client's investment objectives, risk tolerance, and financial goals at least annually. Purchases and sales of securities, reallocations, and rebalances are made on an ongoing basis, as deemed necessary. Sub-advised advisory accounts are reviewed by a Prime Capital Financial rep-advisor no less than annually. The exact scope and nature of services are outlined in the agreement between the client and Prime Capital Financial.

***Special notice regarding Managed Account Services (for legacy Advisory clients)***

For former advisory clients of investment adviser firm(s) acquired by Prime Capital Financial, who become clients of Prime Capital Financial, and who have advisory accounts that continue to be subject to prior contract terms, custodial arrangements, and fee structures, such accounts are reviewed by a member of Prime Capital Wealth and the primary IAR assigned to the accounts, no less than annually. This process includes reviews of current account holdings, year-to-date realized gains, asset allocation, and adherence to the applicable investment policy. Purchases and sales of securities, reallocations, and rebalances are made on an ongoing basis, as deemed necessary. The exact scope and nature of services are outlined in the agreement between the client and Prime Capital Financial.

Events that would trigger more frequent reviews could include, but are not limited to: market volatility, client request, change in client goals, and other events that we feel would warrant a review.

For asset management services under our wrap fee management program(s), the only portfolio managers selected for managing the strategies under such program(s) are Investment Adviser Representatives of Prime Capital Financial. Therefore, conflicts of interest present in other wrap fee programs that make available both affiliated and unaffiliated portfolio managers are not present in our wrap fee program strategies. Prime Capital Financial Investment Adviser Representatives can, and do on occasion, select separate (unaffiliated) portfolio managers to advise portions of certain clients' accounts, including wrap fee accounts. The terms of such arrangements are fully described in the client's advisory agreement with Prime Capital Financial. Our firm has procedures designed to select such unaffiliated portfolio managers.

For our asset management services, clients are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian. Prime Capital Financial may provide additional reports to advisory clients. Client should compare any reports received directly from Prime Capital Financial against the account statements received from the broker-dealer or custodian and should immediately report any discrepancies to Prime Capital Financial and the broker-dealer or custodian. Whether reports by an outside money manager are provided to you will depend upon the outside money manager. Clients are encouraged to always compare any reports or statements provided by us, a sub-adviser or third-party money manager against the account statements delivered from the qualified custodian.

Financial planning clients will receive a financial plan and may arrange for or request subsequent reviews or updates of the client's financial plan.

## **Item 14 – Client Referrals and Other Compensation**

### ***Other Compensation***

Some of Prime Capital Financial's associated persons sell securities in a separate capacity as registered representatives with Private Client Services. Some associated persons are also independently licensed insurance agents and sell insurance products. They earn commissions when selling these products. This receipt of commissions creates an incentive to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer or as an agent of an insurance company. Consequently, the objectivity of such advice rendered to you would be biased. Some of the advice offered by these associated persons involves investments in mutual fund products. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. These associated persons will receive a portion of these 12b-1 fees in their separate capacities as registered representatives, as Prime Capital Financial does not accept any sales charges or 12b-1 fees. Clients should be aware that these 12b-1 fees come from fund assets and, thus, indirectly from client's assets. Therefore, when 12b-1 fees are charged against the assets of a mutual fund, the investor's return on such mutual fund is reduced accordingly. The receipt of these fees also represents an incentive for registered representatives to recommend funds with 12b-1 fees or higher 12b-1 fees over funds with no fees or lower fees, therefore creating a conflict of interest. The associated persons always endeavor to put the interest of the clients first as a part of their fiduciary duty. Prime Capital Financial also provides clients and customers at the commencement of advisory services or at the time of sale with a document that illustrates the differences between advisory accounts and commissionable accounts so that such clients and customers can consider the differences between an advisory and a commissionable relationship when working with their Prime Capital Financial financial professional. Clients are under no obligation to use the services of our representatives in their separate capacities as a registered representative of a securities broker-dealer or an insurance agent.

As previously mentioned, Prime Capital Financial has an affiliate named PCRMLL that is an insurance agency. PCRMLL can and will often receive override commissions on the sale of insurance-based products. The receipt of override commissions creates an incentive to recommend to you those products for which your rep-advisor, and in turn Prime Capital Financial's affiliate, PCRMLL, will receive compensation. Consequently, the objectivity of such advice given to you would be biased. Prime Capital Financial will manage this conflict by developing and providing an informed recommendation in the best interest of you, the client. Again, you are under no obligation to

purchase insurance products from your Prime Capital Financial financial professional or to use the services of our representatives in their separate capacities as insurance agents.

From time to time, we receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements is not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

From time to time, we receive compensation from sponsors of certain private offerings (e.g., private equity, private debt, venture capital). Such compensation typically relates to conducting due diligence and/or attending investment training events hosted by said sponsors. Although receipt of such compensation is not predicated upon specific sales quotas, the payments are typically made by those sponsors for which sales have been made or for which it is anticipated sales will be made.

Prime Capital Financial and its representatives sometimes recommend the Goldman Sachs Finance Corp. Systemic Options Series 32 and 34 Total Return Strategies to certain clients who meet certain categories of “accredited investors” as such term is defined pursuant to Rule 501(a)(3), (5), (6), (9), (12) or (13) of Regulation D promulgated under the Securities Act of 1933, where appropriate. Prime Capital Financial and Goldman Sachs Finance Corp are not affiliated. Client investors will be subject to both the Offering’s management/service fees and Prime Capital Financial’s own advisory fees. Furthermore, per an arrangement with this Offering’s sponsor (Goldman Sachs Finance Corp), Prime Capital Financial’s parent company will also receive “License and Service Fees” up to seventy-five basis points (75 bps) in connection with (based upon) the outstanding aggregate value of this Offering; these fees will be borne by investors through a deduction in the payment on this Offering. While we believe that this Offering provides investors with tax benefits, trading efficiencies, and the potential for better trade execution and pricing, when Prime Capital Financial’s advisory fee(s) are not reduced to offset the License and Service Fee(s) we receive, it is a conflict of interest because our firm has additional financial incentive to recommend this Offering. In this scenario, the fee arrangement will impact the judgment of our investment adviser representatives when making advisory recommendations that involve this Offering. We attempt to further control for this conflict by (1) always basing investment decisions on the individual needs of our clients, (2) developing and providing an informed recommendation in the best interest of the client, and (3) providing disclosure, so that clients may consider whether participating in a particular Prime Capital Financial managed strategy, portfolio, or account that utilizes this Offering is acceptable to them. The fees, expenses, and investment minimums of this Offering are fully described in the Offering Materials. Prime Capital Financial’s fees are fully described in the client agreement with Prime Capital Financial.

Specific to certain private offerings sponsored by Bow River, Prime Capital Financial will receive a one-time fee of \$250,000 from Bow River to perform due diligence on Bow River and the funds it sponsors. Bow River may terminate this agreement and stop paying us this fee if no clients invest in Bow River’s funds. As a result, we have

a conflict of interest in recommending that our clients invest in Bow River in that there is an incentive to recommend such products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment recommendations on the individual needs of our clients. To further ensure that we provide you with the best advice, in your best interest, despite the presence of our conflict of interest, we also take the following steps: (1) provide clients with a separate disclosure so that they may consider whether purchasing or investing in a Bow River fund is or remains acceptable to them and (2) monitor our firm's interaction with Bow River and its funds for possible future conflicts and to inform clients accordingly. We believe that these affirmative steps enable us to provide good guidance to our clients in accordance with the fiduciary duties we owe to each of you. The positive side of our due diligence arrangement with Bow River is that we maintain current access to Bow River's information, which keeps us up-to-date on due diligence in providing advice to our clients about Bow River and its funds. Nevertheless, in deciding whether to invest in Bow River and its funds, you should bear in mind that we benefit through our due diligence fee arrangement when you invest in Bow River and its funds. Prime Capital Financial itself is not a current client of Bow River or an investor in any fund managed by Bow River. Certain Prime Capital Financial employees and representatives ("access persons"), including members of Prime Capital Financial's ownership and leadership, may invest, or have invested, in certain funds managed by Bow River.

Specific to co-investment opportunities and sidecars ("Investment") sponsored by ATX Venture Partners or affiliates ("Sponsor"), moving forward, Prime Capital Financial will receive fees from Sponsor amounting to fifty percent (50%) of Sponsor's carried interest for such Investment(s). A "co-investment opportunity" is generally defined as an option to invest alongside a primary private fund in an investment that may otherwise be too large for the fund itself. A "sidecar" is generally defined as an investment vehicle organized by the sponsor of the primary private fund to participate in one or more co-investment opportunities. This fee arrangement creates an additional conflict of interest for Prime Capital Financial in advising clients to invest or participate in such Investment(s) because (1) Prime Capital Financial has an incentive to earn the carried interest-based fee and (2) said fees are in addition to the advisory fees Prime Capital Financial already charges to such clients. However, this fee arrangement does not increase the amount of fees such clients will pay. Specifically, in consideration of Prime Capital Financial's advisory role with its client in regards to such Investment(s), the Sponsor has solely elected to share "its" portion of the carry and Prime Capital Financial's sharing in the carried interest will not increase the amount of the carried interest charged to said sidecars and co-investment opportunities. This carried interest fee will retroactively apply from the beginning of the Investment(s) and on a forward-looking basis. We attempt to control for these conflicts by always basing investment recommendations on the individual needs of our clients. To further ensure that we provide you with the best advice, in your best interest, despite the presence of our conflict of interest, we also take the following steps: (1) provide clients with a separate disclosure so that they may consider whether purchasing or investing in said Investment(s) is or remains acceptable to them and (2) monitor our firm's interaction with Sponsor, and its related co-investment opportunities and sidecars, for possible future conflicts and to inform clients accordingly. Certain Prime Capital Financial access persons, including members of Prime Capital Financial's ownership and leadership, may invest, or have invested, in certain private offerings, co-investment opportunities, and sidecars, sponsored by ATX Venture Partners or affiliates. The fees, expenses, and investment minimums of the Investment(s) are fully described in the Investment'(s) offering materials. Prime Capital Financial's advisory fees are fully described in the client's advisory agreement with Prime Capital Financial.

The principal executive officers, directors, and other employees of Prime Capital Financial may, from time to time, receive incentive awards for the recommendation or introduction of investment products. The receipt of this

compensation affects Prime Capital Financial's judgment in recommending products to its clients. The associated persons always endeavor to put the interest of the clients first as a part of their fiduciary duty.

Prime Capital Financial and its representatives have an inherent conflict of interest in recommending collective investment funds ("Funds") managed by Prime Capital Financial or an affiliate to clients. To avoid a conflict of interest, any retirement plan utilizing Prime Capital Financial's Fiduciary Consulting Services will need to make its own independent investigation and evaluation of Funds managed by Prime Capital Financial or an affiliate. To avoid receiving two layers of management fees, to the extent that a retirement plan utilizes Prime Capital Financial for Fiduciary Consulting Services and invests in Funds managed by Prime Capital Financial or an affiliate, Prime Capital Financial will not assess against the value of such Funds any asset-based fee for Fiduciary Consulting Services. Prime Capital Financial may credit the portion of the management fees paid by the Funds to Prime Capital Financial or an affiliate with respect to a retirement plan account's investment in the Funds against the account-level advisory fees the particular retirement plan account owes Prime Capital Financial. Please note, such retirement plans will be paying indirect compensation to Prime Capital Financial since the Funds will charge the retirement plan for Funds expenses which will include investment management fees paid to Prime Capital Financial.

As previously mentioned, to maintain continuity of service, and to the extent specifically requested by legacy advisory client(s) ("legacy clients"), a certain Prime Capital Financial IAR, in his separate capacity as an independent service provider (i.e., tax preparer), provides coordinated tax return preparation services ("tax services") to said legacy clients as an integrated part of his investment advisory service offering. As an accommodation to both said Prime Capital Financial IAR and legacy clients, Prime Capital Financial is allowing the fee associated with such tax services to be included in the Firm's advisory fee to said legacy clients. The receipt of compensation for the preparation of tax returns affects the objectivity of the advice given to such legacy clients by said Prime Capital Financial IAR and is a conflict of interest. Prime Capital Financial and said Prime Capital Financial IAR will manage this conflict by developing and providing an informed recommendation in the best interest of their clients. You should note that similar advisory services and/or tax services may be available from other registered investment advisers and/or tax preparers for similar or lower fees.

### ***Compensation Paid for Client Referrals***

Prime Capital Financial utilizes testimonials and endorsements in accordance with Rule 206(4)-1 under the Advisers Act (the "Marketing Rule"), where applicable. The definition of "testimonial" includes any statement by a current client about the client's experience with the investment adviser or its supervised persons. The definition of "endorsement" includes any statement by a person other than a current client that indicates approval, support, or recommendation of the investment adviser or its supervised persons or describes that person's experience with the investment adviser or its supervised persons. Forms of compensation under the Marketing rule include fees based on a percentage of assets under management or amounts invested, flat fees, retainers, hourly fees, reduced advisory fees, fee waivers, and any other methods of cash compensation, and cash or non-cash rewards that advisers provide for endorsements and testimonials. The definitions of testimonial and endorsement under the Rule also include solicitation and referral activities. Prime Capital Financial has entered into written arrangements with third parties to act as promoters (formerly solicitors) ("Referring Parties") to refer clients to Prime Capital Financial for Prime Capital Financial's investment management or advisory services. Referral or Promoter relationships will be fully disclosed to each Client to the extent required by applicable law. Prime Capital Financial will ensure each promoter is exempt, notice filed, or properly registered in all appropriate jurisdictions, as

applicable. All such referral activities will be conducted in accordance with the “Marketing Rule”, where applicable. If a referred client enters into an investment advisory agreement with Prime Capital Financial, a cash referral fee (cash compensation) is paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. The referral agreements between any referring party and Prime Capital Financial will not result in any charges to clients in addition to the normal level of advisory fees charged. If the referring party is an unaffiliated registered investment adviser firm, then the client will also receive a copy of the referring party’s Form ADV Part 2 Disclosure Brochure. Prime Capital Financial also utilizes lead-generation firms or adviser referral networks (collectively, “operators”). Operators are networks operated by non-investors where an adviser directly compensates (typically a flat fee) the operator to solicit investors for, or refer investors to, the adviser. Operators may also include for-profit or non-profit entities that make third-party advisory services (such as model portfolio providers) accessible to investors, and who do not promote or recommend particular services or products accessible on the platform(s). An operator may tout the advisers included in its network, and/or guarantee that the advisers meet the network’s eligibility criteria. Testimonials, endorsements, and referral arrangements create a conflict of interest in that the compensation we provide, directly or indirectly, for these activities incentivizes a person to provide a positive statement about, solicit an investor for, or refer an investor to, Prime Capital Financial. Non-cash compensation, including forms of entertainment, also incentivizes persons to provide a positive statement about an adviser, or make a referral or solicitation on an adviser’s behalf. We attempt to control for these conflicts by (1) providing clients and prospective clients with full disclosure of said conflicts and (2) employing a defined process with respect to the use of testimonials, endorsements, and referral arrangements.

## **Item 15 – Custody**

Custody has been defined as having access or control over client funds and/or securities, but does **not** include the ability to execute transactions in client accounts. Custody is not limited to physically holding client funds and securities. If an investment advisor can access or control client funds or securities, the investment advisor is deemed to have custody for purposes of the Investment Advisers Act of 1940 and must ensure proper procedures are implemented. Prime Capital Financial is deemed to have custody of client funds and securities in those situations where Prime Capital Financial is given the authority to have fees deducted directly from client accounts. Clients will be required to provide written authority to allow the deduction of Prime Capital Financial’s advisory service fees directly from a client’s account. Except for fee deductions for advisory service fees, we are not granted access to any client account which would enable us to withdraw or transfer or otherwise move funds or cash from any client account to our accounts or the account of any third party. Prime Capital Financial has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client’s name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian’s name, address and the way the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client’s independent representative at least quarterly. Clients should carefully review those statements. When clients have questions about their account statements, they should contact Prime Capital Financial or the qualified custodian preparing the statement.

## **Item 16 – Investment Discretion**

Upon receiving written authorization from the client, Adviser may provide discretionary investment advisory services for client accounts. Written authorization from the client must be granted in the contract for services. When discretionary authority is granted, Prime Capital Financial is given the authority to determine the type of securities and the amount of securities that can be bought or sold for the client portfolio without obtaining the

client's consent for each transaction. Written authorization, including limitations thereof, will be provided by the client in the investment advisory agreement. Depending on the advisory service provided, Prime Capital Financial may or may not have discretion over a client's assets. For certain investment advisory services that provide managed account allocations for retirement plan participants, the plan participant may provide authorization via electronic acceptance of the advisory agreement. In situations where a plan sponsor has designated the managed account allocations as the retirement plan's qualified default investment alternative (QDIA), neither written authorization nor electronic acceptance from the plan participant will be required. Instead, required notices and disclosures associated with the QDIA will be provided to the plan participants. For allocations and strategies that are subject to the Adviser's UCA or PbASA, Prime Capital Financial is generally authorized to buy, sell or otherwise trade open-end and closed-end mutual funds, interval funds, Exchange Traded Funds ("ETF"), stocks (common and preferred), Master Limited Partnership ("MLP") shares, call and put options, bonds, treasuries, money markets and money market funds, Certificates of Deposit ("CD"s) in the account without discussing the transactions with the client in advance. The Adviser's discretionary authority in selecting a retirement plan client's "Core Investment Options" or "Menu" is generally limited to open-end mutual funds, Collective Investment Trusts ("CIT"s), separate account shares, Stable value products (including guaranteed income funds), and money market (including money market funds) that are made available through and custodied by the applicable platform provider. The Adviser's discretionary authority over its Managed Account Allocations for Plan Participants is generally limited to open-end mutual funds, Collective Investment Trusts ("CIT"s), separate account shares, Stable value products (including guaranteed income funds), and money market (including money market funds) that are made available through and custodied by the applicable platform provider.

### ***Collective Investment Funds***

Prime Capital Financial shall determine the assets to be bought and sold for the Funds. Such assets are limited to mutual fund shares, exchange-traded fund ("ETF") shares, shares of any collective investment trust ("CIT"), separate account shares, money market, or stable value products (including guaranteed income funds). Prime Capital Financial also serves as a fiduciary investment manager under ERISA 3(38) with respect to the management of the investments within the Funds.

When discretion is granted, clients maintain the ability to impose reasonable restrictions on the management of their accounts.

### **Item 17 – Voting Client Securities**

Prime Capital Financial does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account. You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and decide based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions. With respect to assets managed by a third-party money manager, we will not vote the proxies associated with these assets. You will need to refer to each third-party money manager's disclosure brochure to determine whether the third-party money manager will vote proxies on your behalf. You may request a complete copy of third-party money manager's proxy voting

policies and procedures as well as information on how your proxies were voted by contacting the third-party money manager or by contacting Prime Capital Financial at the address or phone number indicated on Page 1 of this disclosure document.

### ***Class Action Lawsuits***

You (client) retain the right under applicable securities laws to individually initiate a lawsuit or join a class-action lawsuit against the issuer of a security that was held, purchased, or sold by or for you. Prime Capital Financial does not provide legal advice to clients regarding potential causes of action against such a security issuer and whether any client should join a class-action lawsuit. Prime Capital Financial recommends that you seek legal counsel prior to making a decision regarding whether to participate in such a class-action lawsuit. While Prime Capital Financial does not initiate such a legal proceeding on behalf of clients, our services may include monitoring or informing clients of any potential or actual class-action lawsuits against the issuers of the securities that were held, purchased, or sold by or for the client. Prime Capital Financial offers this service to select (not all) clients, only at our discretion. Specifically, Prime Capital Financial will retain third-parties to assist with respect to class action lawsuits, bankruptcies and other legal actions relating to securities held, currently or in the past, in a client's account (with the exception of recoveries as part of a Fair Funds settlement for which a client must apply on his or her own). Moreover, Prime Capital Financial will retain the services of a third-party to manage the relevant claims process for such actions, and such third-party will generally be compensated by retaining a percentage of any amounts recovered in such action.

### **Item 18 – Financial Information**

This item is not applicable to Prime Capital Financial's brochure. Prime Capital Financial does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, Prime Capital Financial is not required to include a balance sheet for its most recent fiscal year. Prime Capital Financial is not subject to a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Finally, Prime Capital Financial has not been the subject of a bankruptcy petition at any time.