

Regulation Best Interest Disclosure Statement

This Regulation Best Interest (“Reg BI”) Disclosure Statement (“Reg BI Statement”) provides information about AAG Capital, Inc. (“AAG,” “us,” “our,” or “we”). If you have any questions about the contents of this Reg BI Statement, please contact us at 866-241-8078 or email us at: gguinta@aagcapital.com. This Reg BI Statement is applicable to retail customers for whom we are acting as broker. If you are not a retail customer and would like additional information regarding the services provided to you by AAG, please contact your AAG Broker (as defined below).

General Information Regarding AAG

AAG is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). AAG’s affiliate, Accurate Wealth Management, LLC, is registered with the SEC as an investment adviser. AAG is directly owned by Accurate Advisory Group, LLC, a Florida-based insurance brokerage.

AAG’s brokerage services, provided by associated persons of AAG (“AAG Brokers”), are limited to the sale of variable annuity insurance products and alternative investments, including tax-advantaged third-party privately offered pooled investment vehicles. As a general matter, other than interests in such investments, AAG and AAG Brokers will not make recommendations with respect to any specific securities.

Overview of this Reg BI Statement

This Reg BI Statement provides information regarding the material facts relating to the scope and terms of our relationship with you, including the capacity in which we and AAG Brokers act; the material fees and costs that apply to your transactions, holdings, and accounts; the type and scope of services we provide, including any material limitations on the securities or investment strategies involving securities we recommend; the basis for and risks associated with our recommendations; and material facts relating to conflicts of interest associated with our recommendations.

For additional information regarding AAG and its brokerage services, or your brokerage account (“Brokerage Account”), please see the Form CRS for AAG at <http://www.accurateadvisorygroup.com>. You can also request this information from your AAG Broker.

For additional free information regarding AAG and AAG Brokers, including disciplinary events, please visit www.investor.gov and <https://brokercheck.finra.org/>.

This Reg BI Statement does not apply to advisory services offered by Accurate Wealth Management. For additional information on Accurate Wealth management, please see Accurate Wealth Management’s Form ADV Part 2A brochure at <http://www.accurateadvisorygroup.com>.

Material Facts About Our Relationship with You - Capacity

Any recommendations regarding your Brokerage Account are made in a broker-dealer capacity.

AAG has no discretionary authority over your Brokerage Account and can only purchase or sell securities or execute investment strategies that you authorize. This means that you, the customer, make the ultimate decision regarding the purchase or sale of securities or other investments or the allocation of assets recommended by us. Accordingly, you, the customer, must approve each transaction prior to execution.

Material Facts About AAG’s Relationship with You - Material Fees and Costs

The following describes the material fees and costs that apply to recommendations made by AAG to you:

Customers generally enter into account agreements whereby brokerage services are provided by AAG.

Commissions paid to AAG are charged on a transaction basis.

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Private investment vehicles: If a customer invests in a privately offered investment vehicle, the customer will purchase the interests of the investment vehicles and they will be held directly with the sponsor. The customer will be subject to the fees and expenses of the investment vehicle, which are disclosed in the applicable offering memorandum or private placement memorandum (the “Offering Documents”), which will be provided to the customer prior to the customer’s subscription to any such investment. If you would like a copy of a Offering Document, please contact your AAG Broker.

Material Facts About AAG’s Relationship with You - Type and Scope of Services

Generally, AAG makes recommendations solely with respect to Variable Annuity products and investment vehicles that have been first vetted through AAG’s diligence process.

AAG does not provide any ongoing or periodic review, follow-up or monitoring. In connection with asset allocation recommendations, AAG will confirm the customer’s investment objectives on at least an annual basis but does not provide any ongoing monitoring of a customer’s accounts or investments.

AAG does not act in the capacity of an investment adviser. If you wish to receive investment advisory services, you can seek the services of Accurate Wealth Management.

AAG does not act with discretion over customers’ accounts assets; the customer makes the decision regarding any purchase or sale of securities, or any asset allocation recommended by AAG. For additional information on the type and scope of brokerage services provided by AAG to you, please see your brokerage agreement with AAG.

Material Limitations

AAG’s recommendations regarding securities are generally limited to Variable Annuity products and privately offered investment vehicles.

AAG only recommends privately offered investment vehicles to customers who are eligible to invest by meeting certain financial sophistication requirements, including status as accredited investors and qualified purchasers under applicable securities laws.

General Basis for Recommendations

AAG seeks to help customers achieve their unique investment objectives and to deliver custom solutions. In designing solutions, AAG and AAG Brokers take the time to understand each customer’s “Investment Profile” (e.g., as applicable, the customer’s age, other investments, financial situation and needs, tax status, short- and long-term investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, estate planning needs, generational giving and philanthropic desires, and any other information the customer discloses to AAG or AAG Brokers) in connection with each recommendation. AAG and AAG Brokers work with each customer to recommend investments and, where applicable, asset allocations that align with the needs and financial goals of the retail customer.

Material Risks Associated with Brokerage Recommendations

While AAG will take reasonable care in developing and making recommendations with respect to each retail customer, investments in securities and other financial instruments involve risk, and retail customers can lose some or all their money. All investments and investment strategies involving securities involve risk of loss, including the potential loss of a retail customer’s entire investment, which the retail customer should be prepared to bear. There is no guarantee that any retail customer will meet the customer’s investment goals, or that AAG’s recommended investments or, where applicable, asset allocations will perform as anticipated.

The investment performance and the success of any particular investment or investment strategy can never be predicted or guaranteed, and the value of a customer’s investments will fluctuate due to market conditions and other factors. Investments are subject to various market, liquidity, currency, economic, political and other risks. **Past performance of any security or investment strategy is not indicative of future performance.**

Customers should consult the offering documents for any security that AAG recommends for a discussion of risks associated with the particular investment. If you would like a copy of any Offering Document prior to purchasing an investment of an investment you may obtain one by contacting your AAG Broker.

In addition to the investment-specific risks associated with investments and investment strategies involving securities, there are other potential risks

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associated with any relationship with financial intermediaries, such as AAG. For example, as the use of technology increases, AAG may be more susceptible to operational or information security-related risks. A breach in cybersecurity refers to both intentional and unintentional events that may cause AAG to lose proprietary information or operational capacity or suffer data corruption. Cybersecurity breaches of AAG's or third-party service providers or issuers in which customers and clients invest may also subject AAG to many of the same risks associated with direct cybersecurity breaches. Cybersecurity breaches can cause disruptions and affect business operations, potentially resulting in financial losses, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs or additional compliance costs.

Standard of Conduct under Regulation Best Interest

Reg BI requires that AAG and AAG Brokers act in the best interest of the retail customer at the time a recommendation of a security or an investment strategy involving a security is made, without placing the financial or other interest of AAG or the AAG Broker ahead of the interest of the retail customer.

Material Facts Regarding Conflicts of Interest

Reg BI defines a conflict of interest associated with a recommendation as "an interest that might incline a broker, dealer, or a natural person who is an associated person of a broker or dealer — consciously or unconsciously — to make a recommendation that is not disinterested."

When AAG or an AAG Broker provides you with a recommendation regarding securities or investment strategies involving securities, AAG and the AAG Broker must act in your best interest at the time the recommendation is made without putting their interest ahead of yours. At the same time, the way AAG and AAG Brokers make money and otherwise conduct business creates conflicts with your interests. Where possible, AAG has taken steps to mitigate or eliminate material conflicts of interest associated with recommendations regarding securities and investment strategies involving securities.

AAG Fiduciary Recommendation Disclosure for Covered ERISA and IRA Accounts

AAG CAPITAL, INC.

Overview

This AAG Fiduciary Recommendation Disclosure for Covered ERISA and IRA Accounts (“AAG Fiduciary Recommendation Disclosure”) provides additional information to employee benefit plans subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and plans subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the “IRC” or the “Code”) in respect of certain recommendations made by AAG Capital, Inc. (“AAG,” “us,” “our,” or “we”) and its wealth advisors or portfolio managers, in their capacity as associated persons of AAG (“AAG Brokers” and such plans, collectively, “Plan Customers”).

Where AAG or an AAG Broker provides individualized investment advice for purposes of ERISA or Section 4975 of the Code when making an AAG Fiduciary Recommendation (as defined below), AAG (and the relevant AAG Broker) is a fiduciary within the meaning of ERISA for those Plan Customers subject to Title I of ERISA, and Section 4975(e)(3) of the Code for those Plan Customers subject to Section 4975 of the Code.

In addition to this AAG Fiduciary Recommendations Disclosure, Plan Customers should also carefully review AAG’s Regulation Best Interest Disclosure Statement for additional disclosure and information related to AAG Fiduciary Recommendations.

Where AAG makes AAG Fiduciary Recommendations to a Plan Customer, it may rely upon one or more exemptions, including, among others, Prohibited Transaction Exemption 2020-02 from rules under Title I of ERISA and/or Section 4975 of the Code, as may be applicable (“PTE 2020-02”), that are intended to regulate conflicts of interests. PTE 2020-02 is designed to permit AAG and AAG Brokers to provide AAG Fiduciary Recommendations in your Best Interest (as defined below) under a fiduciary standard of care (as defined under ERISA and the Code) while adhering to prescribed conditions designed to mitigate conflicts.

AAG Fiduciary Recommendations

From time to time, AAG or an AAG Broker will make recommendations in connection with Plan Customer’s potential investment in a privately offered registered or unregistered investment or investment vehicle, Plan Customer’s risk profile (“Risk Profile”), as applicable, or Plan Customer’s decision to roll over or transfer assets from an account subject to Title I of ERISA or other individual retirement account (“IRA”) to an IRA (“Rollover Decision). AAG Fiduciary Recommendations that may be covered by PTE 2020-2 may be afforded relief under other exemptions from ERISA’s and the Code’s conflict of interest rules. From time to time, AAG and its affiliate may utilize one or more other prohibited transaction exemptions, to the extent they may be necessary or appropriate.

Requirements under PTE 2020-02

The way AAG and AAG Brokers make money creates some conflicts with the interests of Plan Customers, so AAG and AAG Brokers may operate under PTE 2020-02 with respect to AAG Fiduciary Recommendations. PTE 2020-02 requires AAG and AAG Brokers to act in the Best Interest (as defined below) of the Plan Customer, without placing the interest of AAG or the AAG Broker ahead of the interest of the Plan Customer.

Under PTE 2020-02's provisions, AAG and AAG Brokers must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of Plan Customer's when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in Plan Customer's best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

"Best Interest" for this purpose means that, with respect to AAG Fiduciary Recommendations, AAG and the AAG Broker must act in accordance with a standard of prudence as set forth under ERISA based on the investment objectives, risk tolerance, financial circumstances and needs of Plan Customer and that neither AAG nor the AAG Broker may place the interests of AAG, the AAG Broker or other party ahead of the Plan Customer. In addition, neither AAG nor the AAG Broker may make statements to Plan Customer that are materially misleading, and neither AAG nor any AAG Broker will be insulated or relieved of liability that is imposed upon either as a fiduciary under ERISA and the Code, as may be applicable, when making AAG Fiduciary Recommendations. When effecting transactions arising out of AAG Fiduciary Recommendations, AAG and the AAG Broker must seek to obtain best execution in accordance with applicable securities rules. Finally, the compensation AAG and the AAG Broker receive directly or indirectly arising out of any AAG Fiduciary Recommendation must not exceed reasonable compensation under applicable ERISA guidance and related guidance under the Code. Under the exemption, AAG is required to establish, maintain and enforce written policies and procedures prudently designed to ensure satisfaction of these "Impartial Conduct Standards." PTE 2020-02 also contains additional requirements concerning our compliance. For more information, see <https://www.federalregister.gov/documents/2020/12/18/2020-27825/prohibited-transaction-exemption-2020-02-improving-investment-advice-for-workers-and-retirees>.

Conflicts of Interest

The way AAG and AAG Brokers make money creates some conflicts with the interests of Plan Customers. For this purpose, a conflict of interest is defined as "an interest that might incline a financial institution or an investment professional—consciously or unconsciously—to make a recommendation that is not in the Best Interest of the Retirement Investor."

Where possible, AAG has taken steps to mitigate or eliminate material conflicts of interest associated with AAG Fiduciary Recommendations.

For the avoidance of doubt, unless otherwise specifically agreed in writing, when making AAG Fiduciary Recommendations, none of AAG, its affiliates nor any of their respective employees, officers, directors, or agents (including AAG Brokers) is providing investment advice or otherwise acting as a fiduciary under the Investment Advisers Act of 1940, as amended.