

## Disclaimer

### GENERAL DISCLOSURES

2nd St. Capital Management, LLC. (“2nd St.”) is registered under the Investment Advisers Act of 1940, as amended. 2nd St. does not provide personalized financial planning to investors, such as estate, tax, or retirement planning. Nothing on the site [www.2ndstcapital.com](http://www.2ndstcapital.com) (“the Site”) should be construed as a solicitation or offer, or recommendation, to buy or sell any security. Financial advisory services are only provided to investors who become 2nd St. Clients (“Clients”) pursuant to a written Agreement, which investors are urged to read and carefully consider in determining whether such agreement is suitable for their individual facts and circumstances.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND ANY EXPECTED RETURNS OR HYPOTHETICAL PROJECTIONS MAY NOT REFLECT ACTUAL FUTURE PERFORMANCE. FURTHERMORE, PAST RETURNS MAY REFLECT THE PERFORMANCE OF ASSETS FOR A FINITE TIME, OR DURING A PERIOD OF EXTREME MARKET ACTIVITY. ALL INVESTMENTS INVOLVE RISK AND MAY LOSE MONEY. There can be no assurance that an investment mix or any projected or actual performance shown on the Site will lead to the expected results shown or perform in any predictable manner. It should not be assumed that investors will experience returns in the future, if any, comparable to those shown or that any or all of 2nd St.’s Clients experienced such returns.

### 2nd ST PROCESS

2nd St.’s investment methodology is Equally-weighted Risk Contribution. It is only one possible way to invest. Clients should be aware that 2nd St.’s process is based in part on a careful evaluation of past price performance and volatility. Although 2nd St. seeks multiple asset classes for its Clients in order to diversify portfolios, it is possible that different or unrelated asset classes may all exhibit similar price changes in similar directions. This correlation of price behavior may adversely affect a Client.

### SECURITIES SELECTION DISCLOSURES

The securities employed in 2nd St. Client accounts are mutual funds and exchange-traded funds or other publicly registered funds (“ETFs”), which generally are registered investment companies under the Investment Company Act of 1940. 2nd St.’s selection process does not guarantee the quality of a particular mutual fund or ETF or that it will 1) be profitable, 2) properly track any comparable index, 3) trade in a liquid fashion, or 4) trade at or above its publicly-posted net asset value.

2nd St. reserves the right to change at any time the selection of securities that it recommends if, in 2nd St.’s sole discretion, any security does not meet requirements for continued listing on the platform. Clients should be aware that changes in the selection of securities employed by 2nd St.’s investment management service may result in the sale of their existing holdings and may subject them to additional tax liability.

2nd St. generally does not make available to Clients types of securities products other than mutual funds and ETF’s that an investor may wish to consider as part of his or her overall financial plan. Other



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ETFs or investment products may provide different performance.

### MUTUAL FUND AND ETF FEE AND PERFORMANCE DISCLOSURE

Mutual funds and ETFs typically include embedded expenses that may reduce their net asset value, and therefore directly affect performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. These expenses may include management fees, custodian fees, and legal and accounting fees. Mutual fund and ETF expenses may change from time to time at the sole discretion of the issuer. ETF tracking error and expenses may vary.

Furthermore, Mutual fund and ETF performance may not exactly match the performance of the index or market benchmark that the security is designed to track because 1) the security incurs expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the mutual fund or ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the mutual fund or ETF and/or for the securities held by the mutual fund or ETF may cause the security's shares to trade at a premium or discount to the actual net asset value of the securities owned by the security.

Clients should be aware that in some limited instances it may be difficult or impossible to trade the Clients' securities. This liquidity risk may be caused by numerous factors, including but not limited to: 1) extreme market volatility, 2) a decision by exchange participants to withhold some or all of their quoted market bids, 3) exchange technical issues or exchange closure, 4) delisted or halted securities, and/or 5) a position across Client accounts that is large relative to the average daily trading volume of the security.

### PERFORMANCE DISCLOSURES

Performance information is presented as gross returns unless marked otherwise. Commissions are not considered since Clients on the 2nd St. platform are not charged trading commissions. For all periods the performance information includes the reinvestment of dividends and interest unless otherwise noted.

Actual investors on 2nd St. may experience different results from any results shown. There is a potential for loss, as well as gain. Investors should carefully review the information presented by 2nd St. as part of any hypothetical comparison.

ANY COMPARISONS TO INDICES ARE PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY. AN INDEX IS A BROADLY DIVERSIFIED, UNMANAGED GROUP OF SECURITIES, WHICH MAY INCLUDE ONLY LARGE CAPITALIZATION COMPANIES OR COMPANIES OF A CERTAIN SIZE. BROADLY BASED INDICES MAY BE SHOWN ONLY AS AN INDICATION OF THE GENERAL PERFORMANCE OF THE FINANCIAL MARKETS DURING THE PERIODS INDICATED. BECAUSE OF THE DIFFERENCES BETWEEN THE CLIENT ALLOCATIONS AND ANY INDICES SHOWN, 2nd St. CAUTIONS INVESTORS THAT NO INDEX IS DIRECTLY COMPARABLE TO THE PERFORMANCE SHOWN SINCE EACH INDEX HAS ITS

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OWN UNIQUE RESULTS AND VOLATILITY, AND SUCH INDICES, IF SHOWN, SHOULD NOT BE RELIED UPON AS AN ACCURATE COMPARISON.

The return, composite and performance information shown on the Site uses or includes information compiled from third-party sources, including independent market quotations and index information. 2nd St. believes the third-party information comes from reliable sources, but 2nd St. does not guarantee the accuracy of the Site information and may receive incorrect information from third-party providers. Unless otherwise indicated, the information on the Site has been prepared by 2nd St. and has not been reviewed, compiled or audited by any independent third-party or public accountant.

### FEE AND ACCOUNT DISCLOSURES

Recommendations and fees may vary for each Client. Advisory fees are calculated based upon the amount of assets being managed (as detailed further in 2nd St.'s Form ADV Part 2). 2nd St. does not make any representations regarding the execution quality of orders placed with our brokerage partner. However, 2nd St. does monitor the execution quality of transactions in the attempt to ensure that Clients receive the best overall trade execution pursuant to regulatory requirements.

### TAX AND TAX-LOSS HARVESTING DISCLOSURES

2nd St. does not represent in any manner that the tax consequences described as part of its tax-loss harvesting service will be achieved or that 2nd St.'s tax-loss harvesting service, or any of its products and/or services, will result in any particular tax consequence. The tax consequences of the tax-loss harvesting service and other strategies that 2nd St. may pursue are complex and uncertain and may be challenged by the IRS. The information with regard to this service was not prepared to be used, and it cannot be used, by any investor to avoid penalties or interest.

Clients should confer with their personal tax regarding the tax consequences of investing with 2nd St. and engaging in the tax-loss harvesting service, based on their particular circumstances. Clients and their personal tax are responsible for how the transactions conducted in an account are reported to the IRS or any other taxing authority on the Client's personal tax returns. 2nd St. assumes no responsibility for the tax consequences to any Client of any transaction.