



Integral Wealth Securities LLC

Regulation Best Interest Disclosure

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This disclosure provides information about the business practices, compensation and conflicts of interest related to the brokerage business of Integral Wealth Securities LLC (“Integral”, “our”, “we”, “us”) offers to you and our customers. This guide summarizes important information concerning the scope and terms of those brokerage services that are offered by us and details the material conflicts of interest that arise through our delivery of brokerage services to you. We encourage you to review this information carefully, along with any applicable account agreement(s), along with any disclosure documentation you may receive or have received from us.

As you review this information, we would like to remind you that we are registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer providing brokerage services, and a member firm of the Financial Industry Regulatory Authority (“FINRA”). As a broker-dealer, Integral transacts business in various types of securities, mutual funds, mergers and acquisitions and private placements while offering such services to clients located domestically, as well as outside of the U.S. Additional information about Integral and its financial professionals is available on FINRA’s website at www.brokercheck.finra.org, or via the SEC’s website at www.sec.gov.

Brokerage Services

We provide our clients with access to offerings of unregistered debt or equity securities (“private placements,” “private placement investments,” and or “investments”), mutual funds, and mergers and acquisitions. Our services include determining investor suitability for investment in private placements or mutual funds, making investment recommendations consistent with your investment strategy, and facilitating the execution and settlement of your private placement securities transactions. Additionally, our services are provided on a non-discretionary basis, and while we may recommend private placement investments or mutual funds for you, the ultimate investment decision regarding the purchase of private placement or mutual funds will be yours. We introduce parties to merger and acquisition transactions, and the final decision to proceed is negotiated between the buyer and seller. Finally, our recommendations and introductions are made in a brokerage capacity, and as such, we do not agree to enter into a fiduciary relationship with you. For more information on our services, contact your investment professional at Integral (“Registered Representative”), or you can contact John Gibson at 1 (888) 799-8856.

Recommendations

Our services include determining the suitability of the investment for you, making investment recommendations consistent with your investment strategy, and facilitating the execution and settlement of your private placement investment transactions. We provide recommendations regarding the investments we market. In merger and acquisition transactions, we do not make a recommendation. We introduce the parties. The ultimate decision for the purchase and sale is negotiated between the buyer and seller. Those recommendations are based upon our due diligence regarding the sponsor or issuer of the private placement and the proposed business activities related to the offering. It is important for you to understand that when your Registered Representative makes a recommendation to you, we are obligated to ensure the recommendation is in your best interest, considering reasonably available alternatives, and based on your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information you provide us. You may accept or reject any recommendation.

Account Monitoring, and Incidental Brokerage Services

We do not commit to, nor do we provide for, ongoing monitoring of your investments. It is your responsibility to monitor the investments, and we encourage you to do so regularly. Additionally, from time to time, we may provide you with additional information and resources to assist you with understanding investment in private placements or mutual funds. These activities are not designed to monitor specific investment holdings; they do not contain specific investment recommendations about investment holdings, and you should not consider them a recommendation to buy or hold any particular investment you may have. Upon your request, we will review such information and reports with you, and may provide you with investment recommendations, but we are not under a specific obligation to do so.

Minimum Investment Requirements

Each sponsor or issuer sets the minimum investment and suitability requirements for prospective investors in each private placement offering. While we generally require retail investors be “accredited investors” to purchase private placements through us, the sponsor of such private placement investments generally sets that requirement. The actual investor investment requirements are detailed in the respective private placement memorandum, private offering memorandum or disclosure prepared by the sponsor or issuer, as well as in the subscription agreement you will be required to execute to acquire an interest in a private placement investment (collectively the “Offering Documents”).

You should also understand that our Registered Representatives may establish their own minimum account balance requirements for the brokerage accounts they service. For example, a dedicated Registered Representative may choose to service only those brokerage account clients who satisfy account-specific or total household asset conditions. Minimum asset requirements are disclosed to you orally by your Registered Representative.

Understanding Risk

It is important for you to understand that all investments involve risk, including the risk of losing your entire principal. Further, some investments involve more risk than others. Higher-risk investments may offer the potential for higher returns but also for greater losses. The higher your “risk tolerance,” meaning the amount of risk or loss you are willing and able to accept to achieve your investment goals, the more you may decide to invest in higher-risk investments offering the potential for greater returns. We align your risk tolerance with investment needs to offer you different investment objectives from which to choose (see below). You should select the investment objective and risk tolerance that best align with your investment goals and needs.

Investment goals typically have different time horizons and different income and growth objectives. Generally, investment goals are on a spectrum, with “*Income*” investors typically holding the smallest percentage of higher-risk investments, followed by “*Growth and Income*” investors holding some higher-risk investments, and finally “*Growth*” investors holding a significant portion of their portfolio in higher-risk investments. Risk tolerance also varies, and we measure it on a continuum that increases from “*Conservative*” to “*Moderate*” to “*Aggressive*,” and finally “*Trading and Speculation*.” See the chart below for details.

Investment Objective	Investment Objective Description	Risk Tolerance	Risk Tolerance Definition
Income	Income portfolios emphasize current income with minimal consideration for capital appreciation and usually have less exposure to more volatile growth assets.	Conservative	Conservative Income investors generally assume lower risk but may still experience losses or have lower expected income returns.
		Moderate	Moderate Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest income returns.
		Aggressive	Aggressive Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.
Growth & Income	Growth and Income portfolios emphasize a blend of current income and capital appreciation and usually have some exposure to more volatile growth assets.	Conservative	Conservative Growth and Income investors generally assume a lower amount of risk, but may still experience losses or have lower expected returns.
		Moderate	Moderate Growth and Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest returns.
		Aggressive	Aggressive Growth and Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.
Growth	Growth portfolios emphasize capital appreciation with minimal consideration for current income and usually have significant exposure to more volatile growth assets.	Conservative	Conservative Growth investors generally assume a lower amount of risk, but may still experience increased losses or have lower expected growth returns.
		Moderate	Moderate Growth investors are willing to accept a modest level of risk that may result in significant losses in exchange for the potential to receive higher returns.
		Aggressive	Aggressive Growth investors seek a higher level of returns and are willing to accept a high level of risk that may result in more significant losses.
Trading and Speculation	Trading and Speculation investors seek out a maximum return through a broad range of investment strategies which generally involve a high level of risk, including the potential for unlimited loss of investment capital.		

Our recommendations are based in part on your risk tolerance and investment objectives as outlined above. We encourage you to carefully consider your investment objectives and risk tolerance before investing.

Brokerage Fees and Our Compensation

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

Transaction-Based Fees

You will pay transaction-based fees for trades you decide to acquire investments through us. These transaction-based fees are generally referred to as a “commission,” or a “private placement fee or a sales charge.” Transaction-based fees are based on a host of factors, including, but not limited to:

- Underlying product selection.
- Specific terms and conditions set forth by the sponsor or issuers in the Offering Documents.
- Amount of your investment in the private placement investment or mutual funds.
- Available discounts and/or waivers described in the Offering Documents.

Administrative and Service Fees

We do not charge clients any additional administrative or service fees for their private placement investments, mutual funds, or merger and acquisition transactions.

How We Are Compensated

General

We receive direct compensation in connection with your investment in a private placement investment, mutual funds or merger and acquisition transaction. Direct compensation for a private placement is generally a commission paid directly out of your initial investment proceeds. Indirect compensation is compensation that is earned in ways other than through your initial investment in a private placement and may impact the value of the associated private placement investment. The section below describes the compensation that we receive in connection with private placement investments, mutual funds and merger and acquisition transactions that we may make available to you.

Private Placement Compensation

Our compensation is based on a percentage of your invested capital in the private placement. The percentage payable to us is set out and disclosed in the Offering Documents that we provide you. The commission payable to us is non-negotiable, as it is negotiated between the sponsor or issuer of the private placement and us, prior to the offering of the private placement securities to potential investors. Our compensation is generally paid out of the proceeds of the offering by the issuer, although it may be paid by the sponsor or an affiliated entity. See the Offering Documents for a complete discussion of the compensation arrangements with the sponsor and or issuers and Integral.

Your Registered Representative may receive a portion of the compensation, as determined by the Registered Representative and us. Your Registered Representative can provide you with the most recent Offering Documents, which in addition to disclosing our compensation arrangements, also discloses additional fees and costs imposed on the private placement investment by the issuer and its affiliates, risks related to investing in that private placement, the minimum investments accepted, the suitability requirements of investors, and other information critical to an investors decision to invest in

any such private placement investment. It should be noted that private placement securities are illiquid; there is no public market for the securities, and no such public market is expected to develop in the future.

Merger and Acquisition Compensation

Our compensation is determined in the engagement agreement between Integral and the party that engages us. We may receive a financial advisory fee and a success fee contingent on the completion of a transaction. The financial advisory fee may be credited against the success fee as determined in the engagement agreement

Mutual Funds

We currently provide mutual funds in varying share class structures and investment styles on a subscription basis. If you invest in mutual funds, we receive direct and indirect compensation in connection with such mutual fund investments, as described below.

12B-1/Shareholder Service Fees. Annual 12b-1 fees, also known as trails, are paid by the fund, and paid to us out of fund assets under a distribution and servicing arrangement to cover distribution expenses and sometimes shareholder service expenses that we may provide on the fund's behalf. Shareholder servicing fees are paid to respond to investor inquiries and provide investors with information about their investments. These fees are asset-based fees charged by the fund family. These fees range from 0.00% to 1.00%, but the majority of these fees are below 0.25%. These fees may be passed on to us and, in turn, may be passed on to your Registered Representative as a commission.

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

Data Agreement. All mutual fund companies with which we conduct business are under an agreement to solicit their products. The compensation is outlined in the prospectus. The Registered Representative receives up-front commission from the Mutual Fund companies and a trailing commission depending on the fund. Specifics on the commission earned by the Registered Representative are contained in the prospectus.

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

Revenue Sharing

We do not participate in any revenue sharing arrangements with the sponsors or issuers of private placement investments or any client where we are engaged in a merger and acquisition transaction.

Conflicts of Interest

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

Our conflicts of interest are typically the result of compensation structures and other financial arrangements between us, our Registered Representatives, our clients and third parties. We receive various forms of compensation from sponsors and issuers as described above. Securities rules allow for us, our Registered Representatives, and our affiliates, to earn compensation when we provide services to you. However, the compensation that we and our Registered Representatives receive from you varies based on the private placement investment or mutual fund purchase, which creates a financial incentive to recommend private placement investments or mutual funds that generate greater compensation to us. The compensation that we and our Registered Representatives receive on a merger and acquisition transaction varies based on the terms of the engagement agreement.

We are committed to taking appropriate steps to identify, mitigate, and avoid conflicts of interest to ensure we act in your best interest when providing recommendations to you. Below you will find additional information related to our conflicts of interest. This information is not intended to be an all-inclusive list of our conflicts, but generally describes those conflicts that are material to your brokerage relationship.

Compensation We Receive from Clients

Transaction-Based Conflicts

You pay commissions and private placement fees in connection with the buying of each private placement or mutual fund. Where these fees apply, the more transactions you enter into, the more compensation that we and your Registered Representative receive. This compensation creates an incentive for us to recommend that you buy these investments. We also have an incentive to recommend that you purchase private placements or mutual funds that carry higher fees, instead of private placements or mutual fund that carry lower fees or no fees at all.

Compensation We Receive from Third Parties

General

Other than the transaction-based compensation on private placements described above, we generally receive no additional compensation from sponsors, issuers or other third parties; however, we may receive the compensation and benefits described herein.

With regards to mutual funds, the third-party payments we receive may be based on new sales of investment products, creating an incentive for us to recommend you buy and sell, rather than hold, investments. In other cases, these payments are made on an ongoing basis as a percentage of invested assets, creating an incentive for us to recommend that you buy investments (or continue to invest through certain mutual funds).

The total amount of payments we receive varies by product. It also varies from the compensation we receive in connection with other products we may make available to you. We have an incentive to recommend investment products and services that generate greater payments to us. This compensation generally represents an expense embedded in the investment products and services that is borne by

investors, even where it is not paid by the product sponsor and not directly from the investment product or other fees you pay.

The types of third-party compensation we receive include “trail compensation.” Trail compensation represents ongoing compensation from product sponsors that may be received by us and shared with our Registered Representatives. This compensation (commonly known as trails, service fees or Rule 12b-1 fees in the case of mutual funds) is typically paid from the assets of the investment product under a distribution or servicing arrangement and is calculated as an annual percentage of invested assets. The amount of this compensation varies from product to product. We have an incentive to recommend that you purchase interest in products that pay us higher trails.

Additional Compensation and Benefits from Product Sponsors and other Third Parties

We and our Registered Representatives, associates, employees, and agents may receive additional compensation from sponsors, issuers and other third parties, including:

- An occasional dinner or ticket to a sporting event, or reimbursement in connection with business development activities.
- Payment or reimbursement for the costs associated with education, training, marketing, or advertising initiatives, including marketing to prospective investors, which are attended by our employees, agents, and Registered Representatives.

The amount of these payments or benefits is not dependent on or related to the level of assets you or any other of our clients invest through us or with the product sponsor.

Compensation Related to Proprietary Products

We do not offer proprietary products.

Compensation Related to Our Affiliates

We earn no compensation related to our brokerage activities from the activities of affiliates.

Compensation Received by Registered Representatives

General

Our Registered Representatives are compensated both as independent contractors and as salaried employees. Registered Representatives are compensated based on the percentage of revenue generated from the sales of investment products acquired by clients. This compensation may vary based upon the private placement or mutual fund investment associated with our brokerage recommendation. Thus, Registered Representatives are incentivized to recommend private placement or mutual fund investments that have higher fees as well as those with on-going payments. We have controls established to identify and mitigate this risk.

Typically, a Registered Representative’s payout schedule (periodically adjusted by us at our discretion) increases with production and asset levels. The same payout schedule is reduced when Registered Representatives discount certain client fees and commissions, or client relationship asset levels are below minimums established by us. Registered Representatives also may be eligible for annual or ongoing bonus awards based upon a variety of factors that include achieving production targets, as well as compliance with our policies and procedures, and meeting best business practices. As a result, Registered Representatives have an incentive to provide recommendations that result in selling more investment products, as well as investment products that carry higher fees, to increase commissions. Notwithstanding that conflict, we have controls established to identify and mitigate this risk. The compensation on a merger and acquisition transaction is determined by the independent contractor or registered representative agreement executed by Integral.

Non-Cash Compensation

Non-cash compensation is provided to Registered Representatives in the form of credits toward business expense accounts and certain titles. Registered Representatives are also compensated through educational meetings. Portions of these programs may be subsidized by external vendors. Consequently, product providers that sponsor and/or participate in education meetings gain opportunities to build relations with Registered Representatives, which could lead to sales of such product providers' products.

Additional Resources

Title	Web Address
Integral Disclosures	https://integralwealth.com/us/general-disclosures/
FINRA	https://www.finra.org/
SIPC	https://www.sipc.org/
BrokerCheck	https://brokercheck.finra.org/