

Introduction to CoastalOne

"CoastalOne" is a trade name for several affiliated financial services companies including Coastal Equities, Inc. ("CEI"), a FINRA member broker-dealer; Coastal Investment Advisors, Inc. ("CIA"), an SEC registered investment adviser; and Coastal Risk Advisors, LLC ("CRA"), a property and casualty insurance agency. CEI is the oldest of the entities and was founded in 1989 in Massachusetts. We support independent contractor registered representatives and RIAs, and the clients they serve.

Headquartered in Wilmington, Delaware, CEI is an introducing broker-dealer. As an introducing firm, CEI accepts your orders—but we have an arrangement with a carrying firm (in our case, First Clearing) to maintain custody of your securities account. Our priority is to deliver everything your representative needs from technology to financial products to regulatory compliance to help you meet your financial goals.

Introduction to First Clearing

First Clearing¹ has a rich history and retail heritage dating back to its 1983 start as a regional clearing business headquartered in Philadelphia. First Clearing services quality, independently owned broker-dealers, and maintains a leading position in empowering firms, their leaders, and their advisors to compete successfully — to help their clients succeed financially. They serve quality broker-dealers ranging in size from national companies to regional and local firms. First Clearing's client firms encompass a variety of business models including:

- Full service broker-dealers inclusive of institutional and capital markets businesses
- Independent-contractor broker-dealers
- Bank-affiliated brokers
- Broker-dealers serving RIAs (Registered Investment Advisors)

Their team of experienced professionals offers some of the industry's best thought leadership and innovative approaches to business advancement.

As part of Wells Fargo Clearing Services, LLC, one of the nation's largest brokerage firms, First Clearing offers broker-dealers access to a vast array of resources. This, combined with their consultative approach, gives client firms a level of service intimacy and operational scale that can be brought to bear across various business models.

Account Protection

The Securities Investor Protection Corporation ("SIPC") was created in 1970 as a non-profit, non-government membership corporation, funded by member broker-dealers. SIPC provides limited coverage to investors on their brokerage accounts if their brokerage firm becomes insolvent. All brokerage firms that sell stocks or bonds to the investing public, or that clear such transactions, i.e. introducing or clearing firms respectively, are required to be members of SIPC.

Both Coastal Equities, Inc. and First Clearing are members of SIPC.

Securities and cash in client accounts held at First Clearing have two sources of protection that are separate and distinct from the SIPC coverage of Coastal Equities, Inc. SIPC coverage insures each client up to a maximum of \$500,000 (including up to \$250,000 for claims for cash). For more information about SIPC, please visit sipc.org.

Further, First Clearing maintains a program of additional protection provided through London Underwriters, led by Lloyd's of London Syndicates, ("Lloyd's"). For clients who have received the full SIPC payout limit, First Clearing's policy with Lloyd's provides additional coverage above the SIPC limits for any missing securities and cash in client brokerage accounts up to a clearing-firm aggregate limit of \$1 billion (including up to \$1.9 million for cash per client).

SIPC and the additional protection from Lloyd's do not protect against losses from the failure of a security, nor do they insure the quality of investments or protect against losses from fluctuating market value. All coverage is subject to the specific policy terms and conditions. First Clearing's SIPC and additional coverage do not apply in the event of Coastal Equities, Inc.'s insolvency.

¹First Clearing is a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company