

Introduction

You are receiving this disclosure statement because you have either received a recommendation from our broker-dealer division or you have elected to open a retail brokerage account through Southern Wealth Securities, LLC ("SWS"). We are acting as your broker-dealer to provide brokerage services. You acknowledge that you have received the SWS Client Relationship Summary. Please see the following description of our brokerage services and related conflicts of interest.

Services

We offer the following services to high net worth clients and to a variety of corporate and legal entities, such as trusts, IRAs, partnerships, and small companies. We offer various insurance products such as variable life products. We do not engage in a retail securities business and do not hold customer accounts. You may obtain information on our firm by accessing [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

We offer advice exclusively on insurance products. Our services are consultative in nature and do not involve us taking any discretion on the purchase or sale of securities. With respect to insurance activity, we are appointed by several well capitalized insurance carriers. These insurance products generally have an investment component in which we offer investment advice and may charge an advisory fee through our investment adviser affiliate, Southern Wealth Management, LLP. In addition to a careful review of the offering documents, you are advised to consult with your financial, legal, and tax advisors prior to investment.

Securities Recommendations

We recommend investments based upon your individual suitability requirements, such as individual circumstances, liquid net worth, total net worth, annual income, expectation of current and future cash needs, investment objective, and risk tolerance. We will only approach investors for whom we have a pre-existing substantive relationship who desire risk management services.

Portfolio Monitoring

We generally do provide ongoing portfolio monitoring of the insurance products and related investment sub-accounts you purchase through SWS.

Costs & Related Conflicts

Our fees for private placements are disclosed in the insurance contracts provided to each prospective investor with a subscription form. Our private placement insurance and annuity offerings are offered only to accredited and qualified investors. Our fees are either upfront commission payments or annuitized payments, as premiums are paid by the insured. In addition, we may provide advice on the investment sub-accounts through our investment adviser affiliate, Southern Wealth Management, LLP.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

How Southern Wealth Makes Money

We must act in your best interest and not put our interests ahead of yours. The way we make money creates some conflicts of interest. If we sell a variable life policy to you with an investment sub-account, we will earn commissions on the sale of the product and possibly an advisory fee on the investment sub-account. In this regard we have a conflict of interest, as we are incentivized to recommend products that have investment sub-accounts that we can manage for a fee.

Conflicts of interest can incentivize us to put our interests ahead of yours. We manage these conflicts through disclosures in the offering and subscription documents. In addition, we employ supervisory procedures to ensure our financial advisors are acting in your best interest.

Additional Disclosure Materials

There are additional disclosure materials available to you that supplement this disclosure statement. When you purchase an insurance product, there is a contract that you enter into with the insurance carrier which includes disclosures regarding the operation of the insurance policy, death benefits, risks, conditions, riders, and the legal obligations you and the carrier have with respect to your insurance policy. You are encouraged to read this material and consult your financial advisor with any questions you have.

Financial Advisor Compensation

Our financial advisors are paid a salary and bonus.

Disciplinary History

Neither SWS nor our financial advisors have disciplinary disclosures. You can visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and our financial professionals.

Additional Information

Your SWS financial advisor will be your primary point of contact. However, administrative requests may be handled by an administrative assistant or client service professional.

In the event you have issues to be addressed, you may contact Mr. Tom Gile at 972-661-4600 or via email to compliance@southernwealth.com.