



Discount Brokerage Disclosure

This document is intended as a supplement to Regal Securities, Inc.'s ("Regal Securities") Form CRS to provide further information for the self-directed trading, or Discount brokerage services we provide as the executing broker. You acknowledge that you have received the Form CRS and we recommend that you carefully review the document.

We offer two categories of brokerage services to retail investors, including buying and selling of securities, for Discount and Full-Service brokerage.

- (1) For Discount, we do not provide securities recommendations. We offer self-directed trading services through several divisions in which we do not provide securities recommendations and are solely the executing broker ("Discount"). We offer stocks, ETFs, options, bonds and mutual funds. *All trades are at your sole discretion and are on an unsolicited basis.* Unsolicited means recommendations are not provided under these divisions. You are not assigned an associated person for advice and oversight, nor do we monitor your account. It is your responsibility to regularly review your account statements and trade confirmations. There is no minimum to open an account. Your securities trades are entered by you through our online trading platform, mobile app, or through a financial professional on our trade desk that will enter your order for you. Our clearing firm for Discount services is Hilltop Securities ("Hilltop").
- (2) For Full-Service, we provide securities recommendations through licensed financial professionals ("Full-Service"). We provide advice on a full array of products, including stocks, ETFs, mutual funds, bonds, options, annuities, closed-end funds, alternative products and insurance. You can choose an account that allows us to buy and sell investments in your account without asking you in advance (a "discretionary" account), or we may give you advice and you decide what you want to buy and sell (a "non-discretionary" account). We do not provide monitoring of your portfolio, and it is your responsibility to regularly review your account statements and trade confirmations. We do not impose account minimums, although our financial professionals may choose to do so, and certain investments may have minimum requirements as detailed in the prospectus or offering documents of your investments. Our clearing firms for Full-Service are RBC Capital Markets and Hilltop.

If you are a Discount customer, and desire to open a Full-Service account to receive securities recommendations from a licensed financial professional, please call us at 877-488-6534, Option 3, to learn more about our Full-Service brokerage services.

Our brokerage services, both Discount and Full-Service, do not provide ongoing monitoring of your portfolio. If you have a diverse portfolio and prefer to have your financial professional provide recommendations and continuous monitoring, you should consider establishing an investment advisor relationship with our affiliated registered investment advisory firm, Regal Advisory Services, Inc. ("Regal Advisory") under a separate investment advisory agreement. If you are interested in learning more about advisory services provided by Regal Advisory, please call us at 877-488-6537, Option 3.

Further Information About Discount Services:

For our Discount services, we offer brokerage services to retail clients, as well as to a variety of corporate/legal entities including trusts, individual retirement accounts (IRA's), partnerships, and small companies. Through our clearing firm for our Discount services, Hilltop, we assist you with the new account opening process, transmitting your signed paperwork to Hilltop and related money movement activity (i.e., requesting checks drawn on your account, transmitting wires and establishing ACH privileges).

The firm approves and offers only certain account types, products, and securities. There may be additional account types, products, and securities that are not offered by the firm, which may benefit you and your portfolio. In addition, those that we do offer, may be available at a lower cost through another firm.

For our brokerage services, you pay us a commission each time there is a trade in your account. As such, the more securities transactions in your account, the total commissions increase. You will pay fees and costs whether you make or lose money on your investments. Please make sure you understand the fees and costs you are paying in your brokerage account, as these can reduce the amount of money you make on your investments over time.

When we act as your broker, we must act in your best interest and not put our interests ahead of yours. At the same time, the way we earn money may create some conflicts of interests. For instance, in addition to commission costs, there are separate charges for establishing and maintaining IRA accounts. Also, there are postage and handling fees, standard SEC fees, transfer tax fees and similar fees on a per transaction basis. At Hilltop, you may be charged an annual inactivity fee should your account be dormant for some period of time. More information on costs and fees can be found on our website, new account opening documents, monthly statements and trade confirmations.

If you carry a margin balance, you will be charged margin interest on the outstanding balance. Your clearing firm and Regal are paid a portion of the margin interest that we collect from you. If you trade on margin, please understand that margin trading allows you to borrow funds and use leverage, to own more securities than if you paid for the securities in whole upfront. If you keep cash or money market funds in your account, we earn additional interest on those balances. In addition, we receive a portion of various miscellaneous fees, including but not limited to postage and handling, account transfer, wire transfer, annual IRA and annual inactivity fees. We also receive payment for order flow for certain option trades. If your account is held at Hilltop, we may receive additional payment for order flow for certain orders.

There are additional disclosure materials available to you that supplement this document. When you establish an account with us, the clearing firm requires you to sign new account documentation which includes disclosures regarding the operation of the account and the legal obligations you and the clearing firm have with respect to the opening and maintenance of your account. There are additional disclosures and obligations you have in your account documentation if you open a margin account, including a Margin Agreement. In addition, there are product specific written disclosures when you purchase certain types of investments, such as new issues, mutual funds, ETFs, leveraged and inverse ETFs, options, etc. These disclosures are typically provided in a prospectus or offering documentation and contain important information about the investment, including its risks, conflicts of interest, legal structure, liquidity/illiquidity features, exit strategies, use of proceeds, tax features, alignment of interests, and management of the investment vehicle. If you auto-trade through us, you are encouraged to carefully review the documentation you sign when you set up your auto-trading account and regularly review and monitor your trades, as they are all unsolicited and self-directed by you and we are solely the executing broker. You are encouraged to carefully read and understand this material and consult us with any questions you have.

Options trading involves risk and is not suitable for all investors. Options trading privileges are subject to our review and approval. Please review the [Characteristics and Risks of Standardized Options](#) brochure and [the Supplement](#) before you begin trading options or auto-trade.

Our registered representatives and employees who service Discount accounts and do not make securities recommendations are salaried and not paid a commission. As a for-profit business, our firm is economically incentivized to transact a higher number of transactions.

In the event you have issues to be addressed, you may contact Regal's Compliance Department at compliance@regalsecurities.com or call 877-488-6534, Option 5.

ADDITIONAL INFORMATION

You can find additional information about our brokerage services at www.investor.gov. You may also contact our firm to speak to a financial professional or support staff and request up-to-date information and a copy of the Customer Relationship Summary at 1-800-287-1362.