

## Important Information Regarding Your Account

### FINRA Investor Education and Protection

In accordance with FINRA Rule 2267, B. Riley Wealth Management, Inc. ("BRWM") is providing the following information in the event you wish to contact FINRA. You may contact FINRA via telephone (301-590-6500) or by mail at 1735 K Street NW, Washington, DC 20006-1506. As an investor, you can also use FINRA's free tool, BrokerCheck, to search for both FINRA registered firms and representatives at <https://brokercheck.finra.org/>. For more detailed information, call the FINRA BrokerCheck Hotline (800-289-9999) or the FINRA Seniors Helpline (844-574-3577) or visit FINRA's website at <https://www.finra.org/investors#/>.

### Mutual Fund Breakpoint Disclosure Statement

Before investing in mutual funds, it is important that you understand the sales charges, expenses, and management fees that you will be charged, as well as the breakpoint discounts to which you may be entitled. Understanding these charges and breakpoint discounts will assist you in identifying the best investment for your needs and may help you reduce the cost of your investment. Sales charges, expenses, management fees, and breakpoint discounts vary from mutual fund to mutual fund; therefore, you should discuss these issues with your Financial Professional and review each mutual fund's prospectus and statement of additional information. Please contact your Financial Professional to get the specific information regarding the charges and breakpoint discounts associated with a particular mutual fund. More information regarding mutual funds can be found on the Firm's website under "Disclosures" or by visiting [www.finra.org/investors/mutual-funds](http://www.finra.org/investors/mutual-funds).

### MSRB Information for Municipal Securities Investors

To satisfy the requirements of MSRB rule G-10, you are hereby notified that BRWM is registered with the U.S. Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). For more information about the MSRB, please visit their website at [www.msrb.org](http://www.msrb.org). Additionally, customers may access the MSRB Investor Brochure, which describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority, by accessing the following web page: <https://msrb.org/msrb1/pdfs/MSRB-Investor-Brochure.pdf>.

### Important Information for Clients Who Invest in Options

The Chicago Board Options Exchange regularly publishes educational materials for investors regarding options. Prior to buying or selling an option, investors must read a copy of this disclosure document. It explains the characteristics and risks of exchange-traded options. The latest "Characteristics and Risks of Standardized Options" as well as all supplements to the original 1994 pamphlet can be viewed at <https://www.theocc.com/Company-Information/Documents-and-Archives/Options-Disclosure-Documents> or may be requested from your Financial Professional for physical delivery.

### Investors Guide to Mortgage-Backed Securities and Collateralized Mortgage Obligations

You can obtain a copy of the required educational material, the Investors Guide: Mortgage-Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOS), from your Financial Professional or you may access it online at <https://www.projectinvested.com/investor-guides/investors-guide-to-rmbs-cmos/>.

### Business Continuity Plan

BRWM has developed a Business Continuity Plan ("BCP") to help ensure that we can continue to do business even if we experience an unplanned business interruption such as a loss of utility service, a building evacuation, or a catastrophic event. BRWM's BCP addresses the action that we will take in the event that a significant business disruption ("SBD") affects a single building, a business district, a citywide area, or an entire region. We have different planned recovery times depending on the severity of the SBD. In the event of a branch outage, the telephones to the branch office experiencing the SBD will be re-routed to the main office or another branch office facility with the ability to service the needs of the clients within a few hours. In the event of a short-term SBD at the main office, the telephones would be re-routed to a branch office location within several hours. In the case of a major business disruption at the main office, the Firm has a plan to relocate the mission-critical employees and systems to an alternate location, which would result in a disruption of between several hours to several days. BRWM's BCP is subject to annual review and update. In addition, the Firm's regulators will periodically review the BCP for compliance. As our BCP is materially updated, you will be notified through our website at [www.brileywealth.com](http://www.brileywealth.com). You may also contact us to request a copy of our most recent BCP by calling 1-800-726-0557 and requesting the Operations Department.

With regard to retail client assets carried by NFS, First Clearing, or Axos, we have received and reviewed each clearing firm's BCP. We are committed to providing continued service to our clients, and to that end, during a significant business disruption, BRWM will re-establish telephone service with our clients as soon as possible. Our clients should check our website for our latest information. As a client of BRWM, we recognize you may need access to your account to sell a position or request a check before we re-establish telephone service with our clients.

#### **For Retail Accounts Held at National Financial Services, LLC ("NFS"):**

During this time, NFS will assist you with sell/liquidation orders and provide check disbursements, if needed. If you cannot contact our Firm, please contact NFS directly for assistance at 800-801-9942.

#### **For Retail Accounts Held at Wells Fargo Clearing Services, LLC ("First Clearing"):**

During this time, First Clearing will assist you with sell/liquidation orders and provide check disbursements, if needed. If you cannot contact our Firm, please call First Clearing directly for assistance at 877-496-3223 or online at [www.wellsfargoclearingservicesllc.com](http://www.wellsfargoclearingservicesllc.com).

#### **For Retail Accounts Held at Axos Clearing, LLC ("Axos"):**

During this time, Axos will assist you with sell/liquidation orders and provide check disbursements, if needed. If you cannot contact our Firm, please call Axos directly for assistance at 402-635-2480.

### Routing and Execution Disclosure Made Pursuant to SEC Rules 605 & 606

Rule 605 of SEC Regulation NMS requires "market centers" to publicly disclose, monthly, certain statistical information relating to the quality of executions provided to eligible client orders. The information generally depicts how orders of various sizes are executed relative to public quotes existing at the time of order receipt and attempts to measure speed of execution. SEC Rule 606 requires a broker-dealer that routes orders on behalf of customers, to prepare quarterly reports that disclose the identity of the venues to which it routed orders for execution. Broker-dealers are required to disclose, on customer request, where they routed a customer's individual orders for execution. This information can be accessed through <https://brileyfin.com/capabilities/wealth/disclosures> under the headings, Rule 605 & Rule 606.

### Order Objections & Discrepancies

Reports of execution of orders shall be conclusive if you do not object to them in writing within the shorter of (i) the applicable settlement cycle of the subject transactions, or (ii) three business days after such documents have been transmitted to you by mail or otherwise. Your statements of account(s) shall be conclusive if you do not object to them in writing within 10 days after transmission to you by mail or otherwise. YOUR OBJECTION(S) MUST BE IN WRITING AND SEND TO: B. Riley Wealth Management, Inc., Attn: Compliance Department, 40 S. Main, Suite 1600, Memphis, TN 38103.

### SIPC Coverage

BRWM and our clearing firms are members of the Securities Investor Protection Corporation ("SIPC"), a nonprofit, congressionally chartered, membership corporation created in 1970. SIPC protects clients against the custodial risk of a member brokerage firm becoming insolvent by replacing missing securities and cash up to \$500,000, including up to \$250,000 in cash, per client, in accordance with SIPC rules. Note that SIPC coverage is not the same as, nor is it a

substitute for, FDIC deposit insurance. Securities purchased through our brokerage firm are not FDIC-insured; however, cash in some account types may be covered by FDIC insurance and not by SIPC coverage. For more information about SIPC, please visit [www.sipc.org](http://www.sipc.org). You may visit [www.fdic.gov](http://www.fdic.gov) for additional FDIC insurance information.

In addition to SIPC protection, our clearing firms provide additional "excess of SIPC" coverage to brokerage accounts. The excess of SIPC coverage would be used only when SIPC coverage is exhausted. Like SIPC protection, excess of SIPC protection does not cover investment losses in customer accounts due to market fluctuation. It also does not cover other claims for losses incurred while broker-dealers remain in business. Within the clearing firm's excess of SIPC coverage, there is no per-customer dollar limit on coverage of securities, but there is a per-customer limit of \$1.9 million on coverage of cash awaiting investment.

## Margin Disclosure Statement

BRWM is furnishing this document to you to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement provided by BRWM. Please contact your Financial Professional regarding any questions or concerns you may have with your margin account(s). It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

### ***You can lose more funds than you deposit in the margin account.***

A decline in the value of securities that are purchased on margin may require you to provide additional funds to the clearing firm, the firm that has made the loan, to avoid the forced sale of those securities or other securities or assets in your account(s).

### ***The clearing firm or BRWM can force the sale of securities or other assets in your account(s).***

If the equity in your account falls below the maintenance margin requirements or the clearing firm's higher "house" requirements, the clearing firm can sell the securities or other assets in any of your accounts held at the firm to cover the margin deficiency. You also will be responsible for any shortfall in the account after such a sale.

### ***You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.***

Because the securities are collateral for the margin loan, the clearing firm or BRWM has the right to decide which security to sell in order to protect its interests.

### ***The clearing firm or BRWM can sell your securities or other assets without contacting you.***

Some investors mistakenly believe that a firm must contact them for a margin call to be valid, and that the brokerage firm cannot liquidate securities or other assets in their accounts to meet the call unless the brokerage firm has contacted them first. This is not the case. Most firms will attempt to notify their customers of margin calls, but they are not required to do so. However,

even if a firm has contacted a customer and provided a specific date by which the customer can meet a margin call, the firm can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to you.

### ***The clearing firm or BRWM can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.***

These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause the clearing firm or BRWM to liquidate or sell securities in your account(s).

### ***You are not entitled to an extension of time on a margin call.***

While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

*Securities in your margin account may be loaned to or by the clearing firm. To the extent the clearing firm determines, in accordance with federal tax regulations, that your securities have been loaned, payments received by you with respect to such securities (including payments in lieu of dividends) may be reclassified as substitute payments. Substitute payments may be reported on different tax reporting forms than payments received on the underlying securities and may be subject to different tax consequences and rates. You are advised to contact your tax advisor to discuss the tax treatment of substitute payments.*

## Extended Hours Trading Risk Disclosure

You should consider the following points before engaging in extended hours trading. "Extended hours trading" means trading outside of regular trading hours. "Regular trading hours" generally means the time between 9:30 a.m. and 4:00 p.m. Eastern Standard Time.

- **Risk of Lower Liquidity.** Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, your order may only be partially executed, or not at all.
- **Risk of Higher Volatility.** Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular trading hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.
- **Risk of Changing Prices.** The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.
- **Risk of Unlinked Markets.** Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.
- **Risk of News Announcements.** Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.
- **Risk of Wider Spreads.** The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

## Other Legal Disclosures

All of the above information is current as of the date of this mailing. The Firm's current disclosures can always be viewed by visiting <https://brileyfin.com/capabilities/wealth/disclosures>.

## Customer Inquiries & Compliance Contact Information

It is important that you review your account statements and confirmations upon receipt. Additionally, we recommend that you monitor the activity in your account online. If you have any questions or comments related to the content of this notification, regarding your account, or to report a discrepancy/complaint, please contact the Compliance Department at:

B. Riley Wealth Management, Inc.  
Attn: Compliance Department  
40 S. Main St., Suite 1600  
Memphis, TN 38103  
901-251-1330