

Customer Disclosures Letter

Ace Diversified Capital, Inc.

Dear Customer: This letter contains important information for our customers.

Changes in Your Financial Situation and Investment Objectives

Please promptly inform Ace Diversified Capital Inc. ("Ace Diversified") of any changes in your financial situation, investment objectives, address or tax status. Ace Diversified requires a letter of authorization from account holders for all instructions to change address and information.

CIP USA Patriot Act

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Securities and Exchange Commission Rule 605/606/607

Securities and Exchange Commission rules mandate the public disclosure of order routing practices (the "Disclosure Rules"). Rule 605 (formerly SEC Rule 11Ac1-5) requires "market centers" that trade National Market System securities to make available standardized, monthly reports containing statistical information about "covered order" executions. Rule 606 (formerly SEC Rule 11Ac1-6) requires that broker-dealers that route customer orders in equity and option securities make publicly available quarterly reports that identify the venues to which customer orders are routed for execution.

The retail brokerage business of Ace Diversified clears trading through Wedbush Securities, of which order routing information is made publicly available.

Download Wedbush Securities' NMS Rule 606 Reports after October 1, 2020, by clicking here or visiting <https://public.s3.com/rule606/wedb/>

(By clicking this link, you will be leaving the Ace Diversified Capital, Inc.'s website)

Ace Diversified has no payment for order flow relationships with any broker dealers or third-party execution providers. However, our clearing firm, Wedbush Securities may receive compensation or other consideration ("payment for order flow") for directing such orders to particular broker-dealers or market centers for execution.

Investor Education and Protection

FINRA has established the public disclosure program, known as BrokerCheck, to provide certain information regarding the disciplinary history of FINRA members and their associated persons. The BrokerCheck Hotline Number is 1-800-289-9999. The FINRA web site address is www.finra.org. An investor brochure that includes information describing FINRA BrokerCheck may be obtained from FINRA.

Check the background of Our Firm and Investment Professionals on FINRA's BrokerCheck or by visiting <https://brokercheck.finra.org>

Fee Disclosure

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges to your account. Please contact your broker for information or questions regarding any fees prior to transacting in your account.

Options Disclosure Document

For listed options, prior to effecting an option transaction you should have received, read and understand the Characteristics & Risks of Standardized Options, also known as the options disclosure document (ODD). It explains the characteristics and risks of exchange traded options. The most current ODD can be accessed at <https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document>.

Form CRS (Customer Relationship Summary)

Form CRS (Customer Relationship Summary) is a disclosure document required by the SEC (Securities and Exchange Commission) for broker-dealers and investment advisers to provide to retail investors. It summarizes the nature of the relationship between the firm and the investor, including the services offered and potential conflicts of interest. We deliver our Form CRS to customers and prospective customers before or at the earliest of opening a new account and/or making recommendations regarding investment products, strategies, or account changes. You may access our firm's Form CRS at https://files.brokercheck.finra.org/crs_41768.pdf or by contacting our firm.

Trusted Contact Person

Under FINRA Rule 4512, Ace Diversified is required to disclose to you that Ace Diversified or its associated persons are authorized to contact the trusted contact person you may have identified in your account opening documents and disclose information about your account, or as otherwise permitted by FINRA Rule 2165.

A “trusted contact person” is a person that you authorize the firm to contact in limited circumstances, such as if the firm has trouble reaching you or has a reasonable belief that your account may be exposed to possible financial exploitation. A trusted contact person must be age 18 or older.

Naming someone as a trusted contact person does not give that person any authority to act on your behalf, execute transactions or engage in activity in your account.

Why would you add a “trusted contact person” to your account?

- If our firm cannot reach you, adding a trusted contact person to your account may help the firm ensure that your current address and contact information are correct.
- Adding a trusted contact person to your account may help our firm respond to possible financial exploitation or fraud in your account and protect your account’s assets.
- If the firm suspects that you are experiencing a health issue, adding a trusted contact person to your account may help the firm confirm your current health status.
- Adding a trusted contact person to your account may help the firm verify the identity of any legal guardian, executor, trustee or holder of a power of attorney on your account.

If you have not yet named a trusted contact, contact Ace Diversified and ask to add a trusted contact to your account. You can also ask to change or update your trusted contact information at any time.

Contact Information

Our mission at Ace Diversified is to provide our clients with the most professional level of customer service and timely and appropriate investment advice. We encourage you to let us know how we are doing on reaching those goals. In the unfortunate event that you have a complaint with respect to how your account is being handled or with any other aspect of your valued relationship with Ace Diversified, please contact us immediately at:

Ace Diversified Capital, Inc.
Attention: Compliance Department
923 East Valley Blvd., Suite 213, San Gabriel, CA 91776
Tel (626) 307-8300

THIS NOTICE IS PROVIDED TO YOU FOR INFORMATIONAL PURPOSES ONLY. YOU DO NOT NEED TO CALL OR TAKE ANY ACTION IN RESPONSE TO THIS NOTICE. WE RECOMMEND THAT YOU READ AND RETAIN THIS NOTICE WITH YOUR FILES.