

Part 2A of Form ADV:
Capital Wealth Advisors
Client Brochure

Item 1: Cover Page

This brochure provides information about the qualifications and business practices of CWA Asset Management Group, LLC d/b/a Capital Wealth Advisors (hereinafter "CWA"). If you have any questions about the contents of this brochure, please contact us at (239) 434-7434 or by email at: jeff@cwafgi.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about CWA is also available on the SEC's website at www.adviserinfo.sec.gov. CWA's CRD number is: 158940.

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Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Version Date: 3/30/2020

Item 2: Material Changes

The material changes in this brochure since the last annual updating amendment, which was filed on March 29, 2019, are summarized below.

- Item 4 and Item 5 have been updated to reflect that CWA does not currently provide sub-advisory services to exchange traded funds;
- Item 10 has been updated to reflect current material relationships between CWA's management persons and related persons.

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Item 4: Advisory Business

A. Description of the Advisory Firm

CWA is a Delaware limited liability company. CWA has been in business since August 2011, and its principal owners are Blaine Ferguson, William Beynon and Fundamental Global Investors, LLC ("Fundamental Global Investors").

B. Types of Advisory Services

CWA offers the following services to advisory clients:

Investment Advisory Services

CWA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. CWA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the "Investment Policy Statement") to aid in the selection of a portfolio that matches each client's specific situation. Investment advisory services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

CWA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. CWA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

Family Office Services

In addition to investment advisory services, CWA provides family office services to ultra-high net worth clients. These services include tax planning, estate planning, philanthropic planning and day to day administration and management of a family's affairs.

Financial Planning Services

In addition to investment advisory services, CWA provides financial planning services to its clients. These services include tax planning, estate planning, and philanthropic planning.

Recommendation of Affiliated Funds

CWA may recommend that clients invest in private funds that are sponsored and advised by Fundamental Global Investors or its relying investment advisers, FGI Funds Management, LLC ("FGI"), and FGI International USVI, LLC ("FGI International"). For purposes of this brochure: (i) "Fundamental" means either or all of Fundamental Global Investors, FGI, and FGI International; and (ii) "Fundamental Funds" means private funds sponsored and advised by Fundamental. Additional details regarding the Fundamental Funds is provided in Item 10.C below.

Sub-Advisory Services

CWA provides sub-advisory services to clients of its affiliated investment adviser, TCG Naples, LLC ("TCG"), pursuant to a sub-advisory agreement between TCG and CWA.

C. Client Tailored Services and Client Imposed Restrictions

Specific client financial plans and their implementation are generally dependent upon the applicable client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may request restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. CWA will evaluate requested restrictions and make a determination whether CWA is willing or able to accommodate such request.

D. Assets Under Management

CWA has the following approximate assets under management:

Discretionary Amount:	Non-discretionary Amount:	Date Calculated:
\$1,486,351,544.79	\$79,047,082.33	December 31, 2019

Total AUM:	Date Calculated:
\$ 1,565,398,627	December 31, 2019

Item 5: Fees and Compensation

A. Fee Schedule

Investment Advisory Fees

The following table summarizes CWA's current fee structure for investment advisory services.

Total Assets Under Management	Annual Fee
Up to \$2,500,000	1.15%
Next \$2,500,000 (\$2.5MM to \$5MM)	1.00%
Next \$10,000,000 (\$5MM to \$15MM)	0.85%
Next \$10,000,000 (\$15MM to \$25MM)	0.75%
Next \$10,000,000 (\$25MM to \$35MM)	0.65%
Next \$10,000,000 (\$35MM to \$45MM)	0.55%
Any assets over \$45,000,000	0.50%

Investment advisory fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached to each client's Investment Advisory Contract. In addition, certain legacy advisory clients may pay fees according to a different fee schedule, which could include fees of up to 1.75% of the first \$1,000,000 of assets under management, and fees of up to 1.25% of any assets between \$1,000,000 and \$10,000,000. Fees are paid quarterly in advance, and clients may terminate their contracts with thirty days' prior written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the quarter terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the quarter up to and including the day of termination. (*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). Clients may terminate their contracts without penalty, within 5 business days of signing the advisory contract. Investment advisory fees are withdrawn directly from the client's account(s) with client written authorization.

Family Office Services Fees

Fees for family office services are negotiated with each family office depending on the needs of the client for services that include tax planning, estate planning, philanthropic planning and day to day administration and management of the family's affairs. Fees for family office services may be deducted from the client's account in the same manner as fees for investment advisory services. In certain circumstances, when the fees for family

office services are combined with fees for investment advisory services, the total fees deducted from a family office client's accounts may exceed the fee schedule outlined above under investment advisory services.

Financial Planning Services Fees

Fees for financial planning services are negotiated with each client depending on the needs of the client for services that include tax planning, estate planning, and philanthropic planning. Fees for financial planning services may be deducted from the client's account in the same manner as fees for investment advisory services. In certain circumstances, when the fees for financial planning services are combined with fees for investment advisory services, the total fees deducted from a client's accounts may exceed the fee schedule outlined above under investment advisory services.

Fees Associated with Fundamental Funds

Clients who invest in Fundamental Funds generally pay management fees and performance compensation to Fundamental or Fundamental's affiliates, which are in addition to any investment advisory fees that are paid to CWA. The amount of and terms applicable to each Fundamental Fund's fees and performance compensation can be found in the Fundamental Fund's offering document. In addition, as discussed further in Item 8.C., clients who invest any Fundamental Funds that is a fund of funds may bear multiple levels of fees, performance compensation, costs and expenses. To the extent a client invests in a Fundamental Fund that is a fund of funds, such Fundamental Fund may invest in other Fundamental Funds, in which case multiple levels of fees and performance compensation may be payable (directly or indirectly) by such investor to Fundamental or Fundamental's affiliates.

B. Payment of Fees

Payment of Investment Advisory Fees

Investment advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

Payment of Family Office Fees

Fees for services provided to the family office may be billed directly to the client on a monthly or quarterly basis, or may be withdrawn directly from the client's accounts in the same manner as investment advisory fees, as negotiated with the client.

Payment of Financial Planning Fees

Fees for financial planning services provided to the client may be billed directly to the client as a fixed fee or on a monthly or quarterly basis, or may be withdrawn directly from

the client's accounts in the same manner as fees paid for investment advisory services, as negotiated with the client.

Refunds of Prepaid Fees

If a client terminates before the end of a billing period, fees that are paid in advance will be refunded on a prorated basis, based upon the number of days elapsed in the billing period.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third-party fees (including, but not limited to, custodian fees, brokerage fees, mutual fund fees, transaction fees and management fees or performance compensation paid to underlying private funds in which clients invest).

To the extent clients invest in Fundamental Funds, such clients are also responsible for the payment of all fees to Fundamental or Fundamental's affiliates as provided in the governing documents of the applicable Fundamental Fund. If clients invest in Fundamental Funds, CWA (indirectly) or its related or controlling persons (directly or indirectly) benefit from fees payable to Fundamental or its affiliates.

The foregoing fees are separate and distinct from the fees and expenses charged by CWA.

Please see Item 12 which provides additional detail regarding brokerage and custodial relationships.

D. Outside Compensation For the Sale of Securities to Clients

Neither CWA nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds. However, (i) related or controlling persons of CWA (e.g., Fundamental) may directly or indirectly benefit from CWA clients being directed into Fundamental Funds as discussed in "Fees Associated with Fundamental Funds" in Item 5.A. above and in the "Private Funds Affiliated with CWA" risk factor in Item 8.C. below and (ii) supervised persons of CWA may receive increased compensation from CWA in connection with clients directed to Fundamental Funds as discussed further in Item 10.D.

Item 6: Performance-Based Fees and Side-By-Side Management

CWA does not have any performance-based fee arrangements. However, Fundamental Funds may charge performance compensation, which may benefit CWA's related persons (directly or indirectly).

"Side-by-side management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other

accounts for which fees are assessed on a performance fee basis. Because CWA has no performance-based fee accounts, it has no side-by-side management

Item 7: Types of Clients

CWA generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Family Offices
- ❖ Pensions and Profit Sharing Plans
- ❖ Charitable Organizations
- ❖ Corporations and Other Business Entities

Minimum Account Size

CWA does not have a minimum account size for client accounts.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

CWA uses proprietary equity and fixed income models for analyzing and evaluating potential securities investments that may incorporate, without limitation, charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

Charting analysis involves the use of patterns in performance charts to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investment Strategies

CWA generally employs a long-term investment strategy in providing portfolio management and financial planning services for its clients. A long-term investment strategy generally means that securities are purchased with the expectation that the value

of those securities will grow over a relatively long period of time, generally greater than one year.

B. Risks of Investment Strategies

All investments are subject to various types of risks. Accordingly, there can be no assurance that client portfolios will be able to meet their investment objectives and goals or that investments will not lose money. Below is a description of the principal risks involved with investment strategies that are used by CWA.

Advisory Risk - There is no guarantee that CWA's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. In addition, CWA's methods involve certain risks, including the following:

- **Charting Analysis.** Charting Analysis involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.
- **Fundamental Analysis.** Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. Using fundamental analysis involves the risk that the market will fail to reach expectations of perceived value.
- **Technical Analysis.** Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. Use of technical analysis involves the risk that markets do not always follow patterns and relying solely on this method may not work long term.
- **Cyclical Analysis.** Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

C. Risks of Specific Securities in Client Portfolios

Risk of Specific Securities Utilized in Client Portfolios - Investing in securities markets involves a risk of loss that you, as a client, should be prepared to bear. The descriptions below detail on risks that are specific to certain types of securities that may be selected for client portfolios by CWA.

- Mutual Funds, ETFs and Other Investment Pools. CWA may invest client portfolios in mutual funds, ETFs (see Exchange Traded Funds risk factor below) and other investment pools (“pooled investment funds”). Investments in pooled investment funds offer diversification; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds’ success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940, as amended. In addition, pooled investment funds have costs that lower investment returns.
- Equities. CWA will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted below, while pooled investment funds have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security’s prospects.
- Fixed Income. CWA may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).
- Exchange Traded Funds (ETFs). CWA may invest portions of client assets in ETFs. An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest, and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which owns a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, and (3) a significant change in the attitude of speculators and investors.
- REIT Securities. CWA may invest portions of client assets in publicly traded REITs. Investments in REITs are subject to risks similar to those of direct

investments in real estate and the real estate industry in general. These include risks related to general and local economic conditions, possible lack of availability of financing, and changes in interest rates or property values. The value of interests in a REIT may be affected by, among other factors, changes in the value of the underlying properties, defaults by borrowers or tenants, market saturation, decreases in market rates for rents, and other economic, political, or regulatory matters affecting the real estate industry generally. REITs depend upon specialized management skills, may have less trading volume in their securities, and may be subject to more abrupt or erratic price movements than the overall securities markets. REITs are also subject to the risk of failing to qualify for favorable tax treatment under the Internal Revenue Code.

- Options. CWA may invest portions of client assets into options, including purchasing or writing put and call options. Investments in options involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include risk: (i) that the counterparty to a transaction may not fulfill its contractual obligations; (ii) of mispricing or improper valuation; and (iii) that changes in the value of the option may not correlate perfectly with the underlying asset, rate or index. Option prices are highly volatile and may fluctuate substantially during a short period of time. Such prices are influenced by numerous factors that affect the markets, including, but not limited to: government programs and policies; national and international political and economic events, changes in interest rates, inflation and deflation and changes in supply and demand relationships. It is possible that certain options might be difficult to purchase or sell, possibly preventing from executing positions at an advantageous time or price, or possibly requiring disposal of other investments at unfavorable times or prices in order to satisfy a portfolio's other obligations.

Risk of Private Securities – CWA may make non-discretionary recommendations to clients regarding private investment opportunities. Investing in private securities involves a risk of loss that you, as a client, should be prepared to bear should decide to invest in private investment opportunities. The descriptions below detail on risks that are specific to certain private securities investments. Clients investing in private securities should review the offering materials for any such offering which may include descriptions of specific risks and conflicts of interest associated with the offering.

- Private Funds. Private funds (including hedge funds, private equity funds, hybrid funds and funds of funds) often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; often charge high fees or performance compensation; often pass through substantial costs and expenses to investors; and may invest in risky securities or engage in other risky strategies. Further risks and terms associated with underlying private funds in which clients invest may be found in such private

funds' offering materials, which clients should carefully review prior to making any investment decision regarding the private fund.

- Private Funds Affiliated with CWA. Private Funds affiliated with CWA or its control persons (including Fundamental Funds) are subject to risks associated with potential conflicts of interest because CWA may be incentivized to recommend affiliated private funds to clients (rather than unaffiliated private funds) to increase the amount of capital managed by the affiliated private fund or its investment manager or to increase the amount of management fees or performance compensation received by the affiliated investment manager (or its affiliates). Clients considering an investment in a Fundamental Fund should review the offering materials for such funds for the specific risks and conflicts of interests associated with investments in such funds.
- Funds of Funds. Funds of funds often incur multiple levels of fees, performance compensation, costs and expenses, in addition to the fees charged by CWA, because investors in such funds of funds typically, directly at the fund of funds level and indirectly at the underlying funds level, bear management fees, performance compensation, expenses, costs and taxes of the fund of funds and the underlying funds (at both levels). As a result, investors in a fund of funds will pay higher expenses than they would if such investors were invested directly in the underlying funds. Accordingly, the rate of return on an investment in a fund of funds may be lower than the rate of return on a direct investment in the underlying funds.
- Private Placements. Privately offered securities including private placements into private funds, carry a substantial risk as they are subject to less regulation than publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.
- Private Real Estate Investments. Real estate investments face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

In the course of creating and managing a client's investment portfolio, CWA believes it is important for CWA's clients to understand and evaluate the risks set forth in this Item 8, as part of their overall approach to setting realistic investment objectives.

Item 9: Disciplinary Information

As a registered investment adviser, CWA is required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of CWA or the integrity of CWA's management. CWA has no disciplinary events to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

CWA is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no representatives of CWA are registered representatives of a broker-dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither CWA nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing types of entities.

C. Relationships Material to CWA's Advisory Business

Certain investment adviser representatives of CWA are licensed insurance agents with 5th Avenue Brokerage, LLC and/or Capital Wealth Advisors, Inc., insurance firms owned by Blaine Ferguson and William Beynon, who are the principal owners of CWA. From time to time such investment adviser representatives, in their capacity as insurance agents, may offer clients insurance and other products for which they are entitled to receive commissions or other remuneration. This creates a conflict of interest that may affect the judgment of these investment adviser representatives when making recommendations to clients; however, CWA's Code of Ethics prohibits its personnel from putting their interests ahead of the interests of clients. Furthermore, clients are not required to use any insurance services offered by CWA's personnel.

Certain investment adviser representatives of CWA are investment adviser representatives of TCG, and, advisory services offered by TCG are performed by CWA pursuant to a sub-advisory agreement with TCG.

Kyle Cerminara and Lewis Johnson (owners of Fundamental Global Investors, which in turn is an owner of CWA) are (i) Managers of Fundamental Global Partners GP LLC, the

general partner of Fundamental Global Partners LP, a hedge fund, (ii) Directors of Fundamental Global Partners Offshore Fund, Ltd., a hedge fund, (iii) Managers of FG Partners GP LLC, the general partner of Fundamental Global Partners QP, LP, a hedge fund, (iv) Directors of FGI Global Asset Allocation Fund Ltd. a hedge fund, (v) Directors of FGI Global Asset Allocation Offshore Fund Ltd., a hedge fund, (vi) Managers of FGI Global Asset Allocation GP, LLC, the general partner of FGI Global Asset Allocation Fund, LP, a hedge fund, (vii) Managers of Fundamental Activist Fund I GP, LLC, the general partner of Fundamental Activist Fund I, LP, a hedge fund, (viii) Managers of FGI Metrolina GP, LLC, the general partner of FGI Metrolina Property Income Fund, LP, a private fund, (ix) Managers of FGI 1347 GP, LLC, the general partner of FGI 1347 Holdings, LP, a private fund, (x) Managers of FGI Holdings GP, LLC, the general partner of Fundamental Global Holdings, LP, a private, fund, (xi) Managers of Fundamental Global Venture Partners GP, LLC, the general partner of Fundamental Global Venture Partners, LP, a private fund, and (xii) Managers of both FGI International and FGI. In addition, Mr. Beynon and Mr. Ferguson are (i) Members of FG Partners GP LLC, the general partner of Fundamental Global Partners QP LP, a hedge fund, (ii) Members of FGI Global Asset Allocation GP LLC, the general partner of FGI Global Asset Allocation Fund LP, a hedge fund, (iii) Members of Fundamental Activist Fund I GP, LLC, the general partner of Fundamental Activist Fund I, LP, a hedge fund, (iv) Members of FGI Metrolina GP, LLC, the general partner of FGI Metrolina Property Income Fund, LP, a private fund, (v) Members of FGI 1347 GP, LLC, the general partner of FGI 1347 Holdings, LP, a private fund, (vi) Members of FGI Holdings GP, LLC, the general partner of Fundamental Global Holdings, LP, a private, fund, (vii) Members of Fundamental Global Venture Partners GP, LLC, the general partner of Fundamental Global Venture Partners, LP, a private fund, and (viii) Members of both FGI International USVI, LLC and FGI. In addition, Mr. Cerminara, Mr. Johnson, Mr. Beynon, and Mr. Ferguson, are Managers of CWA FGI Special Opportunities Fund GP, LLC, the general partner of CWA FGI Special Opportunities Fund, LP, which is a fund of funds. One of Fundamental Global Investors, FGI, or FGI International acts as investment manager to all of the Fundamental Funds. As further discussed in Item 10.D, Fundamental Funds may be recommended to clients for whom such an investment would be suitable and appropriate.

Furthermore, the Fundamental Funds' investment activities may from time to time enable representatives from CWA or Fundamental to be placed on boards or appointed as officers of certain companies in which the Fundamental Funds invest and which may be owned directly or indirectly by CWA clients. Fundamental Funds may also invest in companies in which representatives from CWA or Fundamental already serve as officers and directors. While such representation may enable the Fundamental Funds to enhance the value of their investments (including positions owned by CWA clients), it may limit the Fundamental Funds and CWA clients from freely disposing of certain investments (subject to certain exceptions). In addition, officers and directors of companies in which the Fundamental Funds invest are expected to act in the best interests of such companies, which may not always be consistent with the best interests of the Fundamental Funds or CWA clients. Notwithstanding the foregoing, with respect to any potential conflicts of interest, CWA's Code of Ethics prohibits CWA and its personnel from putting their interests ahead of the interests of clients.

As of the date of this brochure, Mr. Cerminara is the Chairman and Chief Executive Officer of Ballantyne Strong, Inc., Chairman of BK Technologies Corp., Chairman of 1347 Property Insurance Holdings, Inc., and Chairman of Itasca Capital, Ltd., all publicly traded companies. Until March 27, 2020 he was a board member of Limbach Holdings, Inc. and until January 2020 he was on the Board of Directors of blueharbor bank. Mr. Johnson is a Co-Chairman of Ballantyne Strong, Inc., a Co-Chairman of BK Technologies, Inc. and a Co-Chairman of 1347 Property Insurance Holdings, Inc., and on the board of directors of Itasca Capital, Ltd. As further discussed in Item 12, Joseph H. Moglia serves as Chairman of TD Ameritrade, Inc. Directors and officers of public companies generally receive compensation for their service to such public companies, and representatives of Fundamental serving as public company officers and directors receive such compensation.

Jeff Sutton is the Chief Operating Officer of Fundamental Global Investors, FGI, and FGI International and the Chief Compliance Officer of StrongVest Global Advisors, LLC, Fundamental Global Investors, FGI, FGI International, CWA, and TCG and is also the Founder/President of ValueTree Investments, LLC, a registered investment adviser firm. From time to time, Mr. Sutton's multiple roles may involve certain conflict of interest. Like other CWA personnel, Mr. Sutton is bound by CWA's Code of Ethics, which requires CWA personnel from putting their interests ahead of the interests of clients.

D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

CWA may recommend that clients invest in Fundamental Funds. This creates a conflict of interest in that CWA has an incentive to recommend Fundamental Funds to clients in order to increase the amount of capital managed by CWA and its related persons, generate management fees for CWA and its related persons, and generate performance compensation for CWA's related persons. Notwithstanding the foregoing, CWA's Code of Ethics prohibits CWA and its personnel from putting their interests ahead of the interests of clients.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

CWA has adopted a Code of Ethics (the "Code of Ethics"), the full text of which is available to clients or potential clients upon request. The Code of Ethics has several goals. First, the Code of Ethics is designed to assist CWA in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, as amended, CWA owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code of Ethics requires CWA associated persons to act with honesty, good faith and fair dealing in working with clients.

Next, the Code of Ethics sets forth guidelines for professional standards for CWA's supervised persons. Under the Code of Ethics's professional standards, CWA expects its supervised persons to put the interests of its clients first, ahead of personal interests. In this regard, CWA supervised persons are not to take inappropriate advantage of their positions in relation to CWA clients.

Third, the Code of Ethics sets forth policies and procedures to monitor and review the personal trading activities of related persons who have access to non-public information regarding client purchases and sales, who make recommendations to clients, or who have access to such recommendations ("Access Persons"). To the extent that its Access Persons invest in the same securities as those selected for or recommended to clients, CWA's goal is to place client interests first. In addition, the Code of Ethics places certain limitations on the transactions of Access Persons to minimize conflicts of interest.

B. Recommendations Involving Material Financial Interests

Fundamental sponsors several investments including Fundamental Funds (including Fundamental Funds that are funds of funds) that may be recommended to CWA clients. The private placement of CWA clients into such private funds may materially benefit CWA, Fundamental or their related or controlling persons, in particular because it may increase the amount of fees or performance compensation Fundamental or the related or controlling persons of Fundamental and CWA receive from such clients. In addition, CWA may recommend that clients invest in companies, or invest in Fundamental Funds which invest in companies, in which representatives of CWA or Fundamental serve on such companies' boards. Such representatives of CWA or Fundamental or their respective related or controlling persons may have material financial interests in such companies. CWA's Code of Ethics prohibits CWA and its personnel from putting their interests ahead of the interests of clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The custodians recommended by CWA to clients, TD Ameritrade Institutional, a Division of TD Ameritrade, Inc. ("TD Ameritrade") and Schwab Institutional, a division of Charles Schwab & Co., Inc., have been chosen by CWA based upon on their relatively low transaction fees and access to mutual funds and ETFs. CWA does not charge any premium or commission on transactions, beyond the actual cost imposed by the custodian.

1. Research and Other Soft-Dollar Benefits

CWA receives research, products, or other services from broker-dealers or another third-party in connection with client securities transactions ("soft dollar benefits"). However, there is no minimum client number or dollar number that CWA must meet

in order to receive free research from the custodian or broker/dealer. CWA receives a benefit because it does not have to pay for or produce the research, services, or products and therefore CWA might have an incentive to recommend a custodian based on its interest rather than the interests of its Clients. In addition, CWA could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage compensation with which to acquire products and services. CWA's use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a "safe harbor" for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), CWA will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker-dealer, CWA generally determines, considering all the factors described below, that the compensation to be paid to the broker-dealer is reasonable in relation to the value of all the brokerage and research products and services provided by the broker-dealer. In making this determination, CWA typically considers not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in our performance of our overall responsibilities to all of our clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.

Additionally, Joseph H. Moglia is a principal owner of Fundamental Global Investors, and therefore, an indirect owner of CWA. Mr Moglia also serves as Chairman of TD Ameritrade, Inc. Therefore, CWA might have an incentive to recommend services of TD Ameritrade, Inc. based on Mr. Moglia's relationship with and financial interest in TD Ameritrade, Inc. Despite these potential conflicts of interest, Mr. Moglia is a passive investor in Fundamental Global Investors and does not participate in the management of CWA. In addition, CWA's Code of Ethics prohibits all of its personnel from putting their interests ahead of the interests of clients, and CWA's goal is that the first consideration when recommending broker/dealers to clients is to seek best execution. Furthermore, clients are in no way required to select the custodians/broker-dealers recommended by CWA.

2. *Brokerage for Client Referrals*

CWA receives research, products, or other services from its broker-dealer or another third-party in connection with client securities transactions ("soft dollar benefits"). There is no minimum client number or dollar number that CWA must meet in order to receive free research from the custodian or broker-dealer. CWA does not select or recommend broker-dealers based solely on whether or not it may receive client referrals from a broker-dealer or third party. Nevertheless, CWA does participate in a client referral program with TD Ameritrade which may provide an incentive for CWA

to recommend TD Ameritrade. (See Item 14 below for further discussion of this referral program). Despite this potential conflict of interest, CWA seeks to act in the best interest of the client, including the recommendation of custodians or broker-dealers. The first consideration when recommending broker-dealers to clients is best execution.

3. *Clients Directing Which Broker/Dealer/Custodian to Use*

CWA allows clients to direct brokerage. CWA may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients' money because without the ability to direct brokerage CWA may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

CWA provides investment management services to different types of clients. Certain investment management decisions may affect more than one account. For example, CWA may aggregate transaction orders when CWA takes an investment action with respect to multiple accounts with similar investment objectives. This includes aggregating orders involving both client and proprietary accounts. Aggregating trades may benefit a large group of clients by providing CWA the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to aggregate trades can cause more expensive trades for clients.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least quarterly by Mr. Ferguson, a managing member of CWA, or other assigned CWA principal.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

CWA participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade, an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. CWA receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, CWA participates in TD Ameritrade's institutional customer program and CWA may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between CWA's participation in the program and the investment advice it gives to its Clients, although CWA receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving CWA participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CWA by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by CWA's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit CWA but may not benefit its Client accounts. These products or services may assist CWA in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help CWA manage and further develop its business enterprise. The benefits received by CWA or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, CWA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by CWA or its related persons in and of itself creates a

potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

In addition, representatives of CWA serve on the TD Ameritrade Institutional Operations Panel and on the TD Ameritrade Institutional Advisor Panel (together, the "Panels"). The Panels consist of approximately twenty-four independent investment advisors that advise TD Ameritrade Institutional ("TDA Institutional") on issues relevant to the independent advisor and their experience with TD Ameritrade's service, technology and products. The Panels meet in person on average three to four times per year and conduct periodic conference calls on an as needed basis. Investment advisors are appointed to serve on the Panels for three year terms by TDA Institutional sales, service and senior management. An investment advisor may serve longer than three years if appointed to additional terms by TDA Institutional senior management. At times, Panel members are provided confidential information about TDA Institutional initiatives. Panel members are required to sign confidentiality agreements. TD Ameritrade does not compensate Panel members. However, TD Ameritrade may pay or reimburse CWA for the travel, lodging and meal expenses that CWA may incur in attending Panel meetings. The benefits received by CWA or its personnel by serving on the Panels do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by CWA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence CWA's recommendation of TD Ameritrade for custody and brokerage services.

B. Compensation to Non - Advisory Personnel for Client Referrals

CWA may compensate third-party solicitors for client referrals. In addition, CWA may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, CWA may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of, and unaffiliated with, CWA and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise CWA and has no responsibility for CWA's management of client portfolios or CWA's other advice or services. CWA pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to CWA ("Solicitation Fee"). CWA will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by CWA from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired CWA on the recommendation of such referred client. CWA will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly

or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

CWA's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, CWA may have an incentive to recommend to clients that the assets under management by CWA be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, CWA has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. CWA's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Item 15: Custody

All assets are held at qualified custodians. However, CWA may be deemed to have "soft" custody of its client accounts because CWA's advisory fees are typically debited directly from client account(s) as detailed above, unless other arrangements are made.

Custodians provide account statements, at least quarterly, directly to clients at their address of record or email address if a client elects. Clients are urged to compare the account statements received directly from their custodians to the periodic performance report statements provided by CWA.

Item 16: Investment Discretion

With respect to discretionary investment advisory services, the client grants CWA the authority through an executed investment advisory agreement to carry out various activities in the account, generally including the selection and amount of securities to be purchased or sold in a portfolio without obtaining additional consent from the client. CWA then directs investment of the client's portfolio using its discretionary authority. The client may limit the discretion of CWA in writing as described in Item 4.C above.

Item 17: Voting Client Securities (Proxy Voting)

CWA will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

CWA does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore has no disclosure with respect to this item.