Introducing/Carrying Broker Disclosure Statement

Monarch Wealth Securities Inc. has retained Haywood Securities Inc. (the "Carrying Broker"), as an independent carrying broker, to provide certain record keeping and operational services which may include execution and settlement of securities transactions, custody of securities and cash balances, and extension of credit on margin transactions. These services are provided under a written Introducing/Carrying Broker Agreement between Monarch Wealth Securities Inc. and the Carrying Broker. In general, the Carrying Broker is only responsible for those services provided at Monarch Wealth Securities' request or direction, as outlined in the Introducing/ Carrying Broker Agreement. The Carrying Broker does not control, audit or otherwise supervise the activities of Monarch Wealth Securities Inc. or its employees. The Carrying Broker does not verify information provided by Monarch Wealth Securities Inc. regarding your account or transactions processed for your account nor undertake responsibility for reviewing the appropriateness of transactions entered by Monarch Wealth Securities Inc. on your behalf.

Monarch Wealth Securities Inc. is, as your financial institution, responsible for servicing and supervising your securities account through its own personnel, in accordance with its own policies and applicable laws and regulations. Specifically, Monarch Wealth Securities Inc. is solely responsible for approving the opening of your account and obtaining the necessary account documentation; knowing you and understanding your investment objectives and recommending to you whether particular types of transactions are appropriate for you; supervising the activities of the individual or individuals that service your account, resolving any complaints regarding the handling of your account, and, in general, the ongoing relationship that it has with you. In all of the above matters relating to the servicing of your account, the Carrying Broker has no involvement and assumes no responsibility.

The Carrying Broker will process orders for the purchase, sale or transfer of securities for your account as Monarch Wealth Securities Inc. directs. The Carrying Broker is not obligated to accept orders for securities transactions for your account directly from you and will do so only in exceptional circumstances. The Carrying Broker reserves the right to refuse to accept a particular account or order at its sole discretion. In furnishing its services under the Introducing/ Carrying Broker Agreement, the Carrying Broker may use and rely upon the services of clearing agencies, automatic data processing vendors, proxy processing agents, transfer agents, securities pricing services, and other similar organizations.

This above disclosure addresses the basic allocation of functions regarding the handling of your account. It is not intended to be a definitive enumeration of every possible circumstance, but only as a general disclosure.