

# J.W. COLE FINANCIAL, INC. AND J.W. COLE ADVISORS, INC.

## INDIRECT COMPENSATION DISCLOSURE

J.W. Cole Financial, Inc. ("JWCF") and its affiliates, including J.W. Cole Advisors, Inc. ("JWCA") (hereinafter, collectively referred to as "J.W. Cole") offer a variety of products and programs including, among other things, mutual funds, annuities, collateralized lenders and investment management programs from third party product vendors (hereinafter collectively referred to as "Product Partners") to our clients. J.W. Cole has various compensation arrangements with certain of these Product Partners and their affiliates ("Third Party Compensation"). In general, Third Party Compensation is in addition to other product-related fees and commissions directly paid by the client (such as, among other things, sales charges, deferred sales charges, distribution and services fees, redemption fees, and other fees and expenses), which are generally disclosed in a product's offering documents. Some Product Partners, such as a particular investment fund, or its investment advisor or distributor, pay Third Party Compensation directly to J.W. Cole from the revenues of the Product Partner, but generally Third Party Compensation is paid out of expenses embedded in the product.

Although J.W. Cole endeavors, at all times, to put the interest of its clients ahead of its own, those of its officers, directors, and Financial Professionals (Financial Professionals are registered representatives of JWCF and/or investment advisory representatives of JWCA and are hereinafter referred to as "Affiliated Persons"), Third Party Compensation creates a conflict of interest that has the potential to affect the judgment of J.W. Cole and its Affiliated Persons when making investment decisions for their clients and/or providing advice to clients. Therefore, it is important that clients are aware of J.W. Cole's compensation arrangements when working with its Affiliated Persons so that clients can evaluate their investment options. This disclosure is intended to help clients understand how J.W. Cole and its Affiliated Persons are compensated when clients purchase a product.

### STRATEGIC PARTNERSHIP PROGRAM

As part of the above relationships, J.W. Cole offers a "Strategic Partnership Program" to certain Product Partners ("Strategic Partners") designed to facilitate the distribution of their products. This includes allowing the Strategic Partners to participate in various conferences, seminars, webinars, and events tailored for J.W. Cole's Affiliated Persons. In these forums, Product Partners can engage directly with J.W. Cole's Affiliated Persons, using information facilitated by J.W. Cole. These Strategic Partners can also leverage J.W. Cole's internal resources (such as its dedicated website for Affiliated Persons), to market their products to Affiliated Persons. In exchange for these programs, J.W. Cole receives additional compensation, from the Strategic Partners ("Strategic Partnership Payments"), above and beyond typical Third Party Compensation. This compensation aids in funding the educational initiatives and training sessions designed to enhance the knowledge of J.W. Cole's Affiliated Persons. However, Product Partners provide these Strategic Partnership Payments as incentives for J.W. Cole and its' Affiliated Persons to endorse their products, which can result in preferential treatment.

The amounts that Strategic Partners pay varies from one Strategic Partner to another and from year to year. Although the arrangement with each Strategic Partner varies, J.W. Cole typically receives a flat fee, a payment based on sales, or a payment based on the amount of assets held by clients with the Strategic Partner. Some contracts with these Strategic Partners entail increased asset-based compensation to J.W. Cole when specific thresholds are reached. As such, J.W. Cole earns Strategic Partnership Payments (e.g., "revenue sharing") from firms in which its clients hold substantial investments. These arrangements present a conflict of interest, as they incentivize J.W. Cole to prioritize and recommend these particular investments to meet the specific thresholds. To mitigate this conflict, Affiliated Persons do not receive any portion of the Strategic Partnership Payments. It's also important to note that J.W. Cole does not accept these payments for assets associated with ERISA accounts. For current Strategic Partners, please refer to the "Strategic Partnership Sponsor" list found below. The following are compensation ranges for J.W. Cole's current Strategic Partners by Product Sponsor Type.

PRODUCT SPONSOR TYPE	J.W. COLE STRATEGIC PARTNERSHIP COMPENSATION
Mutual Funds	Up to 0.10% of Client Assets
Interval Funds	None
529 Plans	Up to 0.10% of Client Assets
Exchange Traded Funds	None
Variable Annuities	Up to 0.25% of New Sales
Fixed Annuities and Fixed Index Annuities	Up to 0.50% of New Sales
Alternative Investments	Up to 1% of the amount of the offering
Retirement Plans	Flat Fee up to \$40,000 per product sponsor
Third Party Money Managers	Up to 0.10% of Client Assets Up to 0.05% of New Sales
No Transaction Fee "NTF" Funds	Up to 0.10% of Client Assets

Partnership compensation may be paid to either JWCF or JWCA, depending on the product type.

Some Strategic Partners pay (1) a flat fee regardless of the amount of new sales or assets held in client accounts; or (2) the greater of such flat fee or amount based on assets and/or new sales as referenced above. Strategic Partnership Payments are unrelated to the usual product compensation (e.g., product related fees, commissions paid directly by the client, etc.) described within product offering documents (e.g., prospectus).

The above ranges are current as of the date of this document, but partnerships are constantly changing. For an up-to-date list of Strategic Partnerships, please contact the J.W. Cole Home Office at 813-935-6776.

## **ADDITIONAL COMPENSATION FROM THIRD PARTIES**

In addition to Third Party Compensation and Strategic Partnership Payments described above, J.W. Cole also receives other compensation from third parties, as described below. This additional compensation creates a further incentive for J.W. Cole and its Affiliated Persons to recommend certain investments over others. It's important to note, however, that the amount of compensation can change and vary between product sponsors. In order to receive specific and the most up-to-date information, customers should review the applicable prospectus, offering document, other transaction statement, and/or call the J.W. Cole Home Office at 813-935-6776.

Specifically, Product Sponsors may invite J.W. Cole Affiliated Persons, employees and/or clients to training and educational meetings, conferences, and seminars. These Product Partners may reimburse J.W. Cole, Affiliated Persons or employees for the expenses incurred, consistent with industry rules, as a result of attending these events. Clients should consult the Product Partners' disclosures documents, including as applicable prospectuses for specific details.

Furthermore, Product Partners provide Affiliated Persons who sell their products to clients, with economic benefits. The economic benefits received can include, but are not limited to, financial assistance or sponsorship of an Affiliated Person's attendance at conferences or educational sessions, conference and education sessions hosted by an Affiliated Person, marketing support, payment of travel expenses, meals, entertainment and tools to assist an Affiliated Person in providing various services to clients (including technology solutions). These financial benefits are either received directly by Affiliated Persons or indirectly through J.W. Cole as a result of the specific arrangement between J.W. Cole and the Product Partner. This presents a conflict of interest because these economic benefits can influence Affiliated Persons to recommend the Strategic Partner's investments or programs over others.

Additional compensation from third parties is described in more detail in the JWCF Regulation BI Disclosure Supplement and the JWCA Form ADV Part 2A.

Current Strategic Partners, from which J.W. Cole Financial, Inc. and/or its affiliates receive revenue sharing, and/or from which Affiliated Persons receive other indirect compensation (e.g., business entertainment):

Advisors Asset Management, Inc.	Flexible Plan Investments, Ltd.
Advisors Capital Management	Global Atlantic
Allianz	Goldman Sachs
American Trust	Griffin Capital
Ash Brokerage	Hanlon Investment Management
AssetMark	Howard Capital Management
Athene	Inland Real Estate Group Jackson
Bancorp	Liberty One
Beacon Capital Management	Lincoln
Betterment	MetLife
Black Diamond	Midland National Life
Brighthouse	Money Guide Pro
Capital Group   American Funds	Nationwide
City National Rockdale	One America
Corebridge	Orion Portfolio Solutions
CPS Insurance Services	Potomac Fund
Creative One	Pacific Financial Group
Delaware Life	Pontera Prudential
DMI Marketing DoubleLine	R Office
Dunham Trust and Investment Services	Redtail
E-Money	Sammons Retirement Simplicity Group
EQUITABLE	Solutions Security Benefit Life
Estate Guru	Sun America Securian
Eventide Investments	T. Rowe Price
Fidelity Investments/NFS	The Pacific Financial Group
Fig Marketing	United Life
Financial Professionals Group	Voya Financial
Finmate AI	Zacks Research
First Trust	