



September 11, 2026

Regulation Best Interest Disclosure

How We Serve You

K2 Capital Asset Management LLC ("K2 Capital") is a registered broker-dealer with the Securities and Exchange Commission (SEC) and a member of FINRA and SIPC (Securities Investor Protection Corporation). When providing recommendations, our financial professionals act in their capacity as representatives of a broker dealer.

Fees and Costs Associated with Your Account

As a retail investor, you will incur transaction-based fees when making investments through K2 Capital. These fees, known as commissions, are determined by the type of product and the size of each transaction. Additional costs may include:

- Fees related to private placements, or other service-related charges.
- Expenses assessed by custodians or clearing firms, such as custodial fees, IRA account fees, and ongoing maintenance charges.
- Product-specific and transactional fees for investments like mutual funds.

You can find more information about fees on your trade confirmations, account statements, and product prospectuses.

Services We Offer

K2 Capital provides brokerage services, focusing on the facilitation of buying and selling financial instruments such as individual stocks, bonds, mutual funds, and private placements.

Our financial professionals may offer investment suggestions or carry out transactions based on your instructions. Ultimately, the decision to buy or sell investments lies with you.

Although account reviews may occur periodically, we strongly encourage you to regularly monitor your account and investments. Additional details about our services can be found in the account opening agreements or related documentation.

K2 Requirements to Open or Maintain an Account

To open an account with K2, clients must;

1. Provide Required Information

- Personal information (name, address, date of birth, social security number)
- Financial information (income, net worth, assets, liabilities)
- Investment objectives, time horizon, and risk tolerance

2. Execute Required Agreements

- Account opening agreement
- Risk disclosure documents
- Product-specific agreements (e.g., annuities, private placements)

3. Funding Requirements

- Accounts must be funded according to minimum initial deposit requirements
- Funding can occur via check, electronic transfer, or other approved methods

K2 Account Maintenance Requirements

- K2 does not impose strict account size limitations. However, investors with smaller accounts may incur maintenance fees associated with the account that will affect overall performance

Limitations on the Securities or Investment Strategies we offer

At K2 Capital Asset Management, LLC, our investment recommendations are not restricted to specific products or services provided by any broker-dealer, insurance company, or other financial institutions. We offer a broad range of Investment options to suit your needs and objectives.

How will you choose Investments to recommend to me?

We tailor our recommendations to align with your unique investment goals and risk tolerance. Our financial professionals collaborate with clients to identify investments that align with their individual financial objectives. To provide the best advice, we request information about your:

- Age and other investments
- Financial situation and needs
- Tax status
- Investment objectives and experience
- Time horizon, liquidity needs, and risk tolerance
- Any other relevant details you feel are important in making investment decisions

This information helps us to ensure that our recommendations align with your overall financial plan.

Risks associated with Investments

While some investments in the stock market may increase in value, leading to potential gains, it is equally possible for them to decline, resulting in losses. All investment activities carry inherent risks, including the potential loss of the full amount of your investment. Gains are not guaranteed, and securities investments come with high levels of risk.

We encourage you to discuss your risk tolerance with us, as understanding and aligning your risk appetite with your investment choices is a critical part of managing your financial goals.

Conflict of interest

Our financial professionals are compensated through commissions based on the products or services you purchase. This creates potential conflicts of interest, as there may be an incentive to recommend more transactions or specific products.

For Example:

Certain private placement products may be managed by affiliated firms, which may earn additional fees for managing these investments.

These conflicts are disclosed in individual investment documents, such as private placement memorandums. Additionally, K2 Capital may act as a market maker, occasionally earning profits from trading securities to and from customers.