



## **Regulation Best Interest Additional Disclosure Letter**

### **About us**

Cova Capital Partners, LLC (the "Firm" "(Cova") is a registered broker dealer with the Financial Industry Regulatory Authority ("FINRA") and we are required under Regulation Best Interest ("Reg BI") to send you this additional Disclosure Letter. We are required to send these disclosures to you prior to making a recommendation to you regarding your potential investments. This letter will provide you with details relating to our Firm and the relationship between you, the Firm, and the Firm's Registered Representatives. More information relating to the Firm can be found at: <https://brokercheck.finra.org/> or at the Firm's website: <https://www.covacp.com/>

### **Financial Profile**

In connection with establishing this account and completing your customer agreement you have been given the opportunity to provide to the Firm with your financial profile which includes your investment experience, investment objectives, risk tolerance, income and tax status among other information relative to you. This information is used so that the Firm and our registered representatives may reasonably rely on this information when making recommendations to you and to ensure that our supervisory personal, when reviewing your account and transactions can ascertain that your account and activity is consistent pursuant to your financial profile. Supervisory or compliance personnel may contact you from time to time to further verify that all activity in your account is transacted in the manner you choose.

### **On-Line Access**

Our clearing agent, Vision Financial Markets LLC (VFM) offers On-Line Access to your account and it is recommended that you sign up for on-line access. You should check your account balances and account positions on a daily basis and review all trades, especially if you choose to work on margin or if you have options or short positions in your account. For online access please call your broker or dial our main office at 917-398-3033.

### **Account Statements**

VFM will send you account statements. It is very important to review your account statements. Your monthly account statement or quarterly statement (depending on whether your account is active) will provide you with a detailed record of every transaction in your account, as well as your current balance as of the date of the statement. It also provides the current equity value compared to the equity value in the prior month to enable you to review the month to month performance of your account. Should you have any questions pertaining to any transaction, you should call your broker immediately.

### **Trade Confirmations**

VFM will send you a trade confirmation every time you conduct a securities transaction which is



traded on a public market. The trade confirmation will include the details of your transaction and should be reviewed for accuracy upon receipt. Your trade confirmation will reflect a commission. Commissions are charged on a negotiated and transactional basis and can range from a minimum fixed commission of \$39.95 on every transaction regardless of amount invested, up to 5% of the dollar value of the transaction. The minimum fixed commission is charged on every transaction and is revenue to the Firm, some of which may be shared with your representative. We encourage you to speak with your representative about the commission you are being charged on every trade. All of these documents should be reviewed immediately upon receipt and regularly thereafter. You should contact our compliance department in the event that any information contained in those documents is incorrect or in the event you wish to contest any activity in your account(s).

#### **Annual Fee**

Each year end there will be an annual fee of \$0 charged by COVA to accounts held at VFM. However, VFM, does charge "Inactivity Fees" of \$15 per quarter year, for accounts that do not transact any business during a 90 day(Quarter) period. COVA does not share in any proceeds of that "Inactivity" fee.

#### **Products**

The Firm offers a range of investment products. While your representative may make a recommendation for a certain type of security, please note that you have choices of products other than what is being recommended to you and you should engage your representatives with questions regarding other securities and other investment options which are available to you. You should also be aware that other investment products, fee structures and investment strategies could result in lower costs to you.

#### **Conflicts**

Your representative is compensated for each transaction (i.e. buying or selling securities on your behalf). As such, there is an inherent conflict which is created when your representative makes a recommendation to you. Under Reg BI, your representative will use the Care clause to ensure that recommendations being made to you are in your best interest. This is determined pursuant to the information provided by you to your representative including your financial condition, investment objectives, risk tolerance, tax status, investment experience and other general information provided by you.

#### **Private Placements**

The Firm sells Private Placements of securities. Private Placements are typically illiquid products and are only for accredited investors. The Firm is paid a fee by the issuer to sell various Private Placements of securities to investors and this creates a conflict in that the Firm and its Representatives are compensated to offer these to you. Notwithstanding this, the Firm reviews your particular situation and would only make a recommendation to you to purchase these products if through its investigation of factors including your financial profile determines that these are suitable for you and are in your best interest to achieve your investing goals.



As always, we are here to assist you should you have any additional questions. We can be reached at: 917-398-3033 or email: [egibstein@covacp.com](mailto:egibstein@covacp.com)