



June 15, 2021

Watchdog Capital Responses to Conversation Starters on Form CRS

Watchdog Capital LLC (“Watchdog”, “we”, “us”, “our”) responses to the Conversation Starters on our Customer Relationship Summary (Form CRS) effective 6.14.2021

Q
Given my financial situation, should I choose a brokerage service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

A
If you are interested in opening an account where you do not receive recommendations or advice about whether to buy or sell securities, investment strategies (e.g., asset allocations, account type recommendations), or account monitoring, and you make all your own investment decisions, then consider a self-directed brokerage like ours. Watchdog does not have account minimums for any brokerage accounts. Watchdog does not provide recommendations. We are not subject to a fiduciary duty to you and do not monitor or manage your account, including the monitoring of brokerage account investments. Since we do not provide recommendations, and you must make all your own investment decisions, the licenses, education and other qualifications of our financial professionals are not directly relevant to your investment decisions. Watchdog professionals are available to provide purely administrative account support through an online email system, and in certain situations via phone support. should you decide to engage our services, you must be comfortable with investing your assets on your own.

Watchdog was founded in 2013 with the mission of providing broad access to financial markets. The core values of our brokerage products and services include well-engineered systems and individual participation in equity markets. Watchdog is registered as a broker-dealer with the Securities and Exchange Commission (“SEC”), as well as with the states and territories listed on Financial Industry Regulatory Authority’s (“FINRA’s”) BrokerCheck website and is a member of FINRA and the Securities Industry Protection Agency (“SIPC”). We provide trade execution and Apex Clearing Corporation (“Apex” or the “Clearing Firm”) holds and maintains the investment accounts. Watchdog’s Central Repository Number (“CRD”) is 282331.

Q
Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

A
If you choose to open a self-directed brokerage account through Watchdog with \$10,000 you will be responsible for the following charges and fees:

Transaction-Based Fees

You will pay transaction-based fees for trades you decide to enter into. These transaction-based fees are generally referred to as a “commission,” “sales load,” “up-front sales charge” or “deferred sales charge.” Transaction-based fees are based on a host of factors, including, but not limited to:

- Underlying product selection
- Brokerage service model and account type
- Size of the transaction and/or overall value of the account
- Frequency of trade activity
- Available discounts, breakpoints, and/or fee waivers

Account and Service Fees

You may pay fees for various operational services provided to you through your brokerage account, such as annual account fees, transfer fees, or wire fees. Your account will be charged \$.20 per month where the account balance is under \$5,000. These fees are communicated to you through information included in your account statement and other notifications. These fees do not apply to all account types and may be waived under certain conditions.



Q

How might your conflicts of interest affect me, and how will you address them?

A

While Watchdog does not make recommendations, the way we make money creates conflicts with your interests. Here are some examples and how we address them:

Payment for Order Flow: Depending on the security traded and absent specific direction from the Customer, equity and option orders are routed to market centers (i.e., broker-dealers, primary exchanges or electronic communication networks) for execution. Routing decisions are based on a number of factors including the size of the order, the opportunity for price improvement and the quality of order executions, and decisions are regularly reviewed to ensure the duty of best execution is met. Our clearing firm, Apex may receive compensation or other consideration for the placing of orders with market centers for execution. Apex shares a portion of this revenue with Watchdog. The amount of the compensation depends on the agreement reached with each venue. The source and nature of compensation relating to the Customer's transactions will be furnished upon written request. For additional information please see the link to Apex's 606 Report within the Disclosure Library.

Cash Sweep Program Feature: You may elect to have dormant cash in your brokerage account at Apex "swept" into and out of an interest-bearing FDIC-insured deposit account opened by Apex at a participating bank ("Program Bank"), at no cost to you, by participating in the Apex FDIC-Insured Sweep Program (the "Program") where it will earn interest paid into your Apex Account. Apex receives payment from each Program Bank in connection with its participation in and operation of the Program. Apex's payment from the Program Banks is paid as interest. This payment is typically based on the average aggregate amount of funds at each Program Bank and the current interest rate environment. Apex pays WDC a portion of the payment it receives from the Program Banks.

Watchdog fully discloses conflicts associated with the Cash Sweep Program and Payment for order flow within our Reg BI disclosure and Form CRS, these documents and disclosure documents located within our Disclosure Library located on our website and through the Mobile App.

Watchdog encourages you to read and familiarize yourself with disclosure documents relevant to your relationship with us.

Q

As a financial professional, do you have any disciplinary history? For what type of conduct?

A

No. Information about Watchdog's disciplinary history can be found in Watchdog Securities' BrokerCheck report. Watchdog professionals are available only to provide account support through Watchdog's online email system. Information about a financial professional's disciplinary history may be found at [Investor.gov/CRS](https://investor.gov/CRS) and on FINRA's BrokerCheck website at <https://brokercheck.finra.org/>. Watchdog's Central Repository Number ("CRD") is 282331.

Q

Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

A

While your account is entirely self-directed and our platform is fully integrated through our website and the Watchdog Mobile App, certain customer service representatives, who may be registered representatives depending on your needs, are able to assist you with your questions and concerns by emailing help@Watchdog.com or visiting <https://Watchdog.com/contact>, or in certain instances via telephone at 678-679-8635. Should you require escalated services, Managers or a dedicated team of customer service agents are equipped to handle additional levels of care.