Hydra Wealth Advisors LLC

Wealth & Investment Advisers

Form ADV Part 2A Brochure

Hydra Wealth Advisors LLC

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Hydra Wealth Advisors LLC is an investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as past of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Hydra Wealth Advisors LLC. If you have any questions about the content of this brochure, please contact Rosanna Prestia at (631) 731-7488. The information in this brochure has not been approved or verified by the US SEC or any state securities administrator.

Additional information about Hydra Wealth Advisors LLC is available on the SEC's website at www.adviserinfo.sec.gov. Our firm's CRD# is 325154.

Item 2: Material Changes

The purpose of this page is to inform you of any material changes since the previous version of this disclosure brochure. There are no material changes on this version of Form ADV Part 2. This is our firm's first brochure; therefore, we have not made any material changes. We will review and update our brochure, as needed and at least annually, to make sure that it remains current.

If you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at (631) 731-7488 or at info@hydrawealthadvisors.

Item 3: Table of Contents

Item 4: Advisory Business

A. Description of Advisory Business

Hydra Wealth Advisors LLC is a limited liability company organized under the laws of the state of New York. The privately held firm was formed in June 2023 and the principal owner and member, is Rosanna Prestia. We are an advice only investment advisory and do not manage assets.

B. Type of Advisory Services

Investment and Wealth Consulting and Advising Services (Advice-only):

Hydra Wealth Advisors LLC provides Advice-Only Investment Advisory Services. We do not manage assets.

Prior to engaging Hydra Wealth Advisors LLC to provide you with investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, financials, and responsibilities of the Advisor and the Client. If you retain our firm for investment and wealth services, Hydra Wealth Advisors will evaluate the Investment Quiz and Investment Policy Statement to provide investment advice to help you achieve your stated investment goals and objectives with respect to your current investments, risk tolerance, liquidity needs, and time horizon.

Investment plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

Our investment and wealth strategy advisement services include, but are not limited to, the following:

- Investment strategy
- Personal investment policy
- Asset allocation
- Asset selection

• Risk tolerance

• Regular Portfolio Monitoring

Cash Flow Analysis and Wealth and Investment Advisement

A review of your flow and stock variables may be conducted to determine the best wealth building and preservation strategies. Based upon the results, we will provide advice on portfolio allocation across all asset classes focused on diversification with asset allocation to maximize returns and minimize risk with to market and economic cycles and monetary debasement within Client's stated parameters.

Hydra Wealth Advisors LLC provides investment advice primarily on the following investment vehicles with goal of asset allocation diversification across many assets classes including but not limited to equities, bonds, ETFs (all sectors), fixed income, digital assets, commodities, structured investment products (SIP), mutual funds, ETNs, treasury bills/bonds, TIPS, global macro and foreign markets, private placements, pooled investment funds, and other asset classes and investment vehicles including real estate, venture capital, private equity investing.

Business Consultation

We are available to assist businesses in a variety of ways to include business strategy, practice management, general financial advice, debt management, strategic planning, fundamental analysis, financial analysis, streamlining operations, decision making, investments, vertical and horizontal integration consulting, general consulting, budget analysis, and more.

Educational Webinar Workshops

Hydra Wealth Advisors LLC may provide periodic webinar and/or educational seminar sessions for those desiring information on personal finance and investing. Topics may include general investment and wealth strategic planning, asset allocation, different asset classes and investment vehicles, evaluating securities via different analytical methods, analyzing a specific ETF or security in detail, and other economic or investment topics. Our workshops are educational in nature and do not involve buy or sell recommendations.

Newsletter Publications

Hydra Wealth Advisors LLC may provide a newsletter for its clients. Topics may include general investment and wealth strategic planning, asset allocation, different asset classes and investment vehicles, evaluating securities via different analytical methods, analyzing a specific ETF or security in detail, and other current economic or investment topics. There are no buy and sell recommendations in these newsletters.

General Information

Hydra Wealth Advisors LLC does not provide legal, business, public accounting or insurance related services.

With your consent, we may work with other professional advisors, such as an estate planning attorney, to assist with the coordination and implementation of accepted strategies. You should be aware that these other professionals will charge you separately for their services and these fees will be in addition to our own advisory fees. We are your fiduciary so, if it is in line with your investment strategies and goals within your risk and time horizon parameters, we may refer you to other hedge funds for private investment vehicles such as SIPs, pooled investment funds, etc.

We cannot warrant or guarantee the achievement of a planning goal or any particular level of account performance or that your account will be profitable over time. Past performance is not necessarily indicative of future results. Except as may otherwise be provided by law, our firm will not be liable to the client, heirs, or assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by our firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; any loss arising from our adherence to your direction or that of your legal agent; any act or failure to act by a service provider maintaining an account. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing contained in this document, or our client engagement agreement shall constitute a waiver of any rights that a client may have under federal and state securities laws.

You are under no obligation to act on our investment and wealth strategy recommendations or advice. Should you choose to act on any of our recommendations, you are not obligated to implement the plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

Important Note: Information related to tax and legal consequences provided as part of the financial plan is for informative purposes only. Clients are instructed to contact their tax or legal advisers for personalized advice.

C. Client Tailored Services and Client Imposed Restrictions

Hydra Wealth Advisors offers the same suite of services to all of our clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a Client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

D. Wrap Fee Programs

We do not participate in wrap fee programs.

E. Client Assets

We do not manage client assets. If a client would like management services, Hydra Wealth Advisors may refer the client to other unaffiliated Registered Investment Advisory ("RIA") firms through our firm. We do not have any designated RIAs at this time. We will work together with client to find the best matching unaffiliated RIA that meets their investing style and risk parameters.

Item 5: Fees and Compensation

Please note, unless a Client has received the firm's Disclosure Brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of signing the contract without incurring any advisory fees. Forms and methods of payment are based on services rendered, provided, terms of service, etc., and will be stated in your engagement agreement with our firm.

Payments are generally to be made upfront before services are rendered and then are concurrent with continued services. With membership fees, they are billed with the specified time frames selected. From time to time, we may offer special promotions by offering a free trial service or membership for a short time period as a "trial."

Investment & Wealth Consulting Services

Investment Consulting, Advising, and Coaching services will be charged as an "advice only" fee arrangement in the following methods: 1. hourly fee, 2. project-based fixed rate, or 3. membership plan. Payments are collected via electronic funds transfer, check, credit, debit, etc.

Investment & Wealth Advising Hourly Fee

Hourly investment and wealth consulting are offered at hourly rates between $500 to $1000+ per hour depending on complexity. The fee may be negotiable in certain cases and is due before the engagement. Engagement will usually be via web-based video and audio formats. There is usually a complimentary consultation beforehand. Fees for this service may be paid by electronic funds transfer, check, credit, debit, etc. There are no refunds for services rendered but clients are not committed to proceed further than the hourly rate as this is only charged on an hourly basis.

Investment & Wealth Advising Project-Based (Goal Centered) Fixed Rate

Project-based investment and wealth advisement is offered at a fixed agreed upon rate before the start of any work. Modifications and adjustments to the scope and duration of the project are possible with written agreement from both parties. Project based is about accomplishing the client's goal for their investment and wealth portfolio. Instead of time focused (per hour), this is goal centered (rate per project/goal). Examples include setting up a long term growth portfolio blend, mid term momentum portfolio plus derivatives or dividend income portfolio, etc. The fixed rate is wide ranging depending on the nature and complexity of each client's circumstances and can range from $1000-$10,000+. The fixed rate is negotiable and agreed upon by both client and Hydra Wealth Advisors in writing. If project based fixed rate is chosen, half of the agreed upon rate is due at the beginning of the process and then installments in timely intervals per the agreement between client and Hydra Wealth Advisors. Hydra Wealth Advisors will not bill an amount above $500 more than 6 months in advance. Fees for this service may be paid by electronic funds transfer, check, credit, debit, etc. There are no refunds for services rendered and work completed so project-based fixed rate does not offer refunds, however, we may offer some credit towards different financial services that we provide.

Membership Monthly Fees

Hydra Wealth Advisors LLC may offer membership paid monthly with a start-up fee. Different tier members have different access levels. Memberships will be billed monthly with a start-up fee for the first month and must be paid in advance before gaining access. Memberships include virtual meetings quarterly, bimonthly, or monthly plus email correspondence throughout month. Clients may also receive monthly newsletters. There are no refunds on memberships purchased for the upfront start-up fee up to the current month. Memberships can be terminated – see below. The rates will be in the following ranges:

Basic Membership (quarterly meeting plus email correspondence):

Monthly: $500 start-fee, $150+/month

Premium Membership (bi-monthly meeting plus email correspondence):

Monthly: $750 start-fee, $250+/month

Elite Membership (monthly meeting plus email correspondence):

Monthly: $1000 start-fee, $500+/month

The start-up fee of the monthly membership is for client onboarding, data gathering, and setting the basis for the scope of the investment and wealth advisement. The higher the tier the more in depth the start-up process and work completed. This work will commence immediately after the fee is paid and will be completed after the client inputs all required personal and financial information. Therefore, the upfront portion of the fee will not be paid more than 6 months in advance.

Billing Notices, Late Payment, Returned Charges

If payments, which are billed electronically, are returned or disputed we reserve the right to proceed to collect payment plus late fees and any other charges incurred to collect the payment for services provided. There are no refunds.

Discounting of Advisory Fees

In certain circumstances, fees, account minimums and payment terms are negotiable depending on client's unique situation, our situation, or other. We may make a promotional offering or run a "special." Certain clients may pay more or less than others depending on timing, types of services, etc and they can receive group or package discounts.

Termination of Services

Either party may terminate the agreement at any time by communicating the intent to terminate in writing. Membership is charged in advance so termination will need to be at least 2 weeks before the next business cycle and it must be in writing. There are no refunds for services rendered, project based rates, and memberships.

Other Fees

If we refer Client to other RIAs for management services or hedge/private funds for investment funds, we may receive fees payable to us for these referral services and they depend upon the fee arrangement between our Firm and the unaffiliated RIA or hedge/private fund to whom you are referred. We may receive a flat fee, percentage of the investment amount, or a portion of the unaffiliated RIA's ongoing account management fees as compensation for our solicitation or consulting. Our fee range is 25% to 35% of the fees charged to the referred client by the unaffiliated RIA. The fee shall be paid solely from the unaffiliated RIA or unaffiliated hedge fund. The fee paid to us will not result in any additional charge to the client of the unaffiliated RIA or hedge fund. We do not have any designated RIAs at this time. We will work together with client to find the best matching unaffiliated RIA that meets their investing style and risk parameters.

Item 6: Performance-Based Fees and Side-By-Side Management

Hydra Wealth Advisors LLC does not accept performance-based fees or other fees based on a share of capital gains or capital appreciation of the assets of a client.

Item 7: Types of Clients

We provide investment and wealth strategy advisory and consulting services to high-net-worth individuals, business entities, or corporations. In general, we require minimum investment account size of $500,000 or other similar preconditions, and we will inform you in advance of any minimum criteria should a third-party investment manager or sub-advisor be engaged. We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, or preexisting relationships. Hydra Wealth Advisors LLC reserves the right to decline services to any prospective client for any nondiscriminatory reason.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

The investment advice provided along with the methods of analysis and the strategies recommended by Hydra Wealth Advisors LLC will vary depending on your specific financial situation and goals. There are many risks to consider. This brochure does not disclose all the possible risks and other significant aspects of investing in financial markets. Considering the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for everyone. You should carefully consider whether the strategies employed would be appropriate for you considering your experience, objectives, financial resources and other relevant circumstances.

Investing in securities involves risk of loss that you should be prepared to bear. We cannot and do not represent, warrant, or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

Methods of Analysis and Investment Strategies

At Hydra Wealth Advisors, we provide advice only investment advice and we employ what we believe to be an appropriate blend of macroeconomics, fundamental, charting, technical, and cyclical analyses to generate that investment advice. For example, fundamental analysis may involve evaluating economic factors including interest rates, the current state of the economy, or the future growth of an industry sector. Technical and cyclical analysis may involve studying the historical patterns and trends of securities, markets, or economies as a whole to determine potential future behaviors, the estimation of price movement, and an evaluation of a transaction before entry into the market in terms of risk and profit potential. The resulting data may then be applied to graphing charts, which is then used to assist in the prediction of future price movements based on price patterns and trends. Our research is often drawn from sources such as financial periodicals and reports from other economists and industry professionals.

Our investment strategy advice is primarily based on the belief that proper diversification and risk management will provide an investor client with a stable and consistent return over time. Diversification means investments that encompass all asset classes (commodities, digital assets such as Bitcoin, equities, fixed income, currencies, energy, etc) as well as domestic and foreign markets. International markets may include more speculative assets such as emerging markets for which we generally use ETFs. We will mostly use low-cost mutual funds and ETFs for diversification in most asset classes.

We combine all these strategies to create a unique “different” holistic approach to investing, trading, and wealth building for the investment advice we provide. We may also incorporate wellness, decision making science and behavioral economics, and mindset with this investment advice for a true “systems thinking” interdisciplinary holistic approach with our investment advice.

Therefore, Hydra Wealth Advisors LLC generally uses the following methods of analysis for its investment advice:

- Fundamental Analysis is a technique that attempts to determine a security’s value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- Technical Analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help

predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

- Cyclical Analysis is a technique used to analyze investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins. Risks associated with business cycles or other economic cycles can adversely affect the returns of an investment, an asset class, or an individual company's profits. Cyclical risk does not typically have a tangible measure. Instead, it is reflected in the prices or valuations of assets that are deemed to have higher or lower cyclical risks than the market. Some companies are more volatile than others are, struggling during an economic slowdown and excelling when a recovery is underway.
- Charting analysis involves the use of patterns in performance charts. Hydra Wealth Advisors uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Investment Strategies

We may use one or more of the following investment strategies when advising you on investments:

Long Term Investing – securities purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost "locking-up" assets that may be better utilized in the short-term in other investments.

Mid Term Trading and Investing – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Using a mid-term purchase strategy generally assumes that we can predict how financial markets will perform in the mid-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. Many factors can affect financial market performance in the mid-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods.

Short Term Trading – securities are sold within 30 days. The principal type of risk associated with trading is market risk. Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. Many factors can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods.

Options/Derivative Trading – derivative trading that has time elements and expiration. These can be purchased or sold with expirations of same day (0DTE) to a few years away (LEAPS). Derivatives are tools we utilize to go long or short equities, ETFs, indexes, etc. Therefore, we may advise you with these derivatives depending on your risk parameters.

Exchange Traded Funds (ETFs) are investment funds traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. ETFs generally provide more diversification and can offer lower risk than individual securities. ETFs are available to trade and invest across almost all asset classes and global macro markets.

There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns.

The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political, and economic developments, and government, economic or monetary policies. Additionally, trading is speculative. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument markets and such intervention (as well as other factors) may cause these markets to move rapidly.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

<u>Investment Strategy and Method of Analysis Material Risks</u>

Our firm believes its strategies and investment advice are designed to produce the appropriate potential return for the given level of risk; however, there is no guarantee that an investment objective will be achieved. Investing in securities involves risk of loss that clients should be prepared to bear. We have offered examples of such risk in the following paragraphs, and we believe it is important that our clients review and consider each of them risk prior to investing.

Charting and Technical Analysis

The risk of investing based on technical analyses and their supporting charts is that they may not consistently predict a future price movement; the current price of a security may reflect all known information. Further, a particular change in the market price of a security may follow a random pattern and may not be as predictable as desired. This may occur due to analyst bias or misinterpretation, a sector analysis error, late recognition of a trend, etc.

Company Risk

When investing in securities, such as stocks, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. This is also referred to as unsystematic risk and can be reduced or mitigated through diversification.

Cyclical Analysis

An economic cycle may not be as predictable as preferred; many fluctuations may occur between long-term expansions and contractions. The length of an economic cycle may be difficult to predict with accuracy and therefore the risk of cyclical analyses is the difficulty in predicting economic trends. Consequently, the changing value of securities is affected.

ETFs and Mutual Funds

The risk of owning ETFs and mutual funds reflect their underlying securities (e.g., stocks, bonds, securities futures, etc.). These forms of securities typically carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees. We do not recommend leveraged or inverse ETFs due to their inherent heightened risk.

Failure to Implement

As a client, you are free to accept or reject any or all the recommendations made to you. While no advisory firm can guarantee future performance, no plan can succeed if it is not implemented. Clients who choose not to take the steps recommended may face an increased risk that their stated goals and objectives will not be achieved.

Financial Risk

Excessive borrowing to finance a business operation increases profitability risk because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Fundamental Analysis

The challenge involving fundamental analyses is that information obtained may be incorrect; the analysis may not provide an accurate estimate of earnings, which may be the basis for a security's value. If a security's price adjusts rapidly to new information, a fundamental analysis may result in unfavorable performance.

Index Investing

Certain ETFs and indexed funds have the potential to be affected by "active risk" (or "tracking error risk"), which might be defined as a deviation from a stated benchmark.

Inflation/Purchasing Power Risk

When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

Market Risk

When the stock market as a whole or an industry falls, it can cause the prices of individual stocks to fall indiscriminately. This is also called systemic or systematic risk.

Passive Markets Theory

A portfolio that employs a passive, efficient markets approach has the risk of generating lower-than- expected returns due to its broad diversification when compared to a portfolio more narrowly focused.

Political Risk

The risk of financial and market loss because of political decisions or disruptions in a particular country or region and may also be known as "geopolitical risk."

QDI Ratios

While various investment holdings may be known for their potential tax-efficiency and higher "qualified dividend income" (QDI) percentages, there are asset classes within these investment vehicles or holding periods within that may not benefit. Shorter holding periods, as well as commodities and currencies (that may be part of fund or portfolio), may be considered "non-qualified" under certain tax code provisions.

Research Data

When research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, a firm is relying on the accuracy and validity of the information or capabilities provided by selected vendors, rating services, market data, and the issuers themselves. While our firm makes every effort to determine the accuracy of the information received, we cannot predict the outcome of events or actions taken or not taken, or the validity of all information researched or provided which may or may not affect the advice on or investment management of an account.

General Risk of Loss

Clients should be aware that investing in securities involves a risk of loss that they should be prepared to bear. Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal. Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

There are certain additional risks associated with investing in securities, as described below:

Recommendation of Particular Types of Securities

We provide advice on various types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

General Investment Risk: All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk, and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

Loss of Value: There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and governmental economic or monetary policies.

Interest Rate Risk: Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

Credit Risk: Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Foreign Exchange Risk: Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

Equity (stock) Market Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

Company Risk: When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

Fixed Income Risk: When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Inflation risk can be an issue if prices rise by a faster rate than the interest rate on the fixed- income security. If interest rates rise at a faster rate than the rate on a fixed-income security, investors lose out by holding the lower yielding security. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk. If sold before maturity, there could be losses due to the difference between the purchase price and sale price, as well as changes in interest rates.

Risks Associated with Investing in Mutual Funds: Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are “no load” and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns.

Risks Associated with Investing in Exchange Traded Funds (ETF): Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

Management Risk: Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Municipal Securities Risk: The value of municipal obligations can fluctuate over time, and may be affected by adverse political, legislative, and tax changes, as well as by financial developments that affect the municipal issuers. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, healthcare, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer’s general unrestricted revenues, revenue generated by a specific project, the operator of the project, government appropriation, or government aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the “over-the-counter” market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening.

Alternatives Risk: Non-traded REITs, business development companies, limited partnerships, and direct alternatives are subject to various risks such as liquidity and property devaluation based on adverse economic and real estate market conditions and may not be suitable for all investors. A prospectus that discloses all risks, fees, and expenses may be obtained from your adviser. Read the prospectus carefully before investing. This is not a solicitation or offering which can only be made in conjunction with a copy of the prospectus. Investors considering an investment strategy utilizing alternative investments should understand that alternative investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or few alternatives investments.

Foreign Securities Risk: Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

Risks Associated with Investing in Private Funds: Private investment funds are not registered with the Securities and Exchange Commission and may not be registered with any other regulatory authority. Accordingly, they are not subject to certain regulatory restrictions and oversight to which other issuers are subject. There may be little public information available about their investments and performance. Moreover, as sales of shares of private investment companies are generally restricted to certain qualified purchasers, it could be difficult for a client to sell its shares of a private investment company at an advantageous price and time. Since shares of private investment companies are not publicly traded, from time to time it may be difficult to establish a fair value for the client's investment in these companies.

Risks Associated with Investing in Options: Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling (i.e., "writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Illiquid securities: Illiquid securities involve the risk that investments may not be readily sold at the desired time or price. Securities that are illiquid, that are not publicly traded, and/or for which no market is currently available may be difficult to purchase or sell, which may influence the price or timing of a transaction. An inability to sell securities can adversely affect an account's value or prevent an account from taking advantage of other investment opportunities. Lack of liquidity may cause the value of investments to decline and illiquid investments may also be difficult to value. A client may not be able to liquidate an investment in the event of an emergency or any other reason.

Certain investment strategies advice from our firm may include advice for investing in illiquid asset vehicles, such as private equity and real estate. Investment in an illiquid asset vehicle poses similar risks as direct investments in illiquid securities. In addition, investment in an illiquid asset vehicle will be subject to the terms and conditions of the illiquid asset vehicle's investment policy and governing documents, which often include provisions that may involve investor lock-in periods, mandatory capital calls, redemption restrictions, infrequent valuation of assets, etc. In addition, investments in illiquid securities or vehicles may normally involve investment in non-marketable securities where there is limited transparency. If obligated to sell an illiquid security prior to an expected maturity date, particularly with an infrastructure investment, they may not be able to realize fair value. Investments in illiquid securities or vehicles may include restrictions on withdrawal rights and shares may not be freely transferable.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or of the integrity of our management. Neither our management persons nor our firm has a history of material legal or disciplinary events.

Item 10: Other Financial Industry Activities or Affiliations

Firm policies require associated persons to conduct business activities in a manner that avoids conflicts of interest between the firm and its clients, or that may be contrary to law. We will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest involving its business relationships that might reasonably compromise its impartiality or independence.

Neither Hydra Wealth Advisors LLC nor any of its management persons (Rosanna Prestia is the sole “Investment Advisor”) is registered as a futures commission merchant, an introducing broker, a commodity trading adviser, or a commodity pool operator, nor do either parties have an application pending or otherwise in process for the purpose of seeking registration as any of these types of firms. Further, none of our management persons are registered as or currently seeking registration as associated persons of any of these types of firms.

Hydra Wealth Advisors LLC is not registered as a broker-dealer.

Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Hydra Wealth Advisors LLC holds itself to a fiduciary standard, which means the firm and its associates will act in the utmost good faith, performing in a manner believed to be in the best interest of its clients. Our firm believes that business methodologies, ethics rules, and adopted policies are designed to eliminate or at least minimize material conflicts of interest and to appropriately manage any material conflicts of interest that may remain. You should be aware that no set of rules can possibly anticipate or relieve all material conflicts of interest. Our firm will disclose to its advisory clients any material conflict of interest relating to the firm, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Code of Ethics Description

We have adopted a Code of Ethics that establishes policies for ethical conduct for our personnel. Our firm accepts the obligation not only to comply with applicable laws and regulations but also to act in an ethical and professionally responsible manner in all professional services and activities. Firm policies include prohibitions against insider trading, circulation of industry rumors, and certain political contributions, among others. Our firm periodically reviews and amends its Code of Ethics to ensure that it remains current, and requires firm personnel to annually attest to their understanding of and adherence to the firm's Code of Ethics. A copy of the firm's Code of Ethics is made available to any client or prospective client upon request.

Principle 1 – Integrity

An advisor will provide professional services with integrity. Integrity demands honesty and candor which must not be subordinated to personal gain and advantage. Advisors are placed by clients in positions of trust, and the ultimate source of that trust is the advisor's personal integrity. Allowance can be made for innocent error and legitimate differences of opinion; but integrity cannot co-exist with deceit or subordination of one's principles.

Principle 2 – Objectivity

An advisor will provide professional services objectively. Objectivity requires intellectual honesty and impartiality. Regardless of the particular service rendered or the capacity in which an advisor functions, an advisor should protect the integrity of their work, maintain objectivity and avoid subordination of their judgment.

Principle 3 – Competence

Advisors will maintain the necessary knowledge and skill to provide professional services competently. Competence means attaining and maintaining an adequate level of knowledge and skill, and applies that knowledge effectively in providing services to clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation with other professionals is appropriate or referral to other professionals necessary. Advisors make a continuing commitment to learning and professional improvement.

Principle 4 – Fairness

Advisors will be fair and reasonable in all professional relationships. Fairness requires impartiality, intellectual honesty and disclosure of material conflict(s) of interest. It involves a subordination of one's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests. Fairness is treating others in the same fashion that you would want to be treated and is an essential trait of any professional.

Principle 5 – Confidentiality

Advisors will protect the confidentiality of all client information. Confidentiality means ensuring that information is accessible only to those authorized to have access. A relationship of trust and confidence with the client can only be built upon the understanding that the client's information will remain confidential.

Principle 6 – Professionalism

Advisors will act in a manner that demonstrates exemplary professional conduct. Professionalism requires behaving with dignity and courtesy to all who use their services, fellow professionals, and those in related professions. Advisors cooperate with fellow advisors to enhance and maintain the profession's public image and improve the quality of services.

Principle 7 – Diligence

Advisors will provide professional services diligently. Diligence is the provision of services in a reasonably prompt and thorough manner, including the proper planning for, and supervision of, the rendering of professional services.

Statement involving our Privacy Policy

We respect the privacy of all clients and prospective clients (collectively termed “customers”), both past and present. It is recognized that you have entrusted our firm with non-public personal information, and it is important that both access persons and customers are aware of firm policy concerning what may be done with that information.

The firm collects personal information about customers from the following sources:

- Information customers provide to complete their financial plan or investment recommendations;
- Information customers provide in engagement agreements and other documents completed in connection with the opening and maintenance of an account;
- Information customers provide verbally; and
- Information received from service providers, such as custodians, about customer transactions.

The firm does not disclose non-public personal information about our customers to anyone, except in the following circumstances:

• When required to provide services our customers have requested;

• When our customers have specifically authorized us to do so;

• When required during the course of a firm assessment (i.e., independent audit); or

• When permitted or required by law (i.e., periodic regulatory examination).

Within the firm, access to customer information is restricted to personnel that need to know that information. All access persons and service providers understand that everything handled in firm offices are confidential and they are instructed not to discuss customer information with someone else that may request information about an account unless they are specifically authorized in writing by the customer to do so. This includes, for example, providing information about a spouse’s IRA or to children about a parent’s account.

To ensure security and confidentiality, the firm maintains physical, electronic, and procedural safeguards to protect the privacy of customer information.

The firm will provide you with its privacy policy on an annual basis per federal law and at any time, in advance, if firm privacy policies are expected to change.

Firm/Personnel Purchases of Same Securities Recommended to Clients and Conflicts of Interest

Hydra Wealth Advisors LLC may or may not trade in its own account but the Investment Advisor for Hydra Wealth Advisors LLC, Rosanna Prestia, does trade and invest for their own account and may make recommendations that they own or may plan to own in the near future. We mitigate any conflicts of interest by ensuring that we have policies and procedures in place to prevent and avoid them. Furthermore, we do not need to disclose if we are holding the same recommended securities or if we plan to buy or sell, or if we have sold them.

Item 12: Brokerage Practices

Hydra Wealth Advisors LLC does not recommend a brokerage account. We use TD Ameritrade, Trade Station, Fidelity, and other and may speak about them but do not directly recommend them. We may share our experiences and preferences especially when solicited but not with an attempt to persuade or recommend. You decide who you will utilize, and you open your own account just like you execute your own trades.

Item 13: Review of Accounts

A financial plan is a snapshot in time and no ongoing reviews are conducted, unless you have engaged us separately for periodic updates. We recommend a plan review at least annually. Updates to written plans are billable as a fixed fee or hourly rate.

Item 14: Brokerage Arrangements

Compensation for Client Referrals

We do not compensate, directly or indirectly, any person or entity who is not our supervised person for client referrals.

Recommendation of Other Advisers

We may recommend that you use a third-party investment manager or program as part of our asset allocation, wealth optimization, and investment strategy. We may accept compensation or a referral fee from the third-party investment manager or program. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of a particular third-party manager or program based on our compensation arrangements. Since our compensation may differ depending upon our individual agreement with each third party, we have an incentive to recommend one third-party over another. At all times, Hydra Wealth Advisors LLC and its Associated Persons strive to uphold their fiduciary duty of fair dealing with clients.

If a client would like management services, Hydra Wealth Advisors may refer the client to other unaffiliated Registered Investment Advisory ("RIA") firms through our firm. Furthermore, if it is in line with your investment strategies and goals within your risk and time horizon parameters, we may refer you to other hedge funds for private investment vehicles such as SIPs, pooled investment funds, etc.

If we refer Client to other RIAs for management services or hedge/private funds for investment funds, we may receive fees payable to us for these referral services and they depend upon the fee arrangement between our Firm and the unaffiliated RIA or hedge/private fund to whom you are referred. We may receive a flat fee, percentage of the investment amount, or a portion of the unaffiliated RIA's ongoing account management fees as compensation for our solicitation or consulting. The fee shall be paid solely from the unaffiliated RIA or unaffiliated hedge fund. The fee paid to us will not result in any additional charge to the client of the unaffiliated RIA or hedge fund. We do not have any designated RIAs at this time. We will work together with client to find the best matching unaffiliated RIA that meets their investing style and risk parameters.

Other Compensation

Hydra Wealth Advisors does not receive other compensation.

Item 15: Custody

We do not have custody of any of your funds and/or securities. Where we directly debit your accounts for the payment of membership fees, consulting, advising, or coaching services, training courses, webinar workshops, etc. it is only for those services and does not constitute custody of your funds, securities or other.

Item 16: Investment Discretion

We do not offer management services at this time so we do not have discretionary authority.

Item 17: Voting Client Securities

Hydra Wealth Advisors LLC does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies; clients receive proxies directly from either custodians or transfer agents.

Item 18: Financial Information

Hydra Wealth Advisors LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

Item 19: Requirements of State-Registered Advisors

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

Hydra Wealth Advisors LLC has only one management person: Rosanna Prestia. Education and business background can be found on Form ADV Part 2B Brochure Supplement.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

C. How Performance-based Fees are Calculated and Degree of Risk to Clients

Hydra Wealth Advisors LLC does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

Neither Hydra Wealth Advisors LLC, nor its management persons, has any relationship or arrangement with issuers of securities.