

# ALPINE WEALTH MANAGEMENT, LLC

530 Lytton Avenue, Suite 200

Palo Alto, CA 94301

(650) 351-7988

[www.alpinewm.com](http://www.alpinewm.com)

September 14, 2015

This brochure provides information about the qualifications and business practices of Alpine Wealth Management, LLC ("Alpine") (CRD#: 149463). If you have any questions about the contents of this brochure, please contact us at (650)-351-7988 or [info@alpinewm.com](mailto:info@alpinewm.com). The information in this brochure has not been approved or verified by any United States government agency or any state securities authority.

Registration of an investment adviser does not imply any level of skill or training. Additional information about Alpine is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2 – Material Changes**

This brochure, dated September 14, 2015, replaces the August 28, 2015 brochure. Alpine is switching from SEC registration to State registration.

### **Item 3 - Table of Contents**

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 - Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	5
Item 6 – Performance-Based Fees and Side-By-Side Management .....	9
Item 7 – Types of Clients .....	10
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	11
Item 9 – Disciplinary Information .....	19
Item 10 – Other Financial Industry Activities and Affiliations .....	19
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	21
Item 12 – Brokerage Practices .....	24
Item 13 – Review of Accounts .....	28
Item 14 – Client Referrals and Other Compensation .....	29
Item 15 – Custody .....	29
Item 16 – Investment Discretion .....	29
Item 17 – Voting Client Securities .....	30
Item 18 – Financial Information .....	32
Brochure Supplement .....	B-1 4

#### **Item 4 – Advisory Business**

Alpine Wealth Management, LLC (“Alpine”) (CRD#: 149463) is a private investment management firm that offers domestic and international value equity strategies for both institutional and retail investors. In the US, we offer both long-only and long/short strategies. Our international strategies are long-only. Alpine is owned by Peng Ken Yap (CRD#: 4449461), Managing Member and Chief Compliance Officer. Alpine was formed in 2009.

Alpine provides investment management services by providing investment advisory services on both a discretionary and non-discretionary basis to individuals, corporations, trusts, charitable foundations, endowments and other organizations through separately managed accounts. Our portfolio strategies may include investments in US and foreign securities, options contracts on securities, ETF’s and mutual funds. Alpine’s investment advice is currently limited to these types of investments.

Alpine provides non-discretionary investment advisory services to certain third parties in the form of “model portfolios” or indexes. A model portfolio or index represents Alpine’s recommendations as to the composition of a portfolio of securities. Alpine only provides the recommendations and does not manage the portfolios directly. Alpine does not have regular contact with any clients of such third parties.

Clients may also choose to open a self-managed account, in which case Alpine provides investment recommendations to the client, on a non-discretionary basis, using parameters identified by the client’s and Alpine’s advice. The client is responsible for determining whether to implement any of Alpine’s recommendations, and Alpine has no responsibility for implementing investments in self-managed accounts.

Alpine’s services include portfolio management for individuals, portfolio management for small businesses, and selection of other advisers ( mutual funds only ).

Alpine’s advisory services is based on assessment on individual clients net-worth, liquidity, risk profile and time horizon. Non-discretionary clients may select certain securities or types of securities.

Alpine does not offer any wrap fee program, financial services, quantitative analysis, market timing.

#### **Assets under Management**

##### **As of December 31, 2014:**

Discretionary basis:	\$ 1,350,000
Non-Discretionary basis:	\$ 31,000,000
Total:	\$ 32,350,000

#### **Item 5 – Fees and Compensation**

## Fee Schedules

Alpine's compensation depends on the manner through which Alpine provides its advisory services. As an adviser to separately managed accounts, mutual funds, and other advisory arrangements, Alpine is compensated on various combinations of a percentage of assets under management and fixed fees. Under certain circumstances, fees are negotiable.

Household Assets	Annual Advisory Fee	Sub-Advisory and Dual Contract
Up to \$500,000	1.5%	0.75% - 0.75% split or by negotiation
\$500,001 to \$2,000,000	1.25%	0.625% - 0.625% split or by negotiation
\$2,000,001 to \$5,000,000	1.1%	0.55% - 0.55% split or by negotiation
\$5,000,001 to \$10,000,000	1%	0.5% - 0.5% split or by negotiation
Over \$10,000,000	Less than 1% by negotiation	Less than 1% in total by negotiation

All fee based services including Separately Managed Accounts, Sub-Advisory and Dual Contract Accounts, and Other Advisory Fee Arrangements are not to exceed the fees outlined in the above fee schedule.

Lower fees for comparable services may be available from other sources.

A client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. The amount of the refund is based on pro-rated basis.

Alpine's services include portfolio management for individuals, portfolio management for small businesses, and selection of other advisers ( mutual funds only ).

Alpine charges a percentage of assets under management and fixed fees (other than subscription fees).

Fees are charged quarterly based on the averaged account value of the previous quarter.

### ***Separately Managed Accounts (including Sub-Advisory and Dual Contract Accounts)***

Generally, advisory fees for separately managed accounts are based upon a percentage of assets under management and may vary depending upon the nature of the portfolio to be managed (e.g., international equity, long-short equity). Separately managed account advisory fees generally range from 1.00% to 1.50% of client assets under management, typically payable quarterly in advance unless otherwise agreed upon in the investment management agreement with a client. ( Note: The fees could be negotiated and discounted for larger clients, based on their sizes. No fees are higher than the fee table. ) Fees are based upon the valuation methodology agreed to with each client. Accounts initiated during a calendar quarter will be charged a prorated management fee. Accordingly, if termination of a management agreement by the client occurs during a month or quarter in which a management fee is charged, such circumstances will result in the refund of a pro rata portion of the fee to the investor or client for the remaining portion of the quarterly period, as the case may be. Advisory fees are negotiable for some clients or investors in certain circumstances and may be higher or lower

than the stated range. Alpine may enter into individual agreements with particular clients or investors with respect to the timing of accrual any management fee. Alpine may deduct the management fee from a client account by instructing the client's custodian or, in the alternative, Alpine may bill the client. In some cases, the client may select the method by which it pays management fees.

Separately managed account fees do not cover brokerage commissions, transaction fees, service provider fees, and other related costs and expenses that will be incurred by the client. Execution of client transactions typically requires payment of brokerage commissions by clients. "Item 12 – Brokerage Practices" further describes the factors that Alpine considers in selecting or recommending broker-dealers for the execution of transactions and determining the reasonableness of their compensation. Investment activity may also involve other transaction fees payable by clients, such as sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, clients may incur certain charges imposed by custodians, broker-dealers, third-party investment consultants, and other third parties, such as custodial fees, consulting fees, administrative fees, and transfer agency fees.

Separately managed account fees are described to investors, in detail, in the account's investment management agreement.

#### ***Sub-Advisory and Dual Contract Accounts***

Fee schedules for clients participating in sub-advisory or dual contract programs are based on the basic annual fee schedule for separate account clients, detailed above but may be separately negotiated with the relevant client or intermediary. Therefore the fees may be more or less than a similar strategy in a separately managed account.

#### ***Other Advisory Fee Arrangements***

Alpine provides investment advisory services in the form of model portfolios or indices. Such arrangements are not uniform and fees are separately negotiated based on the following table:

<b>Household Assets</b>	<b>Annual Advisory Fee</b>	<b>Sub-Advisory and Dual Contract</b>
Up to \$500,000	1.5%	0.75% - 0.75% split or by negotiation
\$500,001 to \$2,000,000	1.25%	0.625% - 0.625% split or by negotiation
\$2,000,001 to \$5,000,000	1.1%	0.55% - 0.55% split or by negotiation
\$5,000,001 to \$10,000,000	1%	0.5% - 0.5% split or by negotiation
Over \$10,000,000	Less than 1% by negotiation	Less than 1% in total by negotiation

#### ***Mutual Funds***

Alpine provides advisory services to typical registered investment companies – commonly known as mutual funds. The mutual funds offered are depending upon the custodian or broker-dealer's platform.

#### ***Other Non-Advisory Fees***

Uninvested cash balances (including those of the mutual funds) are sometimes swept into money market funds which may be sponsored by the client's custodian or broker-dealer. Exchange traded funds may be used as an investment vehicle in the mutual funds to gain market exposure while securities are being purchased. When these types of funds are used, the client, in effect, pays two advisory fees with respect to the amount of assets so invested (i.e., the money market or exchange traded fund's fees and expenses and that portion of the Alpine management fee attributable to such assets). ( Clients pays strictly to the fees stated in this brochure to Alpine. However Alpine does not charge any transaction fees or loads to the funds. Since the internal cost to the funds are built-in to the prices of the funds, this statement serves as a disclosure to this fact. )

Alpine's advisory fees for client accounts do not cover brokerage commissions, transaction fees, and other related costs and expenses, which are charged separately. Clients may incur certain charges imposed by custodians, brokers and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Alpine withdraws management fees directly at the end of the serviced quarter from clients' accounts as arranged and accepted by the clients. All fee withdrawal records should be clearly stated in the broker dealer's monthly statements.

- (a) Alpine sends will send an invoice to the custodian at the same time that the Alpine sends an invoice the client.
- (b) The custodian send monthly statements to your clients showing all disbursements for the custodian account, including the amount of the quarterly advisory fees.
- (c) Alpine's account agreements build in a written authorization permitting Alpine to be paid directly for their accounts held by the custodian or trustee.

Alpine urges clients to carefully review and retain the official custodial record.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Alpine does not offer performance-based fees and side-by-side management.

## **Item 7 – Types of Clients**

Alpine's clients and investors consist of individuals (including high net worth individuals), registered investment companies, charitable organizations, corporations, and other business entities.

Alpine's investment minimums vary according to product and strategy. Generally, Alpine's separately managed account minimum is \$100,000. Exceptions to \$20,000 are given to clients with investments elsewhere.

Alpine's services include portfolio management for individuals, portfolio management for small businesses, and selection of other advisers ( mutual funds only ).

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Alpine's strategies for the separately managed accounts (including sub-advisory and dual contract accounts) in which Alpine is a manager, and mutual funds employ our proprietary fundamental value discipline for systematically ranking, selecting and weighting companies in our portfolios that appear to be undervalued on both an absolute and relative basis. Alpine's investment strategy is differentiated by three key elements to our process. They are:

- a) Proprietary strategy based on Alpine's decades of investment experience and research using both qualitative and quantitative methodologies,
- b) Alpine's financial database, constructed from original source documents by an in-house team of investment analysts trained in Alpine's valuation techniques,
- c) Alpine's optimization engine based on portfolio constraints, investment tradeoffs and factors designed by Alpine's principals.

With our financial database covering a universe of 3,000 US stocks and 1,200 stocks in 26 countries outside the US, Alpine manages several long/short and long-only investment strategies. Each strategy uses its proprietary database, valuation measures, and technology to target different geographies, market exposures, market capitalizations and levels of diversification.

Investment in these types of securities involves risk and the potential loss of capital. These strategies may not be suitable for all investors. Alpine offers three broad types of investment strategies: long/short US equity, long-only US equity, and long-only international equity.

Long/Short Equity - We manage several long/short equity strategies that employ a systematic value approach to construct diversified portfolios of US stocks with varying degrees of gross and net exposure. The portfolios are rebalanced to weight toward those stocks that are priced at the largest discount to various measures of value for our long positions and those that are priced at the largest premium to various measures of value for our short positions, as ranked by Alpine's proprietary metrics for our coverage universe.

Long-Only US Equity - We manage both concentrated and diversified US equity portfolios. These strategies are long only, do not employ leverage, and target various parts of the capitalization spectrum in the US. The portfolios are rebalanced to weight toward those stocks that are priced at the largest discount to various measures of value, as ranked by Alpine's proprietary metrics for our coverage universe. Certain tax-managed portfolios are managed for long term tax efficiency, with the portfolio rebalancing taking into consideration security holding periods. These tax-managed portfolios may have short-term tax inefficiencies, particularly within the first 11 months after investment.

Long-Only International Equity- We manage both concentrated and diversified non-US equity portfolios. These strategies are long only, do not employ leverage, and target non-US based companies typically in the mid to large market capitalization spectrum. The portfolios are rebalanced to weight toward those stocks that are priced at the largest discount to various measures of value, as ranked by Alpine's proprietary metrics for our coverage universe. Certain tax-managed portfolios are managed for long term tax efficiency, with the portfolio rebalancing



taking into consideration security holding periods. These tax managed portfolios may have short-term tax inefficiencies particularly within the first 11 months after investment.

Alpine uses a proprietary quantitative model to identify and rank stocks based on the underlying company's earnings yield and return on capital utilizing a database of over 5,000 stocks including financial and other information. The portfolio strategy employs our fundamental value discipline in a systematic investing approach to rank and select companies from a universe of stocks within the mid to large market capitalization spectrum. The portfolios are managed for long term tax efficiency, with the portfolio rebalancing taking into consideration security holding periods. The portfolios may have short-term tax inefficiencies, particularly within the first 11 months after investment.

Mutual fund investing involves risk, including possible loss of principal. An investor should consider the investment objectives, risks, and charges and expenses of the mutual fund carefully before investing. The prospectus contains this and other information about the mutual fund.

There can be no assurance that the objectives associated with any of our investment strategies will be met. Alpine, at any time, may add, remove or modify any of the strategies it employs and this includes any of the significant investment strategies discussed above. These investments, methods and strategies involve risk of loss to clients and clients must be prepared to bear the loss of their entire investment.

### **Risks associated with Alpine's value strategies**

The material risks associated with Alpine's proprietary, systematic method of analysis for all strategies may include, without limitation:

Programming and Modeling Error Risk- Alpine's research and modeling process is extremely complex and the results of that process must then be translated into computer code. Although Alpine seeks to hire individuals skilled in each of these functions and to provide appropriate levels of oversight, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to perform "real world" testing of the end product raises the chances that the finished model may contain an error; one or more of such errors could adversely affect a client's portfolio and likely would not constitute a trade error under Alpine's policies.

The models used by Alpine in its strategies rely on complex formulas, proprietary and third party data sources, and are based largely upon using our Managing Member's years of experience in individual stock selection to identify what the Managing Member believe to be the important characteristics of valuation as well as other identified factors. As a result, any errors in the underlying formulas, data entry, database or the assumptions underlying the models may result in a portfolio acquiring or selling investments based on incorrect information. Additionally, data entry made by Alpine's internal team of financial analysts may contain errors, as may the database system used to store such data. When models and data prove to be incorrect, misleading, flawed or incomplete, any decisions made in reliance thereon expose Alpine to potential risks. For example, by relying on models and data, Alpine may be induced to buy certain investments at prices that are too high, to sell certain other investments at prices that are too low, or to miss favorable opportunities altogether. Similarly, any hedging

based on faulty models and data may prove to be unsuccessful. As a result, the portfolio could incur losses on such investments before the errors are identified and corrected.

All models rely on correct market data inputs. If incorrect market data is entered into even a well-founded model, the resulting valuations will be incorrect. However, even if market data is input correctly, "model prices" will often differ substantially from market prices, especially for securities with complex characteristics, such as derivative securities.

Operational Risk - Alpine has developed systems and procedures to control operational risk. Operational risks arising from mistakes made in the confirmation or settlement of transactions, from transactions not being properly booked, evaluated or accounted for or other similar disruption in Alpine's operations may cause Alpine to suffer financial loss; the disruption of its business; liability to clients or third parties; regulatory intervention; or reputational damage. Alpine relies heavily on its financial, accounting and other data processing systems. The ability of its systems to accommodate an increasing volume of transactions could also constrain Alpine's ability to properly manage a client's portfolio.

Accuracy of Public Information Risk - Alpine selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made publicly available by the issuers or through sources other than the issuers. Although Alpine evaluates this information and data and ordinarily seeks independent corroboration as appropriate and reasonably available, Alpine is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Systems Risk - Alpine relies extensively on computer programs and systems to select securities for purchase or sale, trade, clear and settle securities transactions, to evaluate certain securities based on real-time trading information, to monitor its portfolio, and to generate risk management and other reports that are critical to oversight of its activities. In addition, certain systems operated by third parties, including Alpine's prime brokers and market counterparties and their sub-custodians and other service providers, may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by computer "worms," viruses and power failures. Any such defect or failure could have a material adverse effect on Alpine's activities. For example, such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect Alpine's ability to monitor its investment portfolios and its risks.

Account Type Risk - The terms and conditions applicable to the separately managed accounts, and mutual funds advised by Alpine may vary. Investors in one investment vehicle may pay different fees and other charges, and may not have the same liquidity or redemption options as investors in other investment vehicles. Due to the inherent structure of a separately managed account, the beneficial owners generally receive more information, including transparent portfolio holdings, and have more favorable liquidity and termination rights as compared to investors in the mutual funds. If the holder of a separately managed account pursuing substantially the same strategy as the mutual funds or other separately managed accounts decided to assume control and to liquidate the positions in the account in a short time period,

this could result in decreases in the valuations of the equivalent positions remaining in the mutual funds or other separately managed accounts, thereby causing losses.

Counterparty Risk - Counterparty risk is the risk to each party of a contract that the counterparty will not live up to its contractual obligations. Should a counterparty fail to fulfill its obligations to Alpine, clients could potentially incur a loss as a result of counterparty credit exposure.

Obsolescence Risk - Alpine's strategies are unlikely to be successful unless the assumptions underlying the models used to implement those strategies are realistic and either remain realistic and relevant in the future or are adjusted to account for changes in the overall market environment. If and to the extent that the models do not reflect certain factors, and Alpine does not successfully address such omission through its testing and evaluation and modify the models accordingly, major losses may result. Alpine will continue to test, evaluate and add new models, as a result of which the existing models may be modified from time to time. There can be no assurance as to the effects (positive or negative) of any modification on a client's portfolio.

Value Investing Risk - Value-oriented investment approaches are subject to the risk that securities believed to be undervalued do not appreciate in value as anticipated.

#### *Long equity strategies*

In addition to the risks described above in this section, the material risks associated with Alpine's long equity strategies may include:

Illiquid Investments Risk - While Alpine anticipates that it will invest in securities with relatively high liquidity, due to changes occurring after the initial investment, it may be impossible for Alpine to liquidate some or all of its investments when desired or to realize their fair value in the event of such liquidation. In addition, Alpine may not be able to quickly liquidate all of its positions due to trading volume and liquidity that can disappear in certain securities or more generally in the market.

Equity Securities Risk - Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

Foreign Securities Risk - Securities of foreign issuers, including depository receipts, are subject to special risks associated with foreign investments not typically associated with investing in US markets including:

- Depository Receipts Risk - The issuers of unsponsored depository receipts may not be obligated to disclose information that is, in the US, considered material. Therefore, there may be less information available regarding these issuers and there may not be a correlation between such information and the market value of the depository receipts. Depository receipts are generally subject to the same risks as the foreign securities that they evidence or into which they may be converted.
- Political and Economic Risk - Investing in foreign securities is subject to the risk of political, social or economic instability in the country of the issuer of a security,

variation in international trade patterns, the possibility of the imposition of exchange controls, expropriation, confiscatory taxation, limits on movement of currency or other assets and nationalization of assets.

- Currency Risk- Alpine may invest a portion of its assets in equity securities and other investments denominated in currencies other than the US dollar and in other financial instruments, the prices of which are determined with reference to currencies other than the US dollar. Alpine, however, will value securities and other assets in US dollars. To the extent unhedged, the value of a portfolio's assets will fluctuate with US dollar exchange rates as well as with price changes of the portfolio's investments in the various local markets and currencies. Thus, an increase in the value of the US dollar in comparison to the other currencies in which the portfolio may make its investments will reduce the effect of increases and magnify the effect of decreases in the prices of the portfolios securities and other investments in their local markets. Conversely, a decrease in the value of the US dollar will have the opposite effect of magnifying the effect of increases and reducing the effect of decreases in the prices of the portfolio's non-US dollar securities or other investments. The portfolios may use futures, forward currency contracts and options to hedge against currency fluctuations in its non-US dollar denominated portfolio, but there can be no assurance that any such hedging transactions will be effective.
- Information Risk- Non-US companies in certain countries may not be subject to uniform accounting, auditing and financial reporting standards or to other regulatory requirements that are similar to those applicable to US companies.
- Foreign Tax Risk- Income from foreign issuers may be subject to non-US withholding taxes. Portfolios also may be subject to taxes on trading profits and, on certain securities transactions, transfer or stamp duties tax.
- Investment Restriction Risk - Some countries restrict foreign investment in their securities markets. These restrictions may limit or preclude investment in certain countries or may increase the cost of investing in securities of particular companies.
- Foreign Securities Market Risk - Securities of many non-US companies may be less liquid and their prices more volatile than securities of comparable US companies and therefore may involve greater risks.

Portfolio Turnover Risk - There may be risks related to portfolio turnover. High rates of portfolio turnover could lower performance of the portfolio through increased brokerage and other transaction costs and taxes.

Concentration/Non-diversification Risk - Certain portfolios may be concentrated in only a few industries, countries or geographic regions, or may be concentrated in other ways. This investment strategy could expose investors to greater risk than if the portfolios were to diversify its investments.

Sector Focus Risk - A portfolio may be more heavily invested in certain sectors, which may cause the value of the portfolio's shares to be especially sensitive to factors and economic risks

that specifically affect those sectors. This may cause the value of the portfolio to fluctuate more widely than a comparative benchmark.

Securities Lending Risk – Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, a portfolio may lose money and there may be a delay in recovering the loaned securities. The portfolio could also lose money if it does not recover the securities and/or the value of the collateral fails, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

Market Risk - The market value of a security may fluctuate, sometimes rapidly and unpredictably. The prices of securities change in response to many factors, including the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity.

Small Company Risk - Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

Prime Broker Risk - Fund positions may be held in accounts maintained for Alpine or its affiliates by its prime brokers. The prime brokers, as brokerage firms or commercial banks, are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the securities positions are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker, it is impossible to generalize about the effect of a prime broker's insolvency on the securities positions. The insolvency of prime broker could result in the loss of all or a substantial portion of the securities positions held by such prime broker, or could result in substantial disruption of the fund's operations, including withdrawals by investors.

Swaps and Derivatives Risk- Alpine may make use of swaps and other forms of derivative contracts. In general, a derivative contract (including options) typically involves leverage, i.e., it provides exposure to potential gain or loss from a change in the level of the market price of a security, currency or commodity (or a basket or index) in a notional amount that exceeds the amount of cash or assets required to establish or maintain the derivative contract. Consequently, an adverse change in the relevant price level can result in a loss of capital that is more exaggerated than would have resulted from an investment that did not involve the use of leverage inherent in the derivative contract. These contracts also involve exposure to credit risk, since contract performance depends in part on the financial condition of the counterparty or the counterparty's guarantor. These transactions may also involve significant transaction costs and may expose a portfolio to counterparty risk.

#### *Additional Risks of Long/Short equity strategies*

In addition to the risks described above in this section, the material risks associated with Alpine's long/short equity strategies may include:

Short Selling Risk - A short sale involves the sale of a security that a portfolio does not own in the expectation of purchasing the same security (or a security exchangeable therefore) at a later date at a lower price. To make delivery to the buyer, the portfolio must borrow the security, and the portfolio is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the portfolio. In some cases, the lender may rescind the loan of securities and cause the borrower to repurchase shares at inflated prices, resulting in a loss. When a portfolio makes a short sale in the United States, it must leave the proceeds with the broker and it must also deposit with the broker an amount of cash or marketable securities sufficient under current margin regulations to collateralize its obligation to replace the borrowed securities that have been sold. If short sales are affected on a foreign exchange, such transactions will be governed by local law. A short sale involves the risk of a theoretically unlimited increase in the market price of the security. The extent to which a portfolio will engage in short sales depends upon Alpine's investment strategy and perception of market direction. In addition, global regulatory prohibitions on short sales may impair Alpine's ability to implement its investment process. Bans may add additional constraints to a strategy, which may increase transaction costs as well as the time required to monitor compliance with the restrictions.

Leverage Risk- Certain of Alpine's strategies utilize varying amounts of leverage, which involves the borrowing of funds and may also be embedded in financial instruments, including short sales, over-the-counter derivatives, options, swaps, and forwards, which enable investors to gain exposure to assets whose value exceeds the amount of capital necessary to obtain such exposure.

The use of leverage allows Alpine to increase its exposure to assets, such that total assets may be greater than capital invested. However, the use of leverage may also magnify the volatility – or the likelihood of short-term changes in value – of any portfolio. The effect of the use of leverage in a portfolio may result in losses to the portfolio that exceed losses to the portfolio if such portfolio did not utilize leverage.

Borrowing Risk- Some portfolios may include strategies that allow secured and unsecured borrowing from brokerage firms, banks, and other institutions in order to be able to increase the amount of capital available for securities investments. Like other forms of leverage, the use of borrowing can enhance the risk of capital loss in the event of adverse changes in the level of market prices of the assets being financed with the borrowings.

## **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 an evaluation of Alpine or the integrity of Alpine's management. Alpine has no disclosure applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Alpine's management persons are not affiliated nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

None of Alpine personnel, neither the principal nor any of the supervised persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

None of Alpine personnel, neither the principal nor any of the supervised persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Alpine does not have any relationship or arrangement with clients or any institutions. Neither the principal nor any the supervised persons have any related person listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. pension consultant
9. real estate broker or dealer
10. sponsor or syndicator of limited partnerships.

However, the managing partner is an insurance agent simply because of holding a valid California License but not appointed with any insurance agency. He is not soliciting any insurance business and unlikely to write any policy. Should there be a conflict of interest arises, it will be disclosed in writing to all parties.

Alpine does not recommending a service or selecting other investment advisers for clients, and Alpine does not have any business relationships with any advisers, therefore there is no material conflict of interest.

Alpine's services include portfolio management for individuals, portfolio management for small businesses, and selection of other advisers ( mutual funds only ).

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics**

Alpine's Code sets forth standards of ethical and business conduct expected of access persons and addresses conflicts that may arise from personal trading by Alpine personnel to ensure that Alpine's fiduciary obligations to its clients are met as well as compliance with federal securities laws. The Code includes a personal trading policy and policies and procedures to detect and prevent insider trading. Additionally, the Code defines material, nonpublic information and the restrictions on trading on any such knowledge. The Code also includes policies and procedures on serving as officers, trustees and/or directors of outside organizations and participating in outside business activities. Additionally, the Code sets forth

specific restrictions and limitations as to which employees may make political contributions, as well as preclearance requirements for certain political contributions.

All Alpine personnel must acknowledge understanding and agree to comply with the Code initially upon employment and must certify on an annual basis that they have read and understand the code and have complied with it.

Clients or prospective clients may obtain a copy of our Code upon request.

### **Conflicts of Interest**

Clients or investors should carefully consider the conflicts of interest described here and, as applicable, in the prospectus for the mutual funds, as applicable.

Personal Trading – In providing investment management services, Alpine and its personnel make investment decisions for separately managed accounts, and mutual funds. Alpine's personnel may trade and invest for their own accounts in the same securities as those in which it invests on behalf of clients. To address the conflicts of interest posed by this type of trading, Alpine maintains the Code, as described above. Specifically, the Code requires that Alpine personnel obtain written pre-clearance for transactions that exceed a de minimis level. The Code also establishes minimum holding periods for such securities. Additionally, the Code requires access persons to submit transactions reports and initial and annual holding reports showing all transactions in which the person has, or by reason of such transaction acquires, any direct or indirect beneficial ownership in covered securities, with limited exceptions for securities such as shares of mutual funds not advised by Alpine. This enables Alpine to determine with reasonable assurance any indications of front-running or other appearance of a conflict of interest.

Allocation of Investment Opportunities and Other Accounts – Alpine is not obligated to accord exclusivity or priority to clients in the case of limited investment opportunities arising from the application of capacity limits or other factors. There is no limit on the number of portfolios, mutual funds and/or clients that may be managed or advised by Alpine. Alpine seeks to allocate and will in the future continue to allocate investment opportunities and treat all similarly situated clients fairly and equitably over time to the extent such opportunities are determined to be appropriate for the relevant clients. Although allocations may be pro rata among participating clients, they will not necessarily be so, where Alpine's allocation policies dictate a different result. There can be no assurance that a particular order or investment opportunity will be allocated in a particular manner. The performance of the separately managed accounts, and mutual funds may differ even though their investment objectives may be substantially the same or similar.

Different Terms & Conditions – In order to expand its investment advisory business, Alpine may permit investors to invest in separately managed accounts, and mutual funds on different terms and conditions that may result in a potential conflict of interest for Alpine. Such different terms and conditions may include different fee structures as well as different redemption terms and conditions, permitting certain investors to redeem interests or liquidate their accounts more rapidly than other investors.



Additionally, the owners of separately managed accounts generally receive more information, including portfolio information, as compared to investors in the mutual funds. The holder of a separately managed account has an inherent ability to see all positions in the account. Accordingly, Alpine's advising a separately managed account pursuing the same or similar strategy as the mutual funds is equivalent to having an investor in the mutual funds with full transparency and perhaps more frequent liquidity. If the holder of a managed account pursuing substantially the same strategy as the mutual funds or other separately managed accounts decided to assume control and to liquidate the positions in the account in a short time period, this could result in decreases in the valuations of the equivalent positions remaining in the mutual funds or other separately managed accounts, thereby causing losses.

In discussing various investment alternatives and opportunities with clients or potential clients, Alpine may provide certain information that is more extensive than what is generally provided to all clients or potential clients. Alpine provides such information if Alpine determines that doing so will not give the recipient an unfair informational advantage over other such entities.

Principal and Cross Trades – Alpine does not enter into principal or cross trades and does not anticipate doing so. If a situation develops that might involve a principal or cross trade and Alpine believed such trade would be in the best interests of the affected clients, Alpine would affect such trades in compliance with applicable law.

Alpine does not allow either a principal or a related person recommends to clients, or buys or sells for client accounts, securities in which a principal or a related person has a material financial interest. Alpine does not allow a principal or a related person to own, trade securities own by clients; or to buy securities from or sells securities to your clients; or to act as general partner in a partnership in which you solicit client investments; or act as an investment adviser to an investment company that you recommend to clients.

## **Item 12 – Brokerage Practices**

Alpine's objective in selecting brokers and dealers and in effecting portfolio transactions is to seek the best combination of price and execution with respect to its accounts' portfolio transactions. The best net price, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in this decision, but a number of other judgmental factors are considered as they are deemed relevant. In applying these factors, Alpine recognizes that different broker-dealers may have different execution capabilities with respect to different types of securities. In determining whether a particular broker-dealer is likely to provide best execution, Alpine takes into account all factors that it deems relevant to the broker-dealer's execution capability, including, by way of illustration:

- price;
- the size of the transaction;
- the nature of the market for the security;
- the amount of the commission or size of the spread;
- the ability to fulfill the order in a timely manner;

- the broker-dealer's clearance and settlement capabilities;
- the broker-dealer's research capabilities;
- the broker-dealer's trade error rate and ability or willingness to correct errors;
- the timing of the transaction, taking into account market prices and trends;
- the reputation, experience and financial stability of the broker dealer; and
- the quality of service rendered by the broker-dealer in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker is appropriate if the difference in cost is reasonably justified by the quality of the service offered.

Alpine believes that paying fair and reasonable commissions to broker-dealers in return for quality execution services benefits clients. Moreover, transactions that involve specialized services on the part of the broker-dealer will usually result in higher commissions or other compensation to the broker-dealer than would be the case with transactions requiring more routine services.

For significant portions of Alpine's client trading, Alpine utilizes execution management systems that provide advanced capabilities such as algorithmic trading and/or direct market access to electronic communications networks when executing trades. Alpine believes the principles of "Best Execution" are achieved by utilizing the advanced capabilities provided by these execution management systems.

Alpine periodically reviews its execution policies and assesses the quality of brokerage executions. Alpine endeavors to be aware of current charges of eligible broker-dealers and to minimize the expense incurred for effecting portfolio transactions to the extent consistent with the interests and policies of its clients. As noted above, Alpine periodically reviews the quality of executions received from eligible broker-dealers and may consider the services of other broker-dealers who may be available to execute client transactions. Any broker who has provided (or who is expected to provide) acceptable performance and whose financial condition and commission rates are acceptable to Alpine may be selected to execute transactions for client accounts. Alpine maintains an "approved brokers list" consisting of such broker-dealers. However, broker-dealers that are not on such a list may be used if Alpine believes that using that such broker-dealer may result in best execution for the particular trade.

### **Research and Other Soft Dollar Benefits**

Alpine does not receive soft dollar benefits from broker-dealers. Alpine will not make arrangement to receive soft dollar benefit either.

### **Brokerage for Client Referrals**

Alpine does not maintain any such arrangements.

### **Client-Directed Brokerage Transactions**

While Alpine generally selects broker-dealers for separately managed client accounts, Alpine will accept in limited instances direction from clients as to which broker-dealer is to be used.

Additionally, sub-advisory and dual contract clients may choose to designate the relevant intermediary or another broker-dealer which may or may not be affiliated with that intermediary to execute securities transactions on behalf of their account. If the client directs the use of a particular broker-dealer, Alpine asks that the client also specify in writing (i) general types of securities for which a designated firm should be used and (ii) whether the designated firm should be used for all transactions, even though Alpine might be able to obtain a more favorable net price and execution from another broker-dealer in particular transactions. Clients, who, in whole or in part, direct Alpine to use a particular broker-dealer to execute transactions for their accounts should be aware that, in so doing, such decision may adversely affect Alpine's ability to, among other things, obtain volume discounts on aggregated orders or to obtain best price and execution by, for example, executing over-the-counter stock transactions with the market makers for such securities. Additionally, as noted above, transactions for a client that directs brokerage are generally unable to be aggregated for execution purposes with orders for the same securities for other accounts managed by Alpine. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price that is less favorable than the price obtained for the aggregated order. Under these circumstances, the direction by a client of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if Alpine could negotiate commission rates or spreads freely, or select brokers or dealers based on best execution. Consequently, best price and execution may not be achieved.

### **Trade Aggregation and Allocation**

In making investment decisions, securities considered for investment by one client may also be appropriate for another client. On occasions when the purchase or sale of a security is deemed to be in the best interest of more than one client, Alpine may, but will not be obligated to, aggregate orders for the purchase or sale of the security for all such accounts to the extent consistent with best execution and the terms of the relevant investment management agreements. Such aggregated trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing transaction charges.

When aggregating and allocating securities transactions, participating clients are treated in a fair and equitable manner. No account will be favored over any other account over time. Aggregation must be consistent with Alpine's duty to seek best execution and the terms of Alpine's investment management agreement with each participating client. Alpine may include proprietary accounts (those in which Alpine or its affiliates have significant ownership interests), and funds and accounts that are not managed by Alpine but for which Alpine or its affiliates provides trade execution services, in such aggregate trades, subject to Alpine's duty of seeking best execution and to its Code of Ethics.

Allocation of executed trades must be fair and equitable over time. Alpine may not allocate trades in such a way that Alpine's proprietary or other non-client accounts receive more favorable treatment than clients' accounts. Similarly, Alpine may not allocate profitable trades at each day's end so as to disproportionately favor certain clients without appropriate disclosure.

When an aggregated order is filled in its entirety, each participating account will participate at the average share price for the aggregated order, and transaction costs will be shared pro rata based on each account's participation in the aggregated order. Pro rata allocation may be used when an aggregated order cannot be fully executed in a single day. The partial fill of the order is generally allocated among the participating Client accounts based on the size of each account's original order, subject to rounding in order to achieve "round lots." Alpine's systems will be updated to reflect partial executions until the aggregated order is completed or to reflect that outstanding orders have been cancelled.

Alpine may allocate on a basis other than pro rata, if, under the circumstances, such other method of allocation is reasonable, does not result in improper or undisclosed advantage or disadvantage to non-client accounts, and results in fair access over time to trading opportunities for all eligible managed accounts. For example, Alpine may identify investment opportunities that are more appropriate for certain accounts than others, based on such factors as security restrictions, tax status, account size, available cash and cash flows. Consequently, Alpine may decide it is more appropriate to place a given security in one account rather than another account. Other non-pro rata methods include rotation allocation and random allocation. Alternative methods of allocation are appropriate, for example, when the transaction size is too limited to be effectively allocated pro rata among all eligible accounts.

Alpine's services include portfolio management for individuals, portfolio management for small businesses, and selection of other advisers ( mutual funds only ).

### **Item 13 – Review of Accounts**

Alpine's client portfolios, including the mutual funds are reviewed by Alpine's Managing Member quarterly. The scope of review includes monitoring portfolio activity, including stock rankings, buy/sell decisions, and over/underweight of positions relative to the model. Investment personnel may employ various computer programs in conducting periodic account reviews which include monitoring for account restrictions, consistency with investment objectives and strategy descriptions.

More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

Clients receive custodian statements at least quarterly. When requested, periodic written reports are furnished to advisory account clients and a portfolio manager will meet with such clients when requested or at such other times as may be mutually agreed to by Alpine and the client. Such meetings may be conducted in person or telephonically. Alpine personnel may be made available to certain clients upon reasonable request for meetings. Similarly, reporting responsibility with respect to dual contract and sub-advisory clients are generally provided by the relevant intermediary, and meetings with Alpine personnel are typically arranged through the intermediary. Alpine provides written reports to the mutual funds' Board on a periodic basis and maintains contact with each mutual fund's administrative staff regarding that mutual fund's portfolio and transactions. Mutual fund investors receive statements quarterly from their respective administrators.

Alpine's services include financial portfolio management for individuals, portfolio management for small businesses, and selection of other advisers ( mutual funds only ).

## **Item 14 – Client Referrals and Other Compensation**

Alpine does not allow any direct or indirect compensation to any supervised or non-supervised personnel for client referrals.

No one who is not a client provides an economic benefit to Alpine for providing investment advice or other advisory services to Alpine's clients.

Neither Alpine's principal nor a related person directly or indirectly compensates any person who is not Alpine's supervised person for client referrals.

Alpine's services include portfolio management for individuals, portfolio management for small businesses, and selection of other advisers ( mutual funds only ).

## **Item 15 – Custody**

Clients should receive monthly statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. Separately managed account and mutual fund clients receive statements directly from the qualified custodian.

Alpine withdraws management fees directly at the end of the serviced quarter from clients' accounts as arranged and accepted by the clients. All fee withdrawal records should be clearly stated in the broker dealer's monthly statements.

(a) Alpine sends will send an invoice to the custodian at the same time that the Alpine sends an invoice the client.

(b) The custodian send monthly statements to your clients showing all disbursements for the custodian account, including the amount of the quarterly advisory fees.

(c) Alpine's account agreements build in a written authorization permitting Alpine to be paid directly for their accounts held by the custodian or trustee.

Alpine urges clients to carefully review and retain the official custodial record.

## **Item 16 – Investment Discretion**

Generally, Alpine is retained with respect to its individual accounts, as well as its mutual fund clients, on a discretionary basis and is authorized to make the following determinations in accordance with the client's specified investment objectives without client consultation or consent before a transaction is effected:

- Which securities to buy or sell.
- The total amount of securities to buy or sell.
- The broker or dealer through whom securities are bought or sold.
- The commission rates at which securities transactions for client accounts are affected.
- The prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

Investments for separately managed client accounts are managed in accordance with each client's stated investment objectives, strategies restrictions and guidelines.

Investments for mutual funds are managed in accordance with the fund's investment objective, strategies and restrictions and are not tailored to the individualized needs of any particular investor in the fund. Therefore, fund investors should consider whether the fund meets their investment objectives and risk tolerance prior to investing. Information about the mutual funds may be found in publicly available fund prospectuses and statements of additional information.

Alpine assumes discretion over the account upon execution of the management agreement with the client.

Alpine also provides non-discretionary services and the procedure taken to mitigate non-discretionary authority.

Alpine will secure client's permission prior to effecting transactions for non-discretionary accounts

### **Item 17 – Voting Client Securities**

Alpine does not accept authority for proxy voting. The clients will receive their proxies or other solicitations directly from their custodian or a transfer agent. Alpine will receive a duplicate copy from the broker dealer therefore the clients can contact us with questions about a particular solicitation.

### **Item 18 – Financial Information**

Alpine does not require or solicit prepayment in advance. Alpine operates very cost effectively therefore there is no liability or any financial condition that is likely to impair our ability to meet contractual commitments to clients. There was no bankruptcy petition of the firm or the Managing Member.

Alpine intends to the Managing Member's personal assets to meet the liabilities of the investment advisory business.

### **Item 19 - Requirements for State-Registered Advisers**

***Peng Ken Yap***

***Managing Member and Chief Compliance Officer***

Year of Birth: 1958

Formal Education after High School:

National Taiwan University, Taiwan, ROC  
B.S. 1981

University of Washington, Seattle, WA 98195  
M.S. 1984

Business Background:

Alpine Wealth Management, LLC – Palo Alto, CA  
Chief Strategist, 2009 – Present

UBS Financial Services – Palo Alto, CA  
Accounts Vice President, 2001 – 2008

**Key Prior Experience:**

Mr. Yap is the Founder, Managing Member and Chief Compliance Officer of Alpine. He is formally a financial advisor and Account Vice President with UBS from 2001 till 2008. Prior to financial industry, he held several key positions with several companies in Northern California. He holds a B.S. (1981) from National Taiwan University and an MS (1984) from University of Washington.

Mr. Yap hold has a California Insurance License.

Alpine offer fee based but not performance based services. The fees are calculated as follows:

**Fee Schedules**

Alpine's compensation depends on the manner through which Alpine provides its advisory services. As an adviser to separately managed accounts, mutual funds, and other advisory arrangements, Alpine is compensated on various combinations of a percentage of assets under management and fixed fees. Under certain circumstances, fees are negotiable.

<b>Household Assets</b>	<b>Annual Advisory Fee</b>	<b>Sub-Advisory and Dual Contract</b>
Up to \$500,000	1.5%	0.75% - 0.75% split or by negotiation
\$500,001 to \$2,000,000	1.25%	0.625% - 0.625% split or by negotiation
\$2,000,001 to \$5,000,000	1.1%	0.55% - 0.55% split or by negotiation
\$5,000,001 to \$10,000,000	1%	0.5% - 0.5% split or by negotiation
Over \$10,000,000	Less than 1% by negotiation	Less than 1% in total by negotiation

The total service fees charged by the applicant and any third party investment adviser will not exceed three percent of total assets under management.

All fee based services including Separately Managed Accounts, Sub-Advisory and Dual Contract Accounts, and Other Advisory Fee Arrangements are not to exceed the fees outlined in the above fee schedule.

Lower fees for comparable services may be available from other sources.

Alpine's Managing Member HAS NEVER BEEN INVOLVED any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

(a) an investment or an investment-related business or activity;

(b) fraud, false statement(s), or omissions;

(c) theft, embezzlement, or other wrongful taking of property;

(d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

Neither of the Managing Member nor any of the management persons Alpine have any relationship or arrangement with any issuer of securities that is not listed in Item 10 of Part 2A.

Alpine's management persons are not affiliated nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Alpine promotes "fair, equitable or ethical principles" therefore we strongly insist our principle to disclose to a client in writing before entering or renewing an advisory agreement with that client any material conflicts of interest regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice."

## **ALPINE WEALTH MANAGEMENT LLC**

### **Business Continuity Plan (BCP)**

#### **I. Emergency Contact Persons**

Our firm's emergency contact person is:

Ken Yap, Managing Member & Chief Compliance Officer

650-351-7988

ken.yap@alpinewm.com

#### **II. Firm Policy**

Our firm's policy is to respond to a Significant Business Disruption (SBD) by safeguarding employees' lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all of the firm's books and records, and allowing our customers to transact business.

Ken Yap is responsible for approving the plan and for conducting the required annual review. Mr. Yap has the authority to execute this Business Continuity Plan.



If in the event of a major catastrophe of the Palo Alto office, the following procedures will go into effect.

Upon arrival at 530 Lytton Ave. Ste 200, Palo Alto, CA 95301, any staff member should ascertain the condition of the office due to a major catastrophe and make the decision to immediately begin notifying other staff members via cell phone and proceed to the Disaster Recovery Office (“DRO” – see Section V for actual address). If the staff member is not sure to the extent of, or consequences of, the catastrophe, that staff member should contact a member of the senior management immediately or wait for them to arrive.

### **III. Business Description**

Alpine Wealth Management LLC is an Investment Advisory firm involved in the financial management of client accounts.

Our clearing firm is Charles Schwab

Charles Schwab’s Phone Number is: 877-774-3892

### **IV. Office Locations**

Alpine Wealth Management LLC has its offices located in Palo Alto, CA.

Our employees may travel to this office by means of foot, car, bus or taxi.

We engage in order taking and entry at this location.

### **V. Alternative Physical Location of Employees**

In the event of an SBD, we will move our trading desk operations to the following site:

1320 Westridge Drive, Portola Valley, CA 94028

### **VI. Customers’ Access to Funds and Securities**

Our firm does not maintain custody of customers’ funds or securities. Charles Schwab does hold our clients funds or position. In the event of an internal or external SBD, if telephone service is available, our registered persons will take customer orders or instructions and contact our clearing firm on their behalf.

### **VII. Data Back-up and Recovery (Hard Copy and Electronic)**

Our firm maintains its primary books and records and its electronic records in our Palo Alto Office.

Our firm maintains its back-up of its electronic and hard copy materials at

530 Lytton Ave Ste 200, Palo Alto, CA 94301  
1320 Westridge Drive, Portola Valley, CA 94028

In the event of an internal or external SBD that causes loss of our paper records, we will physically recover them from our back-up site. If our primary site is inoperable, we will continue operations from our back-up site or an alternate location. For the loss of electronic records, we will either physically recover the storage media or electronically recover data from our back-up site.

#### **VIII. Financial and Operational Assessments**

In the event of an SBD, we will immediately identify what means will permit us to communicate with our customers, employees, critical business constituents, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include our Web site ( <http://www.alpinewm.com> ), telephone voice mail, and secure email. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

In the event that Alpine Wealth Management LLC is put in a position to raise funds due to a credit issue, the firm will apply for a loan or credit line through one of the banking institutions it currently uses.

#### **IX. Mission Critical Systems**

Our firm's "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, entry, execution, comparison, allocation, clearance and settlement of securities transactions, the maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities.

#### **Internet Connection**

Our DRO has an internet connection that will enable the trading desk to access the Fiserv system as well as the website of our clearing firm and regulators. Our internet carrier is AT&T.

#### **DRO Telephone System**

Alpine Wealth Management LLC has a telephone system in place at the DRO office that our trading office phones can be transferred to in the event of a SBD.

### **Critical Business Constituents, Banks, and Counter-Parties**

Our critical business constituents, banks, etc. will be contacted by Ken Yap, Managing Member and Chief Compliance Officer from his residence.

### **IX. Disclosure of Business Continuity Plan**

We provide in writing a BCP disclosure statement to customers at account opening. We also post the disclosure statement on our Website and mail it to customers upon request. Our disclosure statement is attached.

### **X. Updates and Annual Review**

Our firm will update this plan whenever we have a material change to our operations, structure, business or location or to those of our clearing firm. In addition, our firm will test and review the BCP bi-annually with an outside data services firm or other service provider to test and modify it for any changes.

### **XI. Senior Management Approval**

I have approved the Business Continuity Plan as reasonably designed to enable our firm to meet its obligations to customers in the event of an SBD.

Signed: Peng Ken Yap  
Title: Managing Member & Chief Compliance Officer  
Date: 9/14/2015