

# **Alpha Omega Wealth Management, LLC**

SEC File Number: 801-70136

## **ADV Part 2A, Appendix 1 Wrap Fee Program Brochure Dated: March 10, 2015**

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This Brochure provides information about the qualifications and business practices of Alpha Omega Wealth Management, LLC (“Alpha Omega”). If you have any questions about the contents of this Brochure, please contact us at (804) 955-1600 or [leann@aowealth.com](mailto:leann@aowealth.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Alpha Omega Wealth Management, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

References herein to Alpha Omega Wealth Management, LLC as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

## **Item 2           Material Changes**

There have been no material changes made to Alpha Omega's disclosure statement since last year's Annual Amendment filing on February 20, 2014.

## **Item 3           Table of Contents**

Item 1	Cover Page.....	1
Item 2	Material Changes.....	2
Item 3	Table of Contents.....	2
Item 4	Services, Fees and Compensation.....	3
Item 5	Account Requirements and Types of Clients .....	5
Item 6	Portfolio Manager Selection and Evaluation .....	5
Item 7	Client Information Provided to Portfolio Managers .....	10
Item 8	Client Contact with Portfolio Managers .....	10
Item 9	Additional Information .....	11

## Item 4 Services, Fees and Compensation

### A. INVESTMENT ADVISORY SERVICES

The client can determine to engage Alpha Omega to provide discretionary and/or non-discretionary investment advisory services on a wrap *fee* basis. (*See* discussion below). If a client determines to engage Alpha Omega on a wrap fee basis, the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody). The services included in a wrap fee agreement will depend upon each client's particular need.

### ALPHA OMEGA WRAP PROGRAM

Alpha Omega is the sponsor and investment manager of the Alpha Omega Wrap Program (hereinafter the "Program"). Under the Program, Alpha Omega is able to offer participants discretionary and/or non-discretionary investment management services, for a single specified negotiable annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. The current annual Program fee ranges from negotiable to 1.60%, depending upon the amount and type of the Program assets, as follows:

<u>Market Value of Portfolio</u>	<u>Equity/Balanced Account</u>	<u>Fixed Income Account</u>
From \$0 -- \$1million	1.60%	0.80%
\$1million -\$2.5million	1.35%	0.60%
\$2.5million -\$5million	1.15 %	0.50%
Over \$5million	Negotiable	

If engaged to provide discretionary investment advisory services, Alpha Omega shall be provided with written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in the written agreement between each client and Alpha Omega. Clients may change/amend these limitations, in writing, at any time. The client shall have reasonable access to one of Alpha Omega's investment professionals to discuss their account.

Charles Schwab & Co., Inc. ("*Schwab*") shall serve as the custodian for Program accounts.

**Fee Calculation:** The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client, pursuant to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (hereinafter the "Act").

**Fee Payment:** Clients will be charged in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter. Fees are prorated for accounts opened during the quarter. An additional fee for the current quarter will be assessed if assets are deposited after the beginning of the quarter, prorated based on the number of calendar days remaining in the quarter during which the service will be in effect. No portion of the fee will be credited to

the client for the current calendar quarter should any withdrawals from the portfolio occur in the same calendar quarter.

**Termination of Advisory Relationship:** A client agreement may be canceled at any time, by either party, for any reason upon receipt of prior written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five (5) business days after entering into the agreement.

## MISCELLANEOUS

**Client Responsibilities:** In performing any of its services, Alpha Omega shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Furthermore, unless the client indicates to the contrary in the client's Investment Objective Confirmation letter, Alpha Omega shall assume that there are no restrictions on its services, other than to manage the account in accordance with the client's designated investment objective. **Moreover, it remains each client's responsibility to promptly notify Alpha Omega if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Alpha Omega's previous recommendations and/or services.**

**Please Note: Investment Performance:** As a condition to participating in the Program, the participant **must** accept that past performance may not be indicative of future results, and understand that the future performance of any specific investment or investment strategy (**including** the investments and/or investment strategies purchased and/or undertaken by Alpha Omega) **may not:** (1) achieve their intended objective; (2) be profitable; or, (3) equal historical performance level(s) or any other performance level(s).

- B. Participation in the Program may cost more or less than purchasing such services separately. Also the Program fee charged by Alpha Omega for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

Depending upon the percentage wrap-fee charged by Alpha Omega, the amount of portfolio activity in the client's account, and the value of custodial and other services provided, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and/or if Alpha Omega were to negotiate transaction fees and seek best price and execution of transactions for the client's account.

- C. The Program's wrap fee does not include certain charges and administrative fees, including, but not limited to, fees charged by *Independent Managers*, transaction charges (including mark-ups and mark-downs) resulting from trades effected through or with a broker-dealer other than *Schwab*, transfer taxes, odd lot differentials, exchange fees, interest charges, American Depository Receipt agency processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts. Such fees and expenses are in addition to the Program's wrap fee.

- D. Alpha Omega's related persons who recommend the Alpha Omega Wrap Fee program to clients do not receive compensation as a result of a client's participation in the wrap fee program.

## **Item 5 Account Requirements and Types of Clients**

Alpha Omega's clients shall generally include individuals, business entities, trusts, estates and charitable organizations. Alpha Omega does not generally require an annual minimum fee or asset level for clients to open or maintain a Program account.

## **Item 6 Portfolio Manager Selection and Evaluation**

- A. Alpha Omega may allocate a portion of a client's Program assets among unaffiliated independent investment managers in accordance with the client's designated investment objective(s). In such situations, the *Independent Manager[s]* shall have day-to-day responsibility for the active discretionary management of the allocated Program assets. Alpha Omega shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which Alpha Omega shall consider in recommending *Independent Manager[s]* include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.
- B. Alpha Omega acts as the portfolio manager for the Program. Inasmuch as the execution costs for transactions effected in the client account will be paid by Alpha Omega, a potential conflict of interest arises in that Alpha Omega may have a disincentive to trade securities in the client account. In addition, the amount of compensation received by Alpha Omega as a result of the client's participation in the Program may be more than what Alpha Omega would receive if the client paid separately for investment advice, brokerage and other services.

As the Program sponsor, Alpha Omega shall be responsible for the primary management of the Program, including the selection and termination of all *Independent Manager[s]*. Once selected, *Independent Manager[s]* shall be responsible for day-to-day management and selection of securities for the account.

- C. As discussed below, Alpha Omega also offers to its clients discretionary and non-discretionary investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

### **ADVISORY BUSINESS SERVICES**

#### **Investment Advisory Services**

The client can determine to engage Alpha Omega to provide discretionary and/or non-discretionary investment advisory services on a wrap or non-wrap *fee* basis. (*See* discussion below). If the client determines to engage Alpha Omega on a non-wrap fee basis the client will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, brokerage, custody).

### Non-Wrap Fee Basis

The client can determine to engage Alpha Omega to provide discretionary/non-discretionary investment advisory services on a negotiable *fee* basis. Before engaging Alpha Omega to provide investment advisory services, clients are required to enter into an *Investment Advisory Agreement* with Alpha Omega setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client. Before providing investment advisory services, an investment adviser representative will ascertain each client's investment objectives. Thereafter, Alpha Omega will allocate and/or recommend that the client allocate investment assets consistent with the designated investment objectives. Once allocated, Alpha Omega provides ongoing monitoring and review of account performance, asset allocation and client investment objectives.

Alpha Omega's annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under Alpha Omega's management (between negotiable and 1.50%), to be charged quarterly in advance, as follows:

<u>Market Value of Portfolio</u>	<u>Equity/Balanced Account</u>	<u>Fixed Income Account</u>
From \$0 -- \$1million	1.50%	0.60%
\$1million -\$2.5million	1.25%	0.50%
\$2.5million -\$5million	1.00 %	0.50%
Over \$5million	Negotiable	

### Alpha Omega Wrap Program

Alpha Omega provides investment management services on a wrap fee basis in accordance with Alpha Omega's investment management wrap fee program (the "Program"). Under the Program, Alpha Omega is able to offer participants discretionary and/or non-discretionary investment management services, for a single specified negotiable annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. The current annual Program fee ranges from negotiable to 1.60%, depending upon the amount and type of the Program assets. *Schwab* shall serve as the custodian for Program accounts.

### Financial Planning and Consulting Services

To the extent requested by a client, Alpha Omega *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. Alpha Omega's planning and consulting fees are negotiable, but generally range from \$1,000 to \$10,000 on a fixed fee basis, and from \$150 to \$250 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging Alpha Omega to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Alpha Omega setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Alpha Omega commencing services. If requested by the client, Alpha Omega may recommend the services of other professionals for implementation purposes, including Alpha Omega's Principals in their individual capacities as licensed insurance agents. (*See* disclosure below). The client is

under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Alpha Omega. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify Alpha Omega if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Alpha Omega's previous recommendations and/or services.

#### **Miscellaneous Advisory Services Disclosure**

**Non-Investment Consulting/Implementation Services.** If requested by the client, Alpha Omega may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither Alpha Omega, nor any of its representatives, serves as an attorney or accountant, and no portion of Alpha Omega's services should be construed as same. To the extent requested by a client, Alpha Omega may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.), including Alpha Omega's Principals in their separate licensed capacities as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Alpha Omega. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify Alpha Omega if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Alpha Omega's previous recommendations and/or services.

**Please Note: Cash Positions.** At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), Alpha Omega **may** maintain cash positions for defensive purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating Alpha Omega's advisory fee. **Please Further Note:** When the account is holding cash positions, those cash positions will be subject to the same fee schedule as set forth above for fixed income. **Alpha Omega's Chief Compliance Officer, LeAnn Mitchell, remains available to address any questions that a client or prospective client may have regarding the above fee billing practice.**

**Please Note: Non-Discretionary Service Limitations.** Clients that determine to engage Alpha Omega on a non-discretionary investment advisory basis **must be willing to accept** that Alpha Omega cannot effect any account transactions without obtaining prior verbal consent to any such transaction(s) from the client. Thus, in the event of a market correction, and the client is unavailable, Alpha Omega will be unable to effect any account transactions (as it would for its discretionary clients) **without first obtaining the client's verbal consent.**

**Disclosure Statement.** A copy of Alpha Omega's written disclosure statement as set forth on Part 2A and/or Appendix 1 of Part 2A on Form ADV shall be provided to each client prior to or contemporaneously with the execution of the *Investment Advisory Agreement or Financial Planning Agreement*.

Alpha Omega shall provide investment advisory services specific to needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss with each client, their particular investment objective(s). Alpha Omega shall allocate each client's investment assets consistent with their designated investment objective(s). Clients may, at anytime, impose restrictions, in writing, on Alpha Omega's services.

There is no material difference between how Alpha Omega manages wrap fee accounts and non-wrap fee accounts. However, as stated above, if a client determines to engage Alpha Omega on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody) (*See* Item 4.A). The services included in a wrap fee agreement will depend upon each client's particular need. If the client determines to engage Alpha Omega on a non-wrap fee basis the client will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, brokerage, custody). **Please note:** When managing a client's account on a wrap fee basis, Alpha Omega shall receive as payment for its investment advisory services, the balance of the wrap fee after all other costs incorporated into the wrap fee have been deducted.

### **Performance Based Fees and Side-By-Side Management**

Neither Alpha Omega nor any supervised person of Alpha Omega accepts performance-based fees.

### **Methods of Analysis, Investment Strategies and Risk of Loss**

Alpha Omega may utilize the following methods of security analysis:

- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

Alpha Omega may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)



**Please Note: Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Alpha Omega) will be profitable or equal any specific performance level(s).

Alpha Omega's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis Alpha Omega must have access to current/new market information. Alpha Omega has no control over the dissemination rate of market information; therefore, unbeknownst to Alpha Omega, certain analyses may be compiled with outdated market information, severely limiting the value of Alpha Omega's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Alpha Omega's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

**Independent Managers.** Alpha Omega may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers in accordance with the client's designated investment objective(s). In such situations, the *Independent Manager[s]* shall have day-to-day responsibility for the active discretionary management of the allocated assets. Alpha Omega shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which Alpha Omega shall consider in recommending *Independent Manager[s]* include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.

### **Voting Client Securities**

Unless the client directs otherwise in writing, Alpha Omega is responsible for voting client proxies (**However**, the client shall maintain exclusive responsibility for all legal proceedings or other type events pertaining to the account assets, including, but not limited to, class action lawsuits.). Alpha Omega shall vote proxies in accordance with its Proxy Voting Policy, a copy of which is available upon request. Alpha Omega shall monitor corporate actions of individual issuers and investment companies consistent with Alpha Omega's fiduciary duty to vote proxies in the best interests of its clients. Although

the factors which Alpha Omega will consider when determining how it will vote differ on a case by case basis, they may, but are not limited to, include the following: a review of recommendations from issuer management, shareholder proposals, cost effects of such proposals, effect on employees and executive and director compensation. With respect to individual issuers, Alpha Omega may be solicited to vote on matters including corporate governance, adoption or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. With respect to investment companies (e.g., mutual funds), Alpha Omega may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers. Alpha Omega shall maintain records pertaining to proxy voting as required pursuant to Rule 204-2 (c)(2) under the Advisers Act. Copies of Rules 206(4)-6 and 204-2(c)(2) are available upon written request. In addition, information pertaining to how Alpha Omega voted on any specific proxy issue is also available upon written request. Requests should be made by contacting Alpha Omega's Chief Compliance Officer, LeAnn Mitchell.

#### **Item 7            Client Information Provided to Portfolio Managers**

Alpha Omega shall be the Program's portfolio manager. Alpha Omega shall provide investment advisory services specific to needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss with each client, their particular investment objective(s). Alpha Omega shall allocate each client's investment assets consistent with their designated investment objective(s). Clients may, at anytime, impose restrictions, in writing, on Alpha Omega's services.

As indicated above, each client is advised that it remains his/her/its responsibility to promptly notify Alpha Omega if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Alpha Omega's previous recommendations and/or services.

To the extent the Program utilizes *Independent Manager[s]*, Alpha Omega shall provide the *Independent Manager[s]* with each client's particular investment objective(s). Any changes in the client's financial situation or investment objectives reported by the client to Alpha Omega shall be communicated to the *Independent Manager[s]* within a reasonable period of time.

#### **Item 8            Client Contact with Portfolio Managers**

The client shall have, without restriction, reasonable access to the Program's portfolio manager.

## Item 9 Additional Information

- A. Alpha Omega has not been the subject of any disciplinary actions.

### Other Financial Industry Activities and Affiliations

**Licensed Insurance Agents.** Alpha Omega's Principals, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. As referenced in Item 4.B above, clients can engage Alpha Omega's Principals to effect insurance transactions on a commission basis. **Conflict of Interest:** The recommendation by Alpha Omega's Principals that a client purchase an insurance commission product presents a *conflict of interest*, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Alpha Omega's Principals. Clients are reminded that they may purchase insurance products recommended by Alpha Omega through other non-affiliated insurance agents. **Alpha Omega's Chief Compliance Officer, LeAnn Mitchell, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

### B. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Alpha Omega maintains an investment policy relative to personal securities transactions. This investment policy is part of Alpha Omega's overall Code of Ethics, which serves to establish a standard of business conduct for all of Alpha Omega's representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Alpha Omega also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Alpha Omega or any person associated with Alpha Omega.

Neither Alpha Omega nor any related person of Alpha Omega recommends, buys, or sells for client accounts, securities in which Alpha Omega or any related person of Alpha Omega has a material financial interest.

Alpha Omega and/or representatives of Alpha Omega *may* buy or sell securities that are also recommended to clients. This practice may create a situation where Alpha Omega and/or representatives of Alpha Omega are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Alpha Omega did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Alpha Omega's clients) and other potentially abusive practices.

Alpha Omega has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Alpha Omega's "Access Persons". Alpha Omega's securities transaction policy requires that an Access Person of Alpha Omega must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date Alpha Omega selects; provided, however that at any time that Alpha Omega has only one Access Person, he or she shall not be required to submit any securities report described above.

Alpha Omega and/or representatives of Alpha Omega *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Alpha Omega and/or representatives of Alpha Omega are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above, Alpha Omega has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Alpha Omega's Access Persons.

### **Review of Accounts**

For those clients to whom Alpha Omega provides investment supervisory services, account reviews are conducted on an ongoing basis by Alpha Omega's Principals and representatives. All investment supervisory clients are advised that it remains their responsibility to advise Alpha Omega of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Alpha Omega on an annual basis.

Alpha Omega *may* conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Alpha Omega may also provide a written periodic report summarizing account activity and performance.

## **Client Referrals and Other Compensation**

Alpha Omega may receive an indirect economic benefit from *Schwab*. Alpha Omega, without cost (and/or at a discount), may receive support services and/or products from *Schwab*.

Alpha Omega's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* as result of this arrangement. There is no corresponding commitment made by Alpha Omega to *Schwab* or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**Alpha Omega's Chief Compliance Officer, LeAnn Mitchell, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.**

If a client is introduced to Alpha Omega by either an unaffiliated or an affiliated solicitor, Alpha Omega *may* pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Alpha Omega's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to Alpha Omega by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of Alpha Omega's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between Alpha Omega and the solicitor, including the compensation to be received by the solicitor from Alpha Omega.

## **Financial Information**

Alpha Omega does not solicit fees of more than \$1,200, per client, six months or more in advance.

Alpha Omega is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

Alpha Omega has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: Alpha Omega's Chief Compliance Officer, LeAnn Mitchell, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**