

**Part 2A of Form ADV: Firm Brochure  
Item 1: Cover Page  
April 2015**



**50 California Street, Suite 1500  
San Francisco, CA 94111  
[www.AlphaPrivateWealthAdvisors.com](http://www.AlphaPrivateWealthAdvisors.com)**

**Firm Contact:  
Neville Richardson  
Chief Compliance Officer**

**This brochure provides information about the qualifications and business practices of Alpha Private Wealth Advisors LLC. If you have any questions about the contents of this brochure, please contact us by telephone at 718-288-0859. 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 Private Wealth Advisors LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Please note that the use of the term "registered investment adviser" and description of Alpha Private Wealth Advisors LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.**

## **Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure**

Alpha Private Wealth Advisors LLC is required to advise you of any material changes to the Firm Brochure ("Brochure") from our last annual update. Since we are a new firm, we have no material changes to disclose at this time.

### Item 3: Table of Contents

Item 1: Cover Page .....	1
Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure .....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business.....	4
Item 5: Fees & Compensation.....	7
Item 6: Performance-Based Fees & Side-By-Side Management.....	8
Item 7: Types of Clients & Account Requirements .....	9
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss .....	9
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities & Affiliations.....	11
Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading.....	12
Item 12: Brokerage Practices .....	13
Item 13: Review of Accounts or Financial Plans.....	15
Item 14: Client Referrals & Other Compensation.....	16
Item 15: Custody.....	16
Item 16: Investment Discretion.....	17
Item 17: Voting Client Securities.....	17
Item 18: Financial Information.....	17
Item 19: Requirements For State Registered-Advisers .....	17

## Item 4: Advisory Business

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2014 and is owned wholly by Neville Richardson.

All material conflicts of interest under CCR Section 260.238 (k) are disclosed below regarding our firm, our representatives or our employees, which could be reasonably expected to impair the rendering of unbiased and objective advice. To comply with CCR Section 260.238(j), we disclose that lower fees for comparable services may be available from other sources.

### Description of the Types of Advisory Services We Offer

---

#### **Comprehensive Portfolio Management:**

Our Comprehensive Portfolio Management service encompasses asset management as well as providing financial planning/financial consulting to clients. It is designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds ("ETFs"), mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

#### **Financial Planning & Consulting:**

We provide a variety of financial planning and consulting services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an

accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client. CCR Section 260.235.2 requires that we disclose to our financial planning clients that a conflict of interest exists between us and our clients. The client is under no obligation to act upon the investment adviser's recommendation. If the client elects to act on our recommendations, the client is under no obligation to effect the transaction through us.

### **Pension Consulting:**

We provide pension consulting services to employer plan sponsors on a one-time or ongoing basis. Generally, such pension consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

All pension consulting services shall be in compliance with the applicable state law(s) regulating pension consulting services. This applies to client accounts that are pension or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of the Pension Consulting Agreement).

### **Separately Managed Accounts ("SMA")**

We participate in the Schwab Managed Account Program and offer separately managed accounts from the Managed Account Select and Managed Account Access programs. These Schwab programs allow access to independent money management firms offered by the Schwab Advisor Services division of Charles Schwab & Co. Inc. ("Schwab"). Prior to selection, our firm ensures that the advisors are properly licensed. Our firm performs management searches of various investment managers. Based on the client's individual circumstances and we determine which selected manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the objectives of each client and the investment philosophy of the selected manager. Clients should refer to the manager's Firm Brochure or other disclosure document for a full description of the services offered. We will furnish a copy of the disclosure brochures for each manager selected. We will recommend one or more managers who will manage the client's account on a discretionary basis. On an ongoing basis, we monitor the performance of the manager(s).

- **Managed Account Select ("Select")**

Under this program, the Schwab Center for Financial Research provides institutional investment research with insights and decision making tools to help serve clients' needs. Clients are provided a choice of prescreened money managers across various investment

styles. The program then bundles the research, Schwab's brokerage, custodial and client reporting under a single, all-inclusive fee, which is in addition to the fee charged by our firm.

Access to managers in this program is offered at the following account levels: \$100,000 for Stock/Equity Managers and \$250,000 for Bond/Fixed Income Managers. Some money managers may have a higher account minimum.

The Schwab Managed Account Select program fees include the institutional money manager fee, Schwab's program fee and fees for brokerage/clearing/custodial services. Fees may include a minimum monthly fee, please see related program documents for a complete description of specific fees.

- **Managed Account Access ("Access")**

Managed Account Access allows clients to work with an array of money managers and conduct their own research within a bundled fee program. Schwab's fees are charged in addition to fees charged by our firm. Access provides money manager services and Schwab's brokerage and custody services for a simple, asset-based fee and with streamlined paperwork. Features include single contract structure, low account minimums, bundled fees, manager and strategy flexibility and variety, performance reporting and managed account tools and resource.

Access to managers in this program is offered at the following account levels: \$100,000 for Stock/Equity Managers and \$250,000 for Bond/Fixed Income Managers. Some money managers may have a higher account minimum.

## **Tailoring of Advisory Services**

---

We offer individualized investment advice to clients utilizing our Comprehensive Portfolio Management service. Additionally, we offer general investment advice to clients utilizing our Financial Planning & Consulting, Pension Consulting, and SMA services.

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Comprehensive Portfolio Management service. We do not manage assets through our other services.

## **Participation in Wrap Fee Programs**

---

We offer wrap fee programs as further described in Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") of our Brochure. Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts. As further described in our Wrap Fee Program Brochure, we receive a portion of the wrap fee for our services.

## **Regulatory Assets Under Management**

---

As of January 2015, our firm manages \$5,200,000 in discretionary assets.

## Item 5: Fees & Compensation

### How We Are Compensated for Our Advisory Services

---

#### Comprehensive Portfolio Management:

Assets Under Management	Annual Percentage of Assets Charge
Any Assets	Up to 2.50%

Our firm's annualized fees are billed on a pro-rata basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees are negotiable and will be deducted from your managed account(s). The fee assessed to your account(s) will be detailed in the Comprehensive Portfolio Management agreement. The minimum annual fee charged will be \$2,000 per household. As part of this process, the client is made aware of the following:

- Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- You provide authorization permitting us to be directly paid by these terms. We send our invoice directly to the custodian;
- It is the client's responsibility to verify the calculation of advisory fees deducted from the account; and
- We send a copy of our invoice to you, which includes a legend urging you to compare information provided in our statement with those from the qualified custodian

#### Financial Planning & Consulting:

We charge on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our hourly fee is \$350. Flat fees generally range from \$1,000 to \$10,000. We require a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$500 when services cannot be rendered within 6 (six) months.

#### Pension Consulting:

Our firm charges up to 1.00% to consult on pension plan assets. The fee-paying arrangements for pension consulting service will be determined on a case-by-case basis and will be detailed in the signed Pension Consulting Agreement. The client will be invoiced directly for the fees.

#### Separately Managed Accounts:

Depending on the service utilized, the total fee for the SMA services will not exceed 3.00%, and may include a portion to be paid to our firm. The actual fee charged will be outlined in the Schwab account opening paperwork. To calculate your SMA program fee, Schwab multiplies the actual daily balance of your account by the daily pro rata portion of the annual rate and then adds together the fees for each day of the month. The program fee is billed to your account monthly, which may result

in your paying a higher fee on an annual basis than the annual rate due to the effects of compounding.

### **Other Types of Fees & Expenses**

---

Non-Wrap fee Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

Wrap fee clients will receive our Form ADV, Part 2A, Appendix 1 (the "Wrap Fee Program Brochure"). Wrap fee clients will not incur transaction costs for trades. More information about this is disclosed in our separate Wrap Fee Program Brochure.

### **Termination & Refunds**

---

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

### **Commissionable Securities Sales**

---

We do not sell securities for a commission in our advisory accounts.

## **Item 6: Performance-Based Fees & Side-By-Side Management**

Our firm may charge qualified clients<sup>1</sup> "performance fees" – that is, fees based on a share of capital gains on or capital appreciation of the managed assets of a client only in accordance with CCR Section 260.234. We charge performance based fees as follows:

Eligible qualified clients will pay only a performance fee of 25% of the net profits (i.e., profits after our management fee has been deducted) achieved for the previous quarter of account management. Fees will be charged quarterly in arrears at the end of each quarter.

The performance fee is payable only if the net profits in Client's account(s) exceed the performance calculation of the previous year (a "high water mark"). We may, in our discretion, waive all or any portion of the performance fee or may agree with a client to other changes to the performance fee by written agreement only.

In charging performance fees to some of our client accounts, we face a conflict because we can potentially receive greater fees from client accounts having a performance-based compensation

---

<sup>1</sup> We are currently permitted to charge performance based fees only to clients with at least \$1,000,000 under management with our firm or a net worth of at least \$2,000,000. It is expected that the SEC will revisit this standard in the near future and tie the definition of a qualified client to inflation. It is unclear at this time whether the SEC will grandfather or exempt existing qualified clients being charged performance based fees from a greater financial threshold for meeting the qualified client standard should the definition change.



structure than from those accounts we only charge a fee unrelated to performance (e.g., an asset-based fee). As a result, we may have an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee.

We have taken several important steps to ensure that our performance based accounts are not favored over our client's non-performance fee based accounts. These steps include:

1. A periodic comparison of our performance based and non-performance accounts. Our comparison will entail a review of our ten most profitable and ten least profitable (including unrealized gain or loss) investment decisions based on total return of positions opened and closed for each investment strategy or mandate offered to clients. We keep track of securities ticker symbol, purchase date, sale date, percentage of gain and/or loss, and dollar amount of the gain and/or loss. In the event that we find performance based accounts are being unduly (i.e., consistently) favored over non-performance based accounts, we would take action to address the situation. This could include allowing non-performance based accounts to trade before performance based accounts to the extent practicable, or if the problem persists, not allowing new performance based accounts, waiving our performance based fees or cancelling our performance based fee arrangements altogether and in some cases, termination of firm personnel.
2. The use of block trades and allocations made based on client's risk tolerance, investment objectives and restrictions. A periodic review of the block trade allocations to detect whether profitable trades are being disproportionately allocated to performance based accounts, while unprofitable trades are being disproportionately allocated to pure-fee based accounts with no performance fee. If our firm detects a problem in the allocation of block trades, our remedies are the same as those outlined above.

## **Item 7: Types of Clients & Account Requirements**

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types.

We charge a minimum annual fee of \$2,000 per household for the management of assets through our Comprehensive Portfolio Management service.

## **Item 8: Methods of Analysis, Investment Strategies & Risk of Loss**

### **Methods of Analysis**

---

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to

sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

### **Investment Strategies We Use**

---

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-Term Purchases:** When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.

**Short-Term Purchases:** When utilizing this strategy, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Trading:** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

**Short Sales:** We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

**Margin Transactions:** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

**Option Writing:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

---

### **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

---

### **Description of Material, Significant or Unusual Risks**

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Comprehensive Portfolio Management service.

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

## **Item 10: Other Financial Industry Activities & Affiliations**

Representatives of our firm licensed insurance agents. They may offer products and receive normal and customary commissions as a result of these transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation they may earn and may not necessarily be in the best interests of the client.

Our firm or management persons are not registered or have applications pending to register, a broker dealer, registered representative of a broker dealer, a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities

The compensation paid to us by third party managers may vary, and thus, there may be a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Our firm's fees are not higher than they would have been had our client obtained services directly from the third party money manager. Prior to referring clients to third party advisors, we will ensure that third party advisors are licensed or notice filed with the respective authorities. A potential conflict of interest in utilizing third party advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict our firm will make our selections in the best interest of our clients.

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

An investment adviser is considered a fiduciary and our firm has a fiduciary duty to all clients. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>2</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons accounts will be traded in the same manner every time.

Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics.

---

<sup>2</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

## Item 12: Brokerage Practices

### Selecting a Brokerage Firm

---

Our firm does not maintain custody of your assets (although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see *Item 15 - Custody*). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”) or National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, “Fidelity”), FINRA-registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and not affiliated with Schwab or Fidelity. Schwab or Fidelity will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab or Fidelity as custodian/broker, you will decide whether to do so and open your account with Schwab or Fidelity by entering into an account agreement directly with them. We do not open the account for you. Even though your account is maintained at Schwab or Fidelity, they may still use other brokers to execute trades for your account.

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, these:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below

Schwab and Fidelity may make certain research and brokerage services available at no additional cost to our firm all of which qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934. These services may be directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by Schwab or Fidelity may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Schwab to our firm in the performance of our investment decision-making responsibilities.

We do not use client brokerage commissions to obtain research or other products or services. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As a result of receiving these services, we may have an incentive to continue to use or expand the use of Schwab services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Schwab and we have determined that the relationship is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Schwab and Fidelity charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Schwab and Fidelity enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Schwab and Fidelity commission rates are generally discounted from customary retail commission rates. The commission and transaction fees charged by Schwab and Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

Our non-wrap fee program clients may pay a commission to Schwab or Fidelity that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

---

### **Soft Dollars**

Although the investment research products and services that may be obtained by our firm will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

Our firm does not accept products or services that do not qualify for Safe Harbor outlined in Section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution.

---

### **Client Brokerage Commissions**

We do not acquire client brokerage commissions (or markups or markdowns).

---

### **Procedures to Direct Client Transactions in Return for Soft Dollars**

We do not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

## **Brokerage for Client Referrals**

---

Our firm does not receive brokerage for client referrals.

## **Directed Brokerage**

---

Neither we nor any of our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. We routinely recommend that a client directs us to execute through a specified broker-dealer. Our firm recommends the use of Schwab. Each client will be required to establish their account(s) with Schwab if not already done. Please note that not all advisers have this requirement.

## **Permissibility of Client-Directed Brokerage**

---

We do not allow client-directed brokerage outside our custodial recommendations.

## **Special Considerations for ERISA Clients**

---

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

## **Aggregation of Purchase or Sale**

---

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## **Item 13: Review of Accounts or Financial Plans**

We review accounts on at least a quarterly basis for our clients subscribing to our Asset Management, Comprehensive Portfolio Management, and SMA services. The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on

at least an annual basis when we contact clients who subscribe to our Asset Management, Comprehensive Portfolio Management, Portfolio Monitoring and SMA services.

Mr. Richardson will conduct reviews. We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Pension Consulting clients receive reviews of their pension plans for the duration of the pension consulting service. We also provide ongoing services to Pension Consulting clients where we meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Pension Consulting clients do not receive written or verbal updated reports regarding their pension plans unless they choose to contract with us for ongoing Pension Consulting services.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

## **Item 14: Client Referrals & Other Compensation**

### **Charles Schwab & Co., Inc. & Fidelity Brokerage Services LLC**

---

We receive an economic benefit from our chosen custodians in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab and Fidelity. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability to us of these products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

#### **Referral Fees**

---

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

## **Item 15: Custody**

We do not have custody of client funds or securities. State Securities Bureaus, or their equivalents, generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities. As such, we have adopted the following safeguarding procedures:

1. Our clients must provide us with written authorization permitting direct payment to us of our advisory fees from their account(s) maintained by a custodian who is independent of our firm;



2. We must send a statement to our clients showing the amount of our fee, the value of your assets upon which our fee was based, and the specific manner in which our fee was calculated;
3. We must disclose to you that it is your responsibility to verify the accuracy of our fee calculation, and that the custodian will not determine whether the fee is properly calculated; and
4. Your account custodian must agree to send you a statement, at least quarterly, showing all disbursements from your account, including advisory fees.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

### **Item 16: Investment Discretion**

Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, we are authorized to execute securities transactions, which securities are bought and sold, the total amount to be bought and sold, and the costs at which the transactions will be effected. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

### **Item 17: Voting Client Securities**

We do not accept proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

### **Item 18: Financial Information**

We are not required to provide financial information in this Brochure because we do not require the prepayment of more than \$500 in fees and six or more months in advance, we do not take custody of client funds or securities, and we do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.

### **Item 19: Requirements For State Registered-Advisers**

**Neville E. Richardson, Jr. | Year of Birth: 1971**

**Educational Background:**

- 1999: Howard University; Bachelor of Science in International Business & Finance

**Business Background:**

- 10/2014 – Present Alpha Private Wealth Advisors LLC; Managing Member, Chief Compliance Officer & Investment Advisor
- 09/2013 – 10/2014 Southwest Securities, Inc; Vice President & Financial Advisor
- 09/2009 – 09/2013 Bank of America; Investment Advisor
- 07/2005 – 09/2013 Merrill Lynch, Pierce, Fenner & Smith, Inc; Financial Advisor
- 10/2004 – 07/2005 Wells Fargo Investments, LLC; Licensed Banker

**Exams, Licenses & Other Professional Designations:**

- 2000: Series 7 Exam
- 2001: Series 24, 55 & 63 Exams
- 2005: Series 66 Exam
- 2011: CA Insurance Licensed - Life, Accident & Health and Variable Contracts (#0E53282)
- 2011: Chartered Retirement Planning Counselor (CRPC®)
- 2012: Chartered Retirement Plans Specialist (CRPS®)
- 2014: Certified Investment Management Analyst (CIMA)

Please see Item 10 of this Firm Brochure for any other business in which we are actively engaged. Our firm does not charge performance-based fees. Our firm and management persons have not been involved in any arbitration awards, found liable in any civil, self-regulatory organization or administrative proceedings or have any relationships with issuers or securities apart from what is disclosed above.

Our firm does not have compensation arrangements connected with advisory services which are in addition to our advisory fees. Our management persons and representatives do not engage in other financial industry activities or affiliations. As a fiduciary, we always put our Client's interest above our own. Information regarding participation of interest in client transactions can be found in our Code of Ethics as well as Item 11 of this Brochure.