



AlphaCore Capital LLC

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Date of Disclosure Brochure: October 17, 2019

This disclosure brochure provides information about the qualifications and business practices of AlphaCore Capital LLC (also referred to as we, us and AlphaCore throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Tricia Zehr at 858-875-4100 or tzehr@alphacorecap.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about AlphaCore is also available on the Internet at www.adviserinfo.sec.gov. You can view AlphaCore's information on this website by searching for AlphaCore Capital LLC or AlphaCore's CRD number 174346. Registration as an investment adviser does not imply a certain level of skill or training.

Item 2 – Material Changes

AlphaCore's annual amendment to Form ADV Part 2A was dated March 29, 2019. This disclosure brochure will be updated annually or when material changes occur since the previous release.

The following is a summary of the changes made to the brochure since the annual amendment:

Item 1 (cover page): A new alternate office location was added on October 17, 2019, due to the hiring of two additional investment adviser representatives located at that location. The representatives are supervised from the main office location in La Jolla.

Item 4 – Advisory Business: Assets under management, and assets under advisement were updated on October 17, 2019. This update to assets under management is due to the integration of registered investment adviser representatives located at the additional alternate office location. Added the disclosure of an unregistered affiliate, AlphaCore Services, Inc.

Item 5 – Fees and Compensation: Disclosure of compensation related to outside insurance activities was added on October 17, 2019 for Kirk Strawn, due to his effective registration as an insurance agent.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss: Updated as of October 17, 2019 to reflect a strategy offered by the additional registered investment adviser representatives.

Item 10 – Other Financial Industry Activities and Affiliations: Conflicts of interest related to outside business activities was added for Kirk Strawn on October 17, 2019.

AlphaCore encourages each client to read the brochure carefully and contact us with any questions.

Pursuant to SEC Rules, AlphaCore will ensure that clients receive a summary of any materials changes to this disclosure brochure within 120 days of the close of our fiscal year, along with a copy of this disclosure brochure, or an offer to provide the brochure. Additionally, as we experience material changes in the future, we will send clients a summary of our "Material Changes" under separate cover.

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Item 4 – Advisory Business

AlphaCore Capital LLC (“AlphaCore”), which may do business as AlphaCore Wealth Advisory, is an investment adviser registered with the Securities and Exchange Commission (“SEC”) since September 28, 2016 and is a limited liability company formed under the laws of the State of Delaware. AlphaCore has been in business as an investment adviser since February of 2015.

Richard “Dick” Pfister is the CEO and President, Managing Member and majority owner of AlphaCore. Mr. Pfister acts in a general supervisory capacity, including oversight of AlphaCore’s CCO, and general supervision of sales activities of AlphaCore’s investment adviser representatives. Mr. Pfister is also Founder and Manager of AlphaCore Technologies LLC, which is a majority owned subsidiary of AlphaCore. AlphaCore Technologies is a “wealthtech” company, which provides risk analytics software to institutional investors. AlphaCore Technologies commenced operations in March 2018. Mr. Pfister is also President of AlphaCore Services, Inc., an affiliated servicing company that is not registered in any capacity. Full details of the education and business background of Dick Pfister are provided in his Form ADV Part 2B, which is delivered to new clients, upon material revision, or upon request.

Description of Advisory Services

AlphaCore provides asset management and financial planning services to individuals, high net worth clients, charitable organizations, one or more registered investment companies (mutual funds), and other investment advisers.

The following are descriptions of the primary advisory services of AlphaCore. At the beginning of the client relationship, a written agreement, which details the exact terms of the service, must be signed by each client and AlphaCore before we can provide any advisory services.

Asset Management Services

AlphaCore offers asset management services, which involves AlphaCore providing continuous and ongoing supervision over the assets in our clients’ advisory accounts.

AlphaCore generally manages all client assets on a fully discretionary basis, but will provide non-discretionary management under certain circumstances. Please refer to *Item 16* for further information regarding our discretionary authority.

Clients managed accounts are held by qualified custodian(s) under the name of each client. The qualified custodians maintain physical custody of all funds and securities in client accounts, and clients retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the assets in their account(s)).

Accounts are managed by us based on each client’s financial situation, investment objectives and risk tolerance.

At the beginning of the relationship, we obtain certain information from each client to determine their financial situation and investment objectives, along with any investment restrictions. AlphaCore does not assume any responsibility for the accuracy of the information provided by clients and we are not obligated to verify the information received. We rely upon the information when managing our clients’ assets and clients are responsible for notifying us of any updates or changes to this information. However, as part of our services, we periodically contact clients to determine if any changes or updates regarding their financial situation, risk tolerance or investment objectives has occurred. We are always reasonably available to consult with clients regarding the status of the investments in their managed account(s). Clients have the

ability to impose reasonable restrictions on the management of the assets in their accounts, including the ability to instruct us not to purchase certain securities.

In the event that a client notifies AlphaCore of changes in the client's financial circumstances or objectives, AlphaCore will review such changes and recommend and/or make any necessary revisions to the client's portfolio to bring it in line with the changes. Investment adviser representatives will generally meet with clients no less than annually to review the client's investment goals and current advisory portfolios. Representatives are also available during normal business hours to consult with clients.

It is important to understand that we manage investments for a number of clients, and may give advice or take actions for certain clients that is different from the advice we provide to other clients. We are not obligated to buy, sell or recommend to a client any security or other investment that we may buy, sell or recommend for any other clients, or for our own accounts.

Conflicts of interest may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for our clients equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

Recommendation of Unaffiliated Sub-Advisers: As part of our Asset Management Services, we may select one or more unaffiliated, third-party investment advisers to serve as "Sub-Advisers" to manage a portion of a client's assets. Fees assessed by Sub-Advisers are separate and in addition to the advisory fees we charge. AlphaCore performs due diligence on each Sub-Adviser and confirms, among other things, that each Sub-Adviser is properly registered as an investment adviser with the appropriate regulator. The decision to use a Sub-Adviser is always based on each client's individual needs and is predicated upon a strategy offered or available by a Sub-Adviser is in the best interests of our clients. Clients will be provided a copy of the applicable Sub-Adviser's Form ADV Part 2A Disclosure Brochure and Form ADV Part 2B Supplemental Brochure(s) at or before a Sub-Adviser is hired to manage a client's assets.

Selected Sub-Advisers will provide ongoing discretionary investment management services and trading authority over a client's designated assets. This means they can decide what securities to purchase and sell with the designated assets without first discussing with the client and where and when to place the transactions.

We are always available to answer questions clients may have regarding their assets managed by the Sub-Adviser(s) and usually act as the communication conduit between the clients and the Sub-Advisers.

Financial Planning Services

In connection with our Asset Management Services, we provide financial planning services to clients in collaboration with our client's other consultants and advisors. Such services involve preparing a written financial plan covering specific or multiple topics, which usually takes between 1 to 4 hours to complete. Topics that we may discuss and include in a client's financial plan, depending on a client's needs, which may include the following:

Retirement Planning– This involves advice with respect to alternatives and techniques for accumulating wealth for retirement income or advice relative to appropriate distributions of assets following retirement. Tax implications and consequences are identified and evaluated in general terms.

Education Planning – AlphaCore's financial planning services may include advice on projecting required savings or investing objectives to meet general or specific future educational needs.

Tax Planning—Our firm may offer advice as to how tax laws may affect various financial decisions, e.g. acquisitions, pension strategy, investing in new opportunities or consolidation of existing investments, and individual taxation issues, among others.

Investment Consulting and Asset Allocation – This involves advice with respect to asset selection and allocation, as well as investment income accumulation techniques. Evaluations are made of existing and, when applicable, potential investments in terms of their economic and tax characteristics as well as their suitability for meeting client's objectives. Tax consequences and their implications are identified and evaluated in general terms.

Risk Management and Insurance Analysis – This includes risk management associated with advisory recommendations based on the combination of insurance types that best meet a client's specific needs, e.g. life, health, disability, and long-term care, and others as appropriate.

The preceding is not intended to be an exhaustive list of the topics we may include in a financial plan. We may or may not include additional areas of focus depending on a client's needs.

When providing financial planning services, the role of the investment adviser representative is to find ways to help a client understand their overall financial situation and help set financial objectives. Clients should be aware that there are important issues that may not be taken into consideration when an investment adviser representative develops his or her analysis and recommendations under a limited or modular financial plan.

Clients have the sole responsibility for determining whether to implement our financial planning recommendations. Clients are under no obligation to act upon our financial planning recommendations. If a client does act upon our recommendations, the client is under no obligation to effect transactions through AlphaCore. AlphaCore encourages clients to consult their other advisors, such as their attorneys or tax professionals regarding their specific legal or tax circumstances and plans.

Institutional Sub-Adviser Services

AlphaCore makes available its investment strategies to institutional advisers through various platforms. The institutional advisers provide the relationship management portion of the service and recommends our strategy to their clients. The institutional advisers ultimately have the fiduciary duty to these clients to ensure that the strategy is suitable for their clients' portfolios.

Institutional Consulting Services

AlphaCore may provide certain institutional consulting services such as product or manager due diligence services, or asset allocation services for a negotiated flat fee. AlphaCore does not currently provide flat fee services to individual investors.

Institutional Model Portfolio Subscription Service

AlphaCore offers subscription services allowing institutions and other clients to utilize AlphaCore's proprietary strategies. These strategies are designed to satisfy a gradient of standard risk/return assumptions as determined by AlphaCore. These services constitute impersonal advisory services, and are not designed to meet the investment objectives of an individual client. The subscribing institutional clients ultimately have the fiduciary duty to their clients to ensure that the strategy is suitable, if utilized for management of their clients' portfolios.

Advisory Services to Registered Investment Companies

AlphaCore provides investment management services to one or more investment companies registered under the Investment Company Act of 1940, including Core Market Neutral Fund (formerly known as AlphaCore Statistical Arbitrage Fund, and collectively the “AlphaCore Funds”). AlphaCore manages the AlphaCore Funds’ portfolio assets based on the Funds’ specific investment objectives and restrictions, as outlined in each of the AlphaCore Funds’ prospectus and statement of additional information. Please refer to prospectus of the AlphaCore Funds for a complete description of the investment objective and risks pertaining to the AlphaCore Funds.

Advice to Certain Types of Investments

While we do not limit advice to specific types of investments, we specialize in “alternative” investing strategies which we define as non-correlated with traditional markets or indices. Alternative investment managers can invest long or short, across multiple asset classes, aren’t constrained to an investment style, and aren’t entirely dependent on the markets going up to achieve positive results.

AlphaCore may provide investment advice on the following types of investments:

- Alternative Mutual Funds
- Traditional Mutual Funds
- Exchange Traded Funds (“ETFs”)
- Exchange-listed Securities
- Closed-End Funds
- Corporate Debt Securities
- Commercial Paper
- Municipal Securities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests
- Hedge Funds (including Limited Partnerships)
- Private Equity investment opportunities
- Private Real Estate
- Exchange Traded Options
- Over the Counter Derivatives such as Options and Swaps

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client’s specific circumstances, needs, goals and objectives.

Please refer to *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information.

Tailor Advisory Services to Individual Needs of Clients

AlphaCore’s advisory services are always provided based on a client’s individual needs. This means, for example, that when we provide asset management services, clients are given the ability to impose restrictions on the accounts we manage, including specific investment selections and sectors. Our financial planning services are always provided based on a client’s individual needs. When providing financial planning services, we work with each client on a one-on-one basis through interviews and questionnaires to determine their investment objectives and suitability information.

We may elect to not enter into an investment advisory relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Participation in Wrap Fee Programs

We do not offer or participate in wrap-fee programs.

Client Assets Managed by AlphaCore

AlphaCore manages \$395,415,563, with \$390,430,743 managed on a discretionary basis, and \$4,984,820 managed on a non-discretionary basis as of September 30, 2019.

The Adviser has a total of \$430,003,942 under advisement as of September 30, 2019.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding AlphaCore's services along with descriptions of each service's fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the advisory agreement between the client and AlphaCore.

Asset Management Services and Financial Planning Services

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance on a quarterly calendar basis, and calculated based on the fair market value of a client's account as of the last business day of the previous billing period. For actively managed accounts, we generally bill on cash balances, as well as agreed margin balances. For clients that hold privately offered securities which may have a delay in final month or quarter end valuations, the most current market value will be used for advance billing purposes. AlphaCore will ensure the value used is current as of the prior billing quarter (e.g., the value must be no older than April 30 for advance third quarter billing, which utilizes June 30 values).

We generally do not charge separately or impose additional fees for our financial planning services. These financial planning services are covered by the asset management fees. Some clients may negotiate a fixed fee for financial planning and investment recommendations on assets that aren't subject to an advisory fee. If this occurs, clients will execute a specific agreement for such services.

Fees are pro-rated (based on the number of days service is provided during the initial billing period) when accounts are opened at any time other than the beginning of the billing period. If asset management services commence in the middle of the billing period, then the pro-rated fee for that billing period will commence when new accounts are fully funded, will be based on the value of the account on the start date, and will be combined and due (deducted or billed) with the next quarterly advance billing cycle (i.e., an account that commences trading in December will be assessed per diem for the remaining portion of the fourth quarter, and this pro-rated new account billing will be added to the advance billing for the first quarter's advance billing).

The asset management services continue in effect until terminated. Clients may terminate the services by providing AlphaCore with written notice. AlphaCore may terminate the services by providing clients with written notice, effective 30 days after receipt of the written notice. Any prepaid, unearned fees will be refunded by AlphaCore to the client with the next quarter's billing cycle. Fee refunds will be determined on a pro-rata basis using the number of days services are actually provided during the final period.

The following is our current standard fee schedule:

<u>Assets under Management</u>	<u>Annual Fees</u>
\$0 to \$1,250,000	1.50%
\$1,250,001 to \$5,000,000	1.00%
\$5,000,001 to \$10,000,000	0.75%
\$10,000,001 and above	0.50%

Tiered-Blended Pricing Schedule: The standard fee schedule utilizes a blending of the rates above. As an example, a client with \$7,000,000 of assets under management with AlphaCore would pay 1.50% annually on the first \$1,250,000; 1.00% on managed assets over \$1,250,000 up to \$5,000,000; and 0.75% on managed assets over \$5,000,000 up to \$10,000,000. The resulting blended fee would be approximately 1.02%.

Fees charged for our asset management services are negotiable based on a variety of factors, including but not limited to the type of client, the complexity of the client's situation, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the family or larger relationship. Please note, while not our standard fee schedule, some clients may negotiate a fixed percentage fee (e.g., 1.0% per year), or a flat annual fee. In the event a flat annual fee is negotiated, the fee will not exceed 1.50% based on the assets under advisement.

While we do not require a minimum account size, we do reserve the right to not accept any potential client, or terminate any current client at our sole discretion.

Please be advised certain AlphaCore clients are subject to a lower fee schedule. In addition, this fee schedule represents the fees charged solely by AlphaCore, and does not include the fees charged by Sub-Advisers selected by AlphaCore to manage clients' accounts, when applicable. Fees assessed by Sub-Advisers are separate and in addition to the advisory fees we charge. We strive to ensure that the fees charged separately by the Sub-Advisers and also the fees charged by both AlphaCore and the Sub-Advisers are reasonable in light of the services being provided. Sub-Advisers are responsible for calculating and billing their fees. A description of each Sub-Adviser's fees and billing practices are outlined in their respective Form ADV Part 2A, which is provided to each applicable client. Please also refer to "Other Fees and Expenses" below for further information on third party fees.

AlphaCore believes that its annual fee is reasonable in relation to the services provided, and the fees charged by other investment advisers offering similar services/programs. Our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs.

In addition to our compensation, clients may also be subject to imbedded fees and expenses, such as mutual fund advisory fees and fund expenses such as brokerage, administrative, legal, and other expenses. The advice provided by AlphaCore may include recommendations to sell, hold, or purchase unaffiliated mutual funds, and/or AlphaCore Funds. While the purchase of the AlphaCore Funds won't be subject to a load or sales charge, mutual funds, including the AlphaCore Funds, incur advisory, administrative, and custodial fees, as well as other fees and expenses that it pays out of its own assets. The advisory, administrative, custodial, and other costs make up the mutual funds' respective expense ratio. With respect to the AlphaCore Funds, other than the annual advisory fee, none of the fees or expenses paid by the AlphaCore Funds are received by AlphaCore. Please refer to each of the AlphaCore Fund's prospectus and statement of additional information for details on all fees and expenses, as well as the "Fee Leveling on Affiliated Mutual Funds" section below

AlphaCore typically deducts the investment advisory fees a client's account, and these fees paid directly to AlphaCore by the client's qualified custodian(s). A client may elect to pay AlphaCore upon receipt of a billing notice sent directly to the client. For client's that choose to have the investment advisory fees deducted from their account, the client must provide the qualified custodian(s) of their account with authority to deduct

fees and pay such fees directly to AlphaCore. This authorization is contained in the client agreement entered into with AlphaCore, when clients select this method of payment. If a client chooses to directly pay the advisory fees, fees will be due upon receipt of a billing statement. Such billing statements will detail the fee schedule used to calculate the fee, the assets under management, and the time period covered.

Clients will receive a statement from their qualified custodian no less than on a quarterly basis detailing all account transactions, including amounts paid to AlphaCore. We will make a billing statement available to clients upon request. **Clients should review their account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. AlphaCore calculates Client's advisory fees due, and the client's custodian(s) will not verify the accuracy of the investment advisory fees deducted.**

"Fee Leveling" on Affiliated Mutual Funds

If an investment in to one or more of the AlphaCore Funds is deemed appropriate for a client, or the client directs AlphaCore to make an investment in an AlphaCore Fund, it will result in the payment of advisory fees to AlphaCore, by the AlphaCore Funds. If an asset management client invests in one or more AlphaCore Fund(s) with assets subject to an asset management advisory fee, the advisory fee charged on the portion of a client's account assets invested in the AlphaCore Funds will be reduced by a credit equivalent to the advisory fee charged by the AlphaCore Funds, estimated on the duration of investment in the AlphaCore Fund(s). This fee reduction will be in the form of a credit applied to the advance fees in the next billing cycle. In the event a credit exceeds the advisory fees due in advance for any given quarter, AlphaCore will generate a rebate of the credit due, and rebate via the custodian, or remit a check to the client if necessary.

Schwab Advisor Network®

AlphaCore may receive client referrals from Charles Schwab & Co., Inc. ("Schwab") through AlphaCore's participation in Schwab Advisor Network® ("the Service"). The Service is designed to help investors find an independent investment adviser. Schwab is a broker-dealer independent of and unaffiliated with AlphaCore. Please note Schwab does not supervise AlphaCore, and has no responsibility for AlphaCore's management of clients' portfolios, other advice or services.

In the event AlphaCore provides advisory services to a client referred to it by Schwab, AlphaCore will pay Schwab fees to receive client referrals through the Service. AlphaCore's participation in the Service may raise potential conflicts of interest described herein.

AlphaCore will pay Schwab a participation fee on all referred clients' accounts that are maintained in custody at Schwab, and a Non-Schwab custody fee on all accounts that are maintained at, or transferred to, another custodian. Subject to certain exceptions, the participation fee paid by AlphaCore a percentage of the average daily total assets during the quarter in all referred client accounts maintained at Schwab. AlphaCore pays Schwab the participation fee for so long as the referred client's account remains in custody at Schwab. The participation fee is billed to AlphaCore quarterly and may be increased, decreased or waived by Schwab from time to time. **The participation fee is paid by AlphaCore, not by the client, and does not increase the fees a client will pay.** AlphaCore has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs AlphaCore charges clients with similar portfolios who were not referred through the Service.

AlphaCore generally pays Schwab a non-Schwab custody fee if custody of a referred client's account is not maintained with Schwab. The non-Schwab custody fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The non-Schwab custody fee is higher than the participation fees AlphaCore would generally pay in a single year. Thus, AlphaCore has an incentive to recommend that client accounts be held in custody at Schwab.

Please also refer to *Item 14* for the disclosure of potential conflicts of interest.

Institutional Sub-Advisory Services

Fees charged for our sub-advisory services are negotiable, billed quarterly in advance, based on the fair market value of sub-advisory assets in the account on the last day of previous billing period. For actively managed accounts, we generally bill on cash balances, as well as agreed margin balances. Fees charged for our institutional sub-advisory services are negotiable based on a variety of factors, including but not limited to the relationship of the client with AlphaCore, and the total amount of assets under management for the client. If sub-advisory services commence in the middle of the billing period, then the pro-rated fee for that billing period will commence when new accounts are funded, will be based on the value of the account on the start date, and will be combined and due (deducted or billed) with the next quarterly advance billing cycle (i.e., an account that commences trading in December will be assessed per diem for the remaining portion of the fourth quarter, and this pro-rated new account billing will be added to the advance billing for the first quarter billing).

The following is our standard fee schedule:

<u>Assets under Management</u>	<u>Annual Fees</u>
\$1,000,000 to \$5,000,000	0.65%*
\$5,000,001 to \$10,000,000	0.50%
\$10,000,001 and above	0.35%

**A minimum quarterly fee of \$1,250 is applicable to advisor relationships utilizing the Sub-Advisory Service. The minimum fee can be lowered and/or waived at the sole discretion of AlphaCore.*

Tiered-Blended Pricing Schedule: The standard fee schedule utilizes a blending of the rates above. As an example, an advisory relationship with \$6,000,000 of assets under management with AlphaCore would pay 0.65% annually on the first \$5,000,000, 0.50% on the next \$1,000,000. The resulting blended fee would be 0.55% per annum.

AlphaCore's strategies may be available on various platforms in which other investment advisers and/or other institutional investors may subscribe to receive AlphaCore's portfolio research and allocations. These platforms may be limited information access, or may be a turnkey asset management program which provide brokerage and execution. While AlphaCore is compensated for participating in these platforms, generally ranging from 0.15% to 0.65%, AlphaCore is not responsible for setting the fees paid by the participating investment advisers or other institutional investors.

Institutional Consulting Services

AlphaCore may provide certain institutional consulting services for a negotiated flat fee. These fees are negotiated based on the scope of services with each institution, but are generally charged as a one-time fee, but may be on a quarterly basis dependent on the requested services. AlphaCore does not currently offer flat fee consulting or services to non-institutional clients.

Institutional Model Portfolio & Research Subscription Service

Fees charged for our subscription services are negotiable, billed quarterly in arrears, and based on the complexity of the support services provided, and the nature of the relationship of the client with AlphaCore. Institutional investors will be charged a flat annual fee of up to 0.50%* of the daily net assets of subscriber's assets under management invested in the models, and as reported by the subscriber. AlphaCore may agree to a negotiated flat fee for its subscription services. Fees will be due within 10 days of each quarter's end. In the event of the termination of subscription services, the applicable fees shall be paid until the earlier of either AlphaCore releasing a revised model portfolio, or the adviser reallocating client assets away from the AlphaCore model portfolio.

**A minimum quarterly fee of \$6,250 is applicable to institutional relationships utilizing the Model Portfolio & Research Subscription Service. The minimum fee can be lowered and/or waived at the sole discretion of AlphaCore.*

AlphaCore Funds' Fees

AlphaCore is paid by the AlphaCore Funds an annual advisory management fee of 0.99% from Core Market Neutral Fund. The fee is calculated by the AlphaCore Funds' administrator monthly and is based on the average daily net assets of the AlphaCore Funds. Detailed management fee and related expense information are contained in the prospectus and statement of additional information for each of the AlphaCore Funds, which should be read carefully before investing. No performance fees are charged to the AlphaCore Funds.

If an asset management client invests in the AlphaCore Funds with assets subject to an advisory fee, the advisory fee charged on the portion of a client's account assets invested in the AlphaCore Fund will be reduced by a credit equivalent to the advisory fee charged by the AlphaCore Funds, and paid to AlphaCore, estimated on the duration of investment in the AlphaCore Fund(s). See the *"Fee Leveling" on Affiliated Mutual Funds* section above for additional details. The client will be subject to the fees and charges applicable to all shareholders of the AlphaCore Funds, which includes the advisory fee paid to AlphaCore. Please refer to the AlphaCore Funds' prospectus and statement of additional information for details on all fees and expenses.

Other Fees and Expenses

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to the client by the qualified custodian and are in addition to the advisory fees paid. These may include account and custody fees (including higher custodial fees for private placement securities), transaction charges, short term redemption fees, and others. AlphaCore does not participate in any of these fees, but please note charges may vary among custodians. The Client may incur transaction charges from the custodian calculated on a per trade basis (transaction based pricing), or based on assets under management (asset based pricing). AlphaCore does not receive any portion of such commissions or transaction fees paid to qualified custodians. In certain circumstances, AlphaCore may deem it in the client's best interest, or AlphaCore's clients may elect, to participate in asset based pricing rather than transaction based pricing. AlphaCore will complete and/or assist with an evaluation of account and asset characteristics to elect the most appropriate option. At any given time, a Client may incur more or less in transaction charges depending on the pricing selection, due to varying and fluctuating factors such as assets under management, minimum fees imposed, trading maximums, and trading frequency.

In addition, clients will incur certain charges imposed by third parties other than AlphaCore in connection with investments made through client's account including, but not limited to, mutual fund fees and expense (which may include redemptions fees), sales loads, 12b-1 fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s). Other than the advisory fee charged by the AlphaCore Funds, the management fees charged by AlphaCore are separate and distinct from the fees and expenses charged by investment company securities (e.g. internal mutual fund expenses) that may be recommended to clients or invested in clients' accounts by AlphaCore. Other than the advisory fee charged in an AlphaCore Fund (and subject to AlphaCore's internal "fee levelling" policy), AlphaCore does not share or participate in any of these fees or expenses. AlphaCore endeavors to select the most appropriate mutual fund share class for our clients, based on various factors including account size, anticipated holding period, and turnover. AlphaCore generally utilizes an advisory or institutional share class option. A description of these fees and expenses are available in each mutual fund's prospectus.

Additional Compensation Received by Investment Adviser Representatives

Mr. Marc Seward and Mr. Kirk Strawn serve as investment adviser representatives of AlphaCore, and are also registered insurance agents. In this capacity, Mr. Seward or Mr. Strawn may recommend from time to time various insurance products to AlphaCore clients. Should a client elect to purchase the recommended insurance product(s), they will receive commissions depending on the insurance product.

The receipt of additional compensation creates an inherent conflict of interest, and could affect the judgment of Mr. Seward or Mr. Strawn when making recommendations. The conflict is due to the fact that they have

an incentive to make recommendations based on the compensation they could receive rather than on a client's needs. AlphaCore and its investment adviser representatives endeavor at all times to put the interests of the clients first, and recommendations only will be made to the extent that they reasonably believed to be in the best interests of the clients. Also, this conflict is disclosed to AlphaCore clients at the time of entering into an advisory agreement, mainly through the delivery of this Disclosure Brochure (ADV Part 2A) and the investment adviser representative's Form ADV Part 2B Supplement Brochure. Clients are not obligated to implement insurance recommendations made by Mr. Seward or Mr. Strawn and have the option to purchase any recommended insurance products through other non-affiliated insurance agents.

Additionally, AlphaCore may enter into arrangements whereby it pays a portion of ongoing advisory fees to retired or terminated investment adviser representatives as part of a severance or other plan. These arrangements do not increase the fees paid by AlphaCore Clients.

AlphaCore Technologies LLC is a majority owned subsidiary of AlphaCore, and is a "wealthtech" company, which provides risk analytics software to institutional investors. AlphaCore Technologies commenced operations in March 2018. As Founder and Manager of AlphaCore Technologies, Mr. Pfister will share in the profits of its operations, and certain employees may provide marketing, sales and other support for AlphaCore Technologies which would result in direct or indirect compensation for these services. Specifics on future compensation will be disclosed in any investment adviser representative's Brochure Supplement, as applicable.

Please refer to *Item 10* for additional information regarding the financial industry affiliations of AlphaCore and its investment adviser representatives.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. AlphaCore does not charge or accept performance-based fees.

Item 7 – Types of Clients

AlphaCore generally provides investment advice to high net-worth individuals, registered investment advisers, banks and trusts, small companies, and charitable organizations, and may provide investment advice to non-high net worth individuals. Additionally, we provide investment management services to one or more registered investment company(ies).

Clients are required to execute a written advisory agreement with AlphaCore prior to AlphaCore providing advisory services.

Minimum Investment Amounts Required

AlphaCore does not generally impose a minimum investment amount on our asset management services, though we do reserve the right to not accept any potential client, or terminate any current client at our sole discretion. AlphaCore may impose a minimum annual fee for its institutional sub-advisory services, and its institutional model portfolio & research subscription service. See *Item 5 – Fees and Compensation*.

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

Methods of Analysis

AlphaCore utilizes a variety of methods to analyze securities and sub-advisers when formulating customized client investment advice.

Charting: In this type of technical analysis, our firm reviews charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Cyclical Analysis: Statistical analysis of specific events occurring at a sufficient number of relatively predictable intervals that they can be forecasted into the future. Cyclical analysis asserts that cyclical forces drive price movements in the financial markets. Risks include that cycles may invert or disappear and there is no expectation that this type of analysis will pinpoint turning points, instead be used in conjunction with other methods of analysis.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security. Fundamental analysis may also involve such qualitative factors like company management, evaluating key stakeholders, or subjective review of a company's ability to provide positive economic value.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Qualitative Macro – Macro analysis involves the review of historical relative performance of various risk factors including but not limited to equity risk, interest rate risk, credit risk, commodity risk and shock risk potential. By incorporating a review of these factors and how they relate to the current market environment we can provide a framework for an allocation process that has the potential to provide superior risk adjusted returns for our clients.

Risks associated with qualitative macro analysis involve the subjectivity of the interpretation of the data itself. Even if the various risks described above are evaluated, there is no guarantee those risk factors will necessarily provide positive returns. In fact, they may contribute to potential loss.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative

degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security. In addition, 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.

Manager Due Diligence Process - AlphaCore may deliver an investment exposure to various assets and strategies by investing client accounts in a fund vehicle, which include but are not limited to traditional and alternative mutual funds, exchange traded funds, and other registered and unregistered funds such as real estate investment trusts and hedge funds.

The investment review process for manager selection involves both a qualitative and quantitative assessment of their strategy and personnel. Qualitative aspects of the research process may include onsite due diligence meetings, a series of calls with the investment team, review of the overall investment company/firm, and assess of the overall consistency and ability of a manager to execute on their stated investment strategy.

The quantitative review process is intended to complement qualitative analysis. Quantitatively driven analysis may help monitor manager performance, measure and help frame the consistency of their returns, and help in better understanding the manager's source of risks being taken in their investment strategy.

Risks associated with manager selection may include, but are not limited to style drift, underlying liquidity issues, and personnel turnover/keyman risks.

Investment Strategies

AlphaCore creates investment portfolios based on the investment objectives, risk tolerance and individual financial issues of each client. AlphaCore's investment strategies consider the clients' short and long term financial objectives, retirement horizon, liquidity needs and tolerance for risk. AlphaCore periodically reviews changes in clients' needs, as well as economic and market conditions. When recommending any investment, AlphaCore is sensitive to expenses and fees as they relate to added value and return.

AlphaCore primarily focuses on long-term investment strategies (i.e. investments held for an entire market cycle). More specifically, the AlphaCore model portfolio emphasizes alternative investments (alpha) as the central allocation to provide positive risk adjusted returns while complementing these allocations with traditional stocks and bonds (beta) to finalize the diversification of our client's entire portfolio.

The strategies and asset classes that AlphaCore may trade are a significant portion of the global investment universe. AlphaCore may invest directly in these strategies and asset classes, or AlphaCore may invest in funds or partnerships that allocate to these strategies and asset classes.

In addition, for certain clients, AlphaCore may deploy a more technical, tactical asset allocation, strategy executed primarily through the purchase and sale of exchange traded funds. This strategy may include long term and short term purchase strategies. When utilizing a long term purchase 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 advantage 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. Inversely, when deploying a short term 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.

Instruments Traded

AlphaCore may take long positions or short positions in these asset classes:

Alternatives - AlphaCore attempts to provide clients with portfolio diversification through a variety of asset classes that may offer returns not highly correlated with US or foreign stocks, bonds or hard assets. These may include securities focused in managed futures, merger arbitrage, long-short equity, long-short credit, global macro, specialty strategies, equity market neutral, interest rate hedges and diversified strategies which may include relative value, event-driven, directional, pairs trading, multi-strategy and multi-manager strategies.

Bonds - There is a wide variety of bond categories that AlphaCore may recommend at various times:

- US Government, TIPS, municipals, floating rate, adjustable agency, mortgage-backed, convertible,
- asset-backed, corporate, foreign;
- From high quality and investment grade to high yield and distressed;
- Durations may include ultra-short, short, intermediate and long term bonds;
 - Individual bonds may be ladder, actively managed in a Separately Managed Account ("SMA"), mutual fund structure, and/or fixed income investments may also include index funds, exchange traded funds ("ETFs"), and exchange traded notes ("ETNs").

Cash and Cash-Equivalents - These are short-term in nature and are set aside for future cash needs and for ultra-conservative allocations. These may include money market funds, certificates of deposit, commercial paper and treasury bills.

Derivatives – May include options contracts on indices, equities, fixed income securities or futures contracts, futures contracts, and swaps.

Equities - AlphaCore invests in the full spectrum of equities including individual stocks, exchange traded funds, index and actively managed mutual funds. US stocks are diversified by style and size of companies, as well as management methodology. Foreign stocks include both developed and emerging markets and, at times, with currency hedges in place.

Hard Assets - Hard assets may benefit from rising prices and may perform better in an inflationary environment. AlphaCore may utilize securities investing in hard assets to further diversify portfolios and as an inflation hedge. Categories may include:

- Diversified commodities indexes;
- ETFs whose underlying holdings are futures on hard assets or hard assets themselves;
- ETFs whose underlying holdings are companies that are in the upstream, midstream or downstream vertical of a particular category of hard assets;
- Futures contracts related to commodities indices or individual commodities;
- Actively managed companies that produce or distribute commodities;
- Hard assets may be in individual holdings or holdings in actively managed mutual funds, Master Limited Partnerships ("MLPs"), exchange traded fund, and/or exchange traded notes; and
- Real Estate Investment Trusts ("REITs").

Risk of Loss

Alternative Investing - Hedge funds, commodity pools and other alternative investments involve a high degree of risk and can be illiquid due to restrictions on transfer and lack of a secondary trading market. They can be highly leveraged, speculative and volatile, and an investor could lose all or a substantial

amount of an investment. Alternative investments may lack transparency as to share price, valuation and portfolio holdings. Complex tax structures often result in delayed tax reporting. Compared to mutual funds, hedge funds and commodity pools are subject to less regulation and often charge higher fees. Mutual funds involve risk including possible loss of principal. Alternative investment managers typically exercise broad investment discretion and may apply similar strategies across multiple investment vehicles, resulting in less diversification.

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

Derivatives Risk - There are risks associated with transacting in derivatives. Using derivatives creates leverage, which can magnify Client's potential for gain or loss and, therefore, amplify the effects of market volatility and may fluctuate greatly over short periods. A buyer of a put or call option risks losing the entire premium invested in the option if a Client does not exercise the option. Use of swaps or other over the counter derivatives involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include (i) the risk that the counterparty to a derivative transaction may not fulfill its contractual obligations; (ii) risk of mispricing or improper valuation; and (iii) the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index.

ETF and Mutual Fund Risk – When investing in a an ETF or mutual fund, a client will bear additional expenses based on the client's pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. A client will also incur brokerage and/or transaction costs when purchasing ETFs or mutual funds.

Equity (stock) market risk – When directly or indirectly investing in stocks or other securities, you are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If a client held common stock, or common stock equivalents, of any given issuer, the client would generally be exposed to greater risk than if a client held preferred stocks and debt obligations of the issuer.

Fixed Income Risk - When directly or indirectly investing in bonds or other fixed income securities, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

Liquidity Risk – Investing directly or indirectly in certain assets such as hard assets, over the counter derivatives, or in structures such limited partnerships can be illiquid due to restrictions on sales, transfer and lack of a secondary trading market. Transactions may incur higher transaction costs or fees, and an investor may bear ongoing market risk while subject to restrictions on sales.

Liquid alternative investments – Alternative strategy mutual funds may be subject to a higher degree of volatility, and potentially a higher degree of regulatory risk as certain strategies and trading methodologies are under a degree of regulatory scrutiny. Certain alternative mutual funds may be new to the marketplace, and have a limited history of operations, and may be subject to higher expenses, and expense ratios may be higher during an initial asset raising period. Many strategies by nature are non-correlated to traditional markets, and therefore may not participate fully in traditional market returns, returns or may lose money while most traditional markets are making money.

Management Risk – A client's investment with AlphaCore varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

There are risks pertaining to investments made for the AlphaCore Funds' that are outlined in detail in the AlphaCore Funds' prospectus and statement of information. It is important for potential shareholders to fully read these documents before investing.

Past performance is not indicative of future results. Therefore, a client should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. A client should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, AlphaCore is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate a client from losses due to market corrections or declines.

Item 9 – Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

AlphaCore is not and does not have a related person that is a broker-dealer, municipal securities dealer, government securities dealer or broker, a pooled investment vehicle (including a private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

As noted in *Item 5*, Mr. Marc Seward and Mr. Kirk Strawn are investment adviser representatives of AlphaCore, and are also independent registered insurance agents. This outside business activity creates a conflict of interest. For example, as outlined in *Item 5* above, from time to time Mr. Seward or Mr. Strawn may recommend various insurance products to AlphaCore clients and, when an insurance product is purchased by a client, they will receive commissions. The fact that Mr. Seward or Mr. Strawn receive compensation creates an incentive to make such recommendations, which in turn creates a conflict. Clients are not obligated to implement insurance recommendations and have the option to purchase any recommended insurance products through other non-affiliated insurance agents.

AlphaCore and its investment adviser representatives endeavor at all times to put the interests of the clients first, and recommendations only will be made to the extent that they are reasonably believed to be in the best interests of the client. While Mr. Seward and Mr. Strawn devote as much time to the business and affairs of AlphaCore as is necessary to perform their duty as investment adviser representatives, they also devote a portion of their time to performing services for this outside business activity. Having outside business activities create conflicts of interest, including time away from their duties performed for AlphaCore as investment adviser representatives. The conflicts outlined above are disclosed to clients at the time of entering into an advisory agreement, mainly through the delivery of this Disclosure Brochure (ADV Part 2A) and the investment adviser representative's ADV Part 2B Supplement Brochure.

Richard Pfister is President, CEO, and an investment adviser representative of AlphaCore, but also serves Manager to AlphaCore Technologies LLC, a majority owned affiliate of AlphaCore. AlphaCore Technologies is a "wealthtech" company, which provides risk analytics software to institutional investors. As Founder and Manager of AlphaCore Technologies, Mr. Pfister will share in the profits of its operations. Certain employees may provide marketing, sales and other support for AlphaCore Technologies.

Unaffiliated Investment Adviser Arrangements

As described in *Item 4* and *Item 5*, we may select independent, third-party investment advisers to serve as Sub-Advisers for our Clients in our Asset Management Services program. We do not receive a referral fee or solicitor fee from such Sub-Advisers. The only compensation we receive is the management fee we charge directly to our clients. Sub-Advisers will also bill clients directly, but our fees are completely separate from the fees charged by Sub-Advisers (please refer to *Item 5* for more details). This policy helps us avoid selecting Sub-Advisers based on our economic interests. Instead, we select Sub-Advisers we believe are most appropriate for our clients absent additional economic benefits we could receive from a third-party Sub-Adviser.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. AlphaCore has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. AlphaCore's Code of Ethics covers all individuals that are classified as "Supervised Persons" (i.e., any officers, partners, directors (or other persona occupying a similar status or performing similar functions), or employees, or any person who provides investment advice for AlphaCore). AlphaCore requires its Supervised Persons to consistently act in a client's best interest in all advisory activities. AlphaCore imposes certain requirements on its Supervised Persons to ensure that they meet AlphaCore's fiduciary responsibilities to our clients. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of AlphaCore. For a full copy of our Code of Ethics, please send us a written request to our main address, or call us at 858-875-4100.

Affiliate and Employee Personal Securities Transactions Disclosure

AlphaCore or Supervised Persons of AlphaCore may buy or sell for their personal accounts, investment products identical to those recommended to clients. Additionally, Supervised Persons of AlphaCore may invest in the AlphaCore Funds. This creates a potential conflict of interest. It is the express policy of AlphaCore that all persons supervised in any manner with AlphaCore must place clients' interests ahead of their own when implementing personal investments. AlphaCore and its Supervised Persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with AlphaCore unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To mitigate potential conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, supervised persons):

- Supervised persons cannot place their own interests ahead of any client.
- Supervised persons are subject to restrictions regarding transactions of certain securities transacted in client accounts.
- Supervised persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Supervised persons are discouraged from conducting frequent personal trading.
- Supervised persons are generally prohibited from serving as board members of publicly traded

- companies, unless approval has been granted by the Chief Compliance Officer of AlphaCore.
- Supervised persons must report their transactions and holdings in certain securities, including the AlphaCore Funds.

Any Supervised Person not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of AlphaCore. When AlphaCore implements our investment advice, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible price and/or commission costs but that the qualitative execution is best. AlphaCore may execute trades directly with the client's custodian to avoid additional trading related expenses

In other words, all conditions considered, the transaction execution is in a client's best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered. As discussed in *Item 5 – Fees and Compensation*, Clients may elect between paying per transaction, or based on account assets under management. AlphaCore will assist with an evaluation of account and asset characteristics to elect the most appropriate option. At any given time, a Client may incur more or less in transaction charges depending on the pricing selection, due to varying and fluctuating factors such as assets under management, minimum fees imposed, trading maximums, and trading frequency.

AlphaCore does not have a related company that is a broker-dealer.

Custodial Arrangements

Fidelity Institutional Wealth Services - AlphaCore does not maintain custody of your assets on which we advise, although we are deemed to have custody (See Item 15 - Custody below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or a bank. We may recommend that clients open accounts directly at Fidelity Institutional Wealth Services as a result of our participation in the Fidelity Institutional Wealth Services program. Fidelity Institutional Wealth Services, a division of Fidelity, Inc. is a registered broker-dealer, member FINRA/SIPC/NFA ("Fidelity"), and will serve as the client's qualified custodian and maintain physical custody of all client funds and securities, along with effecting trades in clients' accounts held at Fidelity.

Fidelity provides AlphaCore with access to their institutional trading and custody services, which are typically not available to retail investors. The services from Fidelity include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Fidelity's institutional services also provide access to products and services (as part institutional wealth services, or paid for by AlphaCore) which assist AlphaCore in servicing its clients and their accounts. Some of these other products and services assist us in managing and administering client accounts. These include software and other technology which provides account access, portfolio management, accounting, back-office functions, recordkeeping and client reporting. Fidelity Institutional Wealth Services may also provide other services intended to help us manage and further develop our business, such as research, regulatory compliance, and other services. These products and services may present a conflict of interest in the event we recommend a specific custodian.

Charles Schwab & Company, Inc. - AlphaCore does not maintain custody of your assets on which we advise, although we are deemed to have custody (See *Item 15 – Custody* below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or a bank. AlphaCore also may recommend Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, Member SIPC, to clients to serve as qualified custodian of the client's' assets and to effect trades for their account(s). Although AlphaCore may recommend that a client establish accounts at Schwab, it is the client's decision to custody assets with Schwab. AlphaCore is independently owned and operated and not affiliated with Schwab. AlphaCore may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

General Custody Services - Schwab provides AlphaCore with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained at Schwab Institutional. These services are not contingent upon AlphaCore committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

For AlphaCore's clients' accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab's products and services assist AlphaCore in managing and administering clients' accounts, and may include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of AlphaCore's fees from some of its accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help AlphaCore manage and further develop its business enterprise. These services may include: (i) educational conferences and events, (ii) technology, compliance, legal and business consulting; (iii) publications and conferences on practice management and business succession; and (iv) access to employee benefits providers, human capital consultants and insurance providers. Schwab may provide some of these services itself. In other cases, it will arrange for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel. These products and services may present a conflict of interest in the event we recommend a specific custodian.

Schwab Advisor Network® - As discussed in Item 5, AlphaCore may receive client referrals from Schwab through AlphaCore's participation in Schwab Advisor Network® ("the Service"). Please also refer to *Item 14* for the disclosure of potential conflicts of interest.

Other Custodians - AlphaCore may provide advisory services to clients that have selected other custodians for certain assets. AlphaCore has the ability and authority to place buy and sell orders with or through any broker-dealers it deems will provide the best overall services and execution at the time of the transaction.

While as a fiduciary, AlphaCore endeavors to act in its clients' best interests, AlphaCore's recommendation that clients maintain their assets in accounts at any specific custodian may take into account availability of some of the foregoing products, services, or other arrangements and not solely on the cost or quality of custody and brokerage services provided by a custodian, which may create a conflict of interest with AlphaCore's recommendation of a custodian. Although AlphaCore may recommend that a client establish accounts with a particular custodian, and may have an incentive to recommend one, it is the client's decision where to custody their assets.

AlphaCore Funds' Transactions

For transactions placed for the AlphaCore Funds, since the assets are held at a custodian bank, AlphaCore has the ability and authority to place buy and sell orders with or through any broker-dealers it deems will provide the best overall services and execution at the time of the transaction.

Client Directed Brokerage

AlphaCore does not currently permit directed brokerage arrangements. Under no circumstances will AlphaCore place any transactions for the AlphaCore Funds with a broker-dealer in recognition of past or future client referrals or in consideration of the broker's promotion of the sale of mutual fund shares.

Block Trading Policy

Transactions for each Client will be effected independently, unless AlphaCore determines a transaction of the same security for several Clients at approximately the same time should be placed as a "bunched" transaction. AlphaCore provides advisory services for a number of clients, some of which may have similar investment objectives. When believed to be beneficial to all participating clients, AlphaCore will aggregate client's transactions, which may include transactions for proprietary (firm or employee) accounts that have similar orders being made at the same time. Such client benefits may include better transaction prices and lower trade execution costs.

If all aggregate orders do not fill at the same price, transactions will generally be averaged as to price and allocated among participating accounts pro-rata to the purchase and sale orders placed for each participating account on any given day. When the full amount of an aggregated trade is not executed on the day of placement, the partial amount actually executed shall be allocated among the participating accounts on a pro rata basis.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Managed accounts are generally reviewed quarterly. While the calendar is the main triggering factor, reviews can also be conducted at a client's request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted

by one or more of our investment adviser representatives with reviews performed in accordance with a client's investment goals and objectives.

Statements and Reports

For our asset management services, clients are provided with transaction confirmation notices and regular quarterly account statements directly from their qualified custodian. Additionally, AlphaCore may provide written position or performance reports to clients periodically and upon request. Reporting may also include details of financial planning projections and updates.

Clients are encouraged to always compare any reports or statements provided by us, a sub-adviser or a third-party money manager against the account statements delivered from the qualified custodian or issuer. AlphaCore's reporting, nor access to any third party system or sub-adviser's reporting, is not intended to replace the information contained in client's custodial brokerage statement and/or issuer statements (as applicable), which is the only accurate representation of the activity and valuations in your account(s). When clients have questions about their account statement, they should contact AlphaCore or the qualified custodian or issuer preparing the account statement.

Item 14 – Client Referrals and Other Compensation

AlphaCore has entered into arrangements with solicitors to refer potential clients to AlphaCore. All such agreements are in writing and comply with the requirements of Rule 206(4)-3 of the Advisers Act. When a prospective client is introduced to AlphaCore by a solicitor and then becomes a client, AlphaCore pays the referring solicitor a fee. While the specific terms of each arrangement may differ, generally, the compensation paid to the solicitor is based upon the engagement and retention of new clients, and is calculated using a varying percentage of the advisory fees paid by the clients. Each prospective client who is referred to AlphaCore under such an arrangement will receive a copy of AlphaCore's Form ADV Part 2 and a separate written disclosure statement disclosing the nature of the relationship between the third party solicitor and AlphaCore, which will disclose the amount of compensation that will be paid by AlphaCore to the solicitor. AlphaCore is required to obtain a copy of the disclosure statement with the client's signature, which acknowledges the client's receipt of AlphaCore's Form ADV Part 2 and the solicitor's written disclosure statement outlining the arrangement.

The only direct compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors or business relationships may underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these marketing expense reimbursements are not predicated upon specific allocation quotas, the product sponsor reimbursements are typically made by those sponsors for which allocations have been made or for which it is anticipated allocations will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients. AlphaCore receives no other forms of compensation in connection with providing investment advice.

We may receive economic benefit from our custodian's in the form of support products and services they make available to us and other advisers that have client accounts with them, including client referrals as set forth below. These products and services, how they benefit us, and the related conflicts of interest are described above (See *Item 12 – Brokerage Practices*). The availability of these products and services is not based on AlphaCore providing particular investment advice, such as transactions in particular securities.

Schwab Advisor Network®

As discussed in *Item 5*, AlphaCore may receive client referrals from Schwab through AlphaCore's participation in Schwab Advisor Network® ("the Service"). Please note in addition to the fees paid by AlphaCore to Schwab for the Service, the relationship may result in certain conflicts of interest between AlphaCore and its clients:

- Due to its enrollment in the Service, AlphaCore may have an incentive to generally recommend the services of Schwab, versus other custodians, in an effort to influence Schwab's referral of clients;
- Due to higher fees that would be otherwise payable by AlphaCore, AlphaCore has an incentive to recommend referred clients utilize the custody services of Schwab;
- The fees payable by AlphaCore to Schwab will be based on assets in accounts of AlphaCore's clients who were referred by Schwab, and those referred clients' family members living in the same household. Thus, AlphaCore will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit AlphaCore's fees directly from the accounts;
- For accounts of AlphaCore's clients maintained in custody at Schwab, Schwab will not charge the client separately for custody, but will receive compensation from AlphaCore's clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. In the event that AlphaCore executes securities transactions with another broker-dealer, Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, AlphaCore may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. AlphaCore nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for AlphaCore's other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Please also refer to *Item 5* for disclosure of details on fees.

Item 15 – Custody

Custody, as it applies to investment advisers, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

AlphaCore is deemed to have custody of client funds and securities whenever AlphaCore is given the authority to have fees deducted directly from client accounts. It is noted AlphaCore is typically given this authority to deduct fees from client accounts. When fees are deducted from an account, AlphaCore is responsible for calculating the asset management and/or sub-advisory fees, and delivering instructions to the custodian. The authorization to trade in client accounts is not deemed by regulators to be custody.

In addition, on February 21, 2017, the SEC released guidance that provided clarification via a "No-Action" letter wherein they stated an investment adviser which acts on behalf of a client and pursuant to a standing letter of instruction, or other similar asset transfer authorization arrangement established by a client with a qualified custodian, and transfers client assets to one or more third parties upon the request of a client, is deemed to have custody of such assets. Therefore, to the extent clients have put in place such third party transfer authorizations, AlphaCore is deemed to have custody of such assets in order to facilitate these directives for our clients. It is noted the SEC set forth seven conditions whereby, if met by, the SEC would not recommend enforcement action against an adviser under Section 206(4) of, and Rule 206(4)2 under,

the Advisers Act if that adviser does not obtain a surprise examination (as would otherwise be required for any adviser having custody of client assets). AlphaCore has established processes whereby we have a belief AlphaCore and client's custodians are complying with such conditions, and report such assets in Item 9 of AlphaCore's Form ADV Part 1 as required. Therefore, AlphaCore does not engage a third party examiner to conduct an annual surprise examination.

For accounts in which AlphaCore is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against any reports received from AlphaCore. When clients have questions about their account statements, they should contact AlphaCore or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

When providing asset management services, AlphaCore maintains trading authorization over a client's account and generally provides management services on a discretionary basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for a client's account without obtaining client consent for each transaction.

If a client decides to grant trading authorization on a non-discretionary basis, we will be required to contact the client prior to implementing changes in their account. Therefore, clients will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If a client's account is managed on a non-discretionary basis, the client should understand that if we are not able to obtain approval or the approval is delayed, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

Clients will have the ability to place reasonable restrictions on the types of investments that may be purchased in their accounts. Clients also may place reasonable limitations on the discretionary power granted to AlphaCore so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

AlphaCore does not vote proxies on behalf of our clients, with the exception of the AlphaCore Funds. Therefore, clients are instructed to read through the information provided with proxy-voting documents and make a determination based on the information provided. If requested, we may provide limited clarifications of the issues presented in the proxy voting materials based on our understanding of issues presented in the proxy-voting materials. However, clients will have the ultimate responsibility for making all proxy-voting decisions. Clients will usually receive proxies and proxy related documents directly from their custodian

However, should AlphaCore inadvertently receive a proxy on a client's behalf (other than the AlphaCore Funds), we will promptly forward to the client for voting.

AlphaCore has been delegated proxy voting responsibility by the AlphaCore Funds for proxies solicited on the securities held in the AlphaCore Funds' portfolios. Our general policy is to vote proxies received in a manner consistent with the best interests of the AlphaCore Funds and its shareholders. Also, we are required to present to the AlphaCore Funds' Board of Trustees, at least annually, our written proxy voting policy and a record of each proxy voted by AlphaCore on behalf of the AlphaCore Funds, including a report on the resolution of all proxies identified by us as involving a conflict of interest.

Information regarding how proxies were voted relating to portfolio securities of the AlphaCore Funds is outlined in each of the AlphaCore Funds' statement of additional information. For a copy of AlphaCore's Proxy Voting Policy, please call the main number on the cover page of this Disclosure Brochure.

AlphaCore will not be deemed to have proxy-voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

Item 18 – Financial Information

AlphaCore does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year.

We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, AlphaCore has not been the subject of a bankruptcy petition at any time.