



## **Alsworth Capital Management, LLC**

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: August 8, 2019**

This Form ADV2A ("Disclosure Brochure") provides information about the qualifications and business practices of Alsworth Capital Management, LLC ("ACM" or the "Advisor"). If you have any questions about the contents of this Disclosure Brochure, please contact us at (607) 973-2665.

ACM is a registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information through ACM to assist you in determining whether to retain the Advisor.

Additional information about ACM and its Advisory Persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 281417.

**Alsworth Capital Management, LLC**  
4 West Market Street  
Corning, NY 14830  
150 Lake Street, Third Floor  
Elmira, NY 14901  
Phone: (607) 973-2665 \* Fax: (607) 973-2675  
<http://www.AlsworthCapital.com>

## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about Advisory Persons of ACM.

ACM believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. ACM encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

The following material changes have been made to this Disclosure Brochure since the last filing and distribution to Clients:

- The Advisor is registering with the U.S. Securities and Exchange Commission.
- The Advisor offers a Wrap Fee Program to Clients. Please see Item 5 and Appendix 1.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of ACM.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 281417. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (607) 973-2665.

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## Item 4 – Advisory Services

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### A. Firm Information

Alsworth Capital Management, LLC (“ACM” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”) and located in the State of New York. ACM is organized as a limited liability company (“LLC”) under the laws of New York. ACM was founded in August 2015 and became a registered investment advisor in November 2015. ACM is owned and operated by Shane M. Alsworth (Chief Executive Officer, Chief Compliance Officer and Financial Advisor) and Jacqueline Alsworth (Principal). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by ACM.

### B. Advisory Services Offered

ACM offers investment advisory services to individuals, high net worth individuals, trusts, estates and charitable organizations, corporations and retirement plans (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Wealth Management Services

ACM may provide Clients with wealth management services, which generally includes a broad range of comprehensive financial planning and consulting services in connection with discretionary management of investment portfolios. For Clients of ACM with less than \$250,000 in assets under management, services will be offered separately. These services are described below.

*Investment Management Services* - ACM provides customized investment management solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. ACM works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy and a strategic asset allocation among various asset classes. ACM will then construct a portfolio based on a tactical implementation of this portfolio allocation, taking into consideration asset class valuations and current market valuations. For Clients of ACM with assets to be managed under \$250,000, ACM offers an investment management service that incorporates financial planning to create an initial baseline of the Client’s investment needs prior to implementing through a portfolio allocation. The Advisor bases its portfolios on its internal investment models, but may customize its portfolios based on the specific needs of each Client. Clients may impose reasonable restrictions on their accounts and legacy investments may be retained under certain circumstances, such as to avoid tax consequences upon a sale of such investments. In such instances, the Advisor will adjust the portfolio strategy to include the characteristics of these investments.

The Advisor typically constructs portfolios utilizing diversified mutual funds and/or exchange-traded funds (“ETFs”) to achieve the Client’s investment goals. The Advisor may also utilize individual stocks, individual bonds, options and other types of investment, as appropriate, to meet the needs of its Clients.

ACM’s investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. ACM will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

ACM evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. ACM may recommend, on occasion, redistributing investment allocations to diversify the portfolio. ACM may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. ACM may recommend

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selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

At no time will ACM accept or maintain custody of a Client's funds or securities, except for the limited authority as outlined in Item 15 – Custody. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the terms of the Client investment advisory agreement. For additional information, please see Item 12 – Brokerage Practices.

*Financial Planning Services* - ACM will typically provide a variety of financial planning services to Clients, either as part of its wealth management services or pursuant to a written financial planning agreement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including, but not limited to investment planning, retirement planning, personal savings, tax planning, insurance planning, debt management, divorce planning, social security planning, education savings, second opinion reviews and other areas of a Client's financial situation.

A financial plan developed for, or financial consultation rendered to, the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. ACM may also refer Clients to an accountant, attorney or another specialist, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Financial planning recommendations may pose a potential conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to increase the level of investment assets with the Advisor would pose a conflict, as it would increase the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

*Tax Preparation Services* - For certain Clients, the Advisor may also provide tax preparation services as part of its overall wealth management services and fees. Clients are not obligated to utilize the Advisor for these services. For complex tax engagements, the Advisor may refer the Client to certain tax, accounting or legal professionals. The Advisor does not share in the fees with these professionals.

#### Retirement Plan Advisory Services

ACM provides advisory services to retirement plans (each a "Plan") and the company sponsor (the "Plan Sponsor"). The Advisor's retirement plan advisory services are designed to assist the Plan Sponsor in meeting its fiduciary obligations to the Plan. Each engagement is customized to the needs of the Plan and Plan Sponsor. Services generally include:

- Vendor Analysis
- Plan Participant Enrollment and Education Tracking
- Investment Policy Statement ("IPS") Design and Support
- Investment Management
- Investment Due Diligence and Oversight
- Performance Reporting
- Ongoing Investment Recommendation and Assistance

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- ERISA 404(c) Assistance
- Benchmarking Services

Certain of these services are provided by ACM serving in the capacity as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). In accordance with ERISA Section 408(b)(2), the Plan Sponsor is provided with a written description of ACM’s fiduciary status, the specific services to be rendered and all direct and indirect compensation the Advisor reasonably expects under the engagement.

### **C. Client Account Management**

Prior to engaging ACM to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – ACM, in connection with the Client, will develop a strategy that seeks to achieve the Client’s investment goals and objectives.
- Asset Allocation – ACM will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – ACM will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – ACM will provide investment management and ongoing oversight of the Client’s investment portfolio.

### **D. Wrap Fee Programs**

ACM may include securities transaction fees together with its investment advisory fees. Including these fees into a single asset-based fee is considered a “Wrap Fee Program”. The Advisor customizes its investment management services for its Clients. The Advisor sponsors the ACM Wrap Fee Program solely as a supplemental disclosure regarding the combination of fees. Depending on the level of trading required for the Client’s account[s] in a particular year, the Client may pay more or less in total fees than if the Client paid its own transaction fees. Please see Appendix 1 –Wrap Fee Program Brochure, which is included as a supplement to this Disclosure Brochure.

### **E. Assets Under Management**

As of December 31, 2018, ACM manages \$36,342,336 in Client assets, all of which are on a discretionary basis. Clients may request more current information at any time.

## **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client shall enter into one or more agreements that detail the responsibilities of ACM and the Client.

### **A. Fees for Advisory Services**

For Clients engaged for comprehensive wealth management services, the Client will be charged a single combined fee for investment management and financial planning services based on the investment management fee schedule below. For Clients of ACM with less than \$250,000 in assets under management, services will be offered separately.

#### Investment Management Services

Investment management fees are paid quarterly, at the end of each calendar quarter, pursuant to the terms of the investment management agreement. Investment management fees are based on the market value of assets under management at the end of each quarter.

Fees are based on the following schedule:

<b>Assets Under Management</b>	<b>Annual Rate</b>
First \$1,000,000	1.00%
Next \$1,000,000	0.75%
Next \$1,000,000	0.50%
Over \$3,000,000	0.25%

The investment management fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by ACM will be independently valued by the Custodian. ACM will not have the authority or responsibility to value portfolio securities.

#### Financial Planning Services

For Clients with less than \$250,000 in assets under management, ACM offers financial planning services either on an hourly basis or for a fixed fee per engagement. Hourly engagements are billed at a rate of up to \$165 per hour for consultant time and \$75 per hour for administrative personnel time. Fixed fee engagements are based on the expected number of hours to complete the engagement at the negotiated hourly rate. Fees may be negotiable based on the nature and complexity of the services to be provided and the overall relationship with the Advisor. An estimate for total hours and/or costs will be provided to the Client prior to engaging for these services.

#### Retirement Plan Advisory Services

Fees for retirement plan advisory services are charged an annual asset-based fee of 0.50%. Fees may be negotiable depending on the size and complexity of the Plan.

### **B. Fee Billing**

#### Investment Management Services

Investment management fees are calculated by the Advisor and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective calendar quarter end date. The amount due is calculated by applying the calendar quarter rate (annual rate divided by 4) to the total assets under management with ACM at the end of each calendar quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment management fee. In addition, the Advisor will provide the Client a report itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by ACM directly from their account[s] held by the Custodian as part of the investment management agreement and separate account forms provided by the Custodian.

#### Financial Planning Services

Financial planning fees are invoiced by the Advisor upon completion of the engagement deliverable[s] and are due upon receipt of the invoice.

#### Retirement Plan Advisory Services

ACM is compensated for its services at the end of the quarter after advisory services are rendered. Fees may be directly invoiced to the Plan Sponsor or deducted from the assets of the Plan, depending on the terms of the retirement plan advisory agreement.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client's account[s]. ACM may include securities transactions costs as part of its overall investment



advisory fee through the ACM Wrap Fee Program. Securities transaction fees for Client-directed trades may be charged back to the Client. Please see Item 4.D. above as well as Appendix 1 – Wrap Fee Program Brochure.

In addition, all fees paid to ACM for investment management services or part of the ACM Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of ACM, but would not receive the services provided by ACM which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by ACM to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

#### **D. Advance Payment of Fees and Termination**

##### Investment Management Services

ACM is compensated for its investment management services at the end of the quarter, after investment management services are rendered. Either party may terminate the investment management agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the agreement within five (5) business days of signing the Advisor's investment management agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's investment management agreement with the Advisor is non-transferable without the Client's prior consent.

##### Financial Planning Services

Financial planning services are billed upon the completion of the engagement deliverable[s]. Either party may terminate a planning agreement at any time by providing written notice to the other party. In addition, the Client may also terminate the agreement within five (5) business days of signing the Advisor's financial planning agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or a percentage completion for a fixed fee engagement. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

##### Retirement Plan Advisory Services

ACM is compensated for its services at the end of the quarter, after retirement plan advisory services are rendered. Either party may request to terminate their services with ACM, at any time, by providing advance written notice to the other party. The Client may also terminate the retirement plan advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's retirement plan services agreement with the Advisor is non-transferable without the Client's prior consent.

#### **E. Compensation for Sales of Securities**

ACM does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above. However, Mr. Alsworth may earn additional compensation as described below.

##### Broker-Dealer Affiliation

Mr. Alsworth is a registered representative of Cadaret, Grant & Co., Inc. ("Cadaret Grant"). Cadaret Grant is a registered broker-dealer (CRD No. 10641), member FINRA, SIPC. In his separate capacity as a registered representative of Cadaret Grant, Mr. Alsworth may implement securities transactions under Cadaret Grant and not through ACM. In such instances, Mr. Alsworth will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by Mr. Alsworth in his capacity as a registered representative is separate and in addition

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to the Advisor's fees. This practice presents a conflict of interest because Mr. Alsworth who is a registered representative has an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on the Client. Clients are not obligated to implement any recommendation provided by Mr. Alsworth. Neither the Advisor nor Mr. Alsworth will earn ongoing investment management fees in connection with any products or services implemented in Mr. Alsworth's separate capacity as a registered representative. Please see Item 10 – Other Financial Industry Activities and Affiliations.

#### Insurance Agency Affiliation

Mr. Alsworth is also a licensed independent insurance professional. Mr. Alsworth will earn commission-based compensation for selling insurance products, including insurance products they sell to Clients. Insurance commissions earned by Mr. Alsworth are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to Clients for the purpose of generating commissions rather than solely based on Client needs. However, Clients are under no obligation, contractually or otherwise, to purchase insurance products through Mr. Alsworth. Please see Item 10 – Other Financial Industry Activities and Affiliations.

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

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ACM does not charge performance-based fees for its investment advisory services. The fees charged by ACM are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

ACM does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

### **Item 7 – Types of Clients**

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ACM provides investment advisory services to individuals, high net worth individuals, trusts, estates, charitable organizations, corporations and retirement plans. The amount of each type of Client is available on the Advisor's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. ACM generally does not impose a minimum size for establishing a relationship.

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

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#### **A. Methods of Analysis**

ACM primarily employs fundamental analysis methods in developing investment strategies and its strategic allocation models for its Clients. ACM focuses on valuation discrepancies in developing its models and will tactically deviate from the strategic allocation when there are significant valuation discrepancies between asset classes that suggests long-term expected returns for an asset class may differ dramatically from our perception of an appropriate risk premium. ACM is primarily a value-oriented advisor, preferring to overweight investments only when they are trading at a discount to price levels that generate historically consistent risk premiums and preferring to have a substantial margin of safety built in to our valuation calculations.

*Fundamental analysis* utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Research and analysis from ACM are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

As noted above, ACM generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. ACM will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, ACM may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

## **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. ACM will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some risks associated with the Advisor's strategy:

### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

### Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

## **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving ACM or any of its Supervised Persons.**

ACM values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 281417.

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

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### Broker-Dealer Affiliation

As noted in Item 5.E, Mr. Alsworth is a registered representative of Cadaret Grant. In his separate capacity as a registered representative, Mr. Alsworth will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by the Advisor or Mr. Alsworth. Neither the Advisor nor Mr. Alsworth will earn ongoing investment advisory fees in connection with any services implemented in Mr. Alsworth's separate capacity as a registered representative.

### Insurance Agency Affiliations

As noted in Item 5.E, Mr. Alsworth is a licensed insurance professional. Implementations of insurance recommendations are separate and apart from his role with ACM. As an insurance professional, Mr. Alsworth may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mr. Alsworth is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Alsworth or the Advisor.

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

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### **A. Code of Ethics**

ACM has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated with ACM (our "Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. ACM and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of ACM associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact us at (607) 973-2665.

### **B. Personal Trading with Material Interest**

ACM allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. ACM does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. ACM does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

ACM allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted a Code, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons of ACM may have a conflict of interest if trading in the same securities. The fiduciary duty to

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4 West Market Street      150 Lake Street, Third Floor  
Corning, NY 14830      Elmira, NY 14901  
Phone: (607) 973-2665 \* Fax: (607) 973-2675  
<http://www.AlsworthCapital.com>

act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by ACM requiring reporting of personal securities trades by its Supervised Persons for review by the Supervised Person's supervisor or the Chief Compliance Officer ("CCO"). We have also adopted written policies and procedures to detect the misuse of material, non-public information.

#### **D. Personal Trading at Same Time as Client**

While ACM allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will ACM, or any Supervised Person of ACM, transact in any security to the detriment of any Client.**

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

ACM does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize ACM to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, ACM does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where ACM does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a Custodian not recommended by ACM. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. ACM may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation and/or the location of the Custodian's offices. ACM typically recommends that Clients establish accounts at TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"), TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer and member FINRA/SIPC. TD Ameritrade offers to independent investment Advisors services, which include custody of securities, trade execution, clearance and settlement of transactions. The Advisor receives some benefits from TD Ameritrade through its participation in the program. Please see Item 14 below.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. **ACM does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor does receive certain economic benefits from TD Ameritrade. Please see Item 14 below.**

**2. Brokerage Referrals** - ACM does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where ACM will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s] at the Custodian, unless otherwise authorized by the Client. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). ACM will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

## **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. ACM will execute its transactions through the Custodian as directed by the Client. ACM may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in a Client account[s] are monitored on a regular and continuous basis by Mr. Alsworth, Chief Executive Officer, Chief Compliance Officer and Financial Advisor of ACM. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A. above, each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify ACM if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by ACM**

ACM does not receive commissions or other compensation from product sponsors, broker-dealers or any un-related third party. ACM may refer Clients to various third parties to provide certain financial services necessary to meet the goals of its Clients. Likewise, ACM may receive referrals of new Clients from a third-party.

### Participation in Institutional Advisor Platform

As disclosed under Item 12, above, the Advisor participates in TD Ameritrade's institutional customer program and the Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between the Advisor's participation in the program and the investment advice it gives to its Clients, although the Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving the Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by the Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may

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benefit the Advisor but may not benefit its Client accounts. These products or services may assist the Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the Advisor manage and further develop its business enterprise. The benefits received by the Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

## **B. Client Referrals from Solicitors**

ACM does not engage paid solicitors for Client referrals.

### **Item 15 – Custody**

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ACM does not accept or maintain custody of any Client accounts, except for the authorized deduction of the advisor's fee. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct ACM to utilize the Custodian for the Client's security transactions. ACM urges Clients to review statements provided by the account Custodian. For more information about Custodians and brokerage practices, see Item 12 - Brokerage Practices.

If the Client gives the Advisor authority to move money from one account to another account, the Advisor may have custody of those assets. In order to avoid additional regulatory requirements, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

### **Item 16 – Investment Discretion**

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ACM generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by ACM. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by ACM will be in accordance with each Client's investment objectives and goals.

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

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ACM does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

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

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Neither ACM, nor its management have any adverse financial situations that would reasonably impair the ability of ACM to meet all obligations to its Clients. Neither ACM, nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. ACM is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect fees of \$1,200 or more for services to be performed six months or more in advance.



# **Alsworth Capital Management, LLC**

## **Form ADV Part 2A – Appendix 1 ("Wrap Fee Program Brochure")**

**Effective: August 8, 2019**

This Form ADV2A - Appendix 1 ("Wrap Fee Program Brochure") provides information about the qualifications and business practices for Alsworth Capital Management, LLC ("ACM" or the "Advisor") services when offering services pursuant to a wrap program. This Wrap Fee Program Brochure shall always be accompanied by the ACM Disclosure Brochure, which provides complete details on the business practices of the Advisor. If you did not receive the complete ACM Disclosure Brochure or you have any questions about the contents of this Wrap Fee Program Brochure or the ACM Disclosure Brochure, please contact us at (607) 973-2665.

ACM is a registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). The information in this Wrap Fee Program Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Wrap Fee Program Brochure provides information about ACM to assist you in determining whether to retain the Advisor.

Additional information about ACM and its Advisory Persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 281417.

## Item 2 – Material Changes

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Form ADV 2A - Appendix 1 provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. In particular, this Wrap Fee Program Brochure discusses wrap fee programs offering by the Advisor.

### Material Changes

There have been no material changes to the content of this Wrap Fee Program Brochure since the last filing and distribution to Clients.

### Future Changes

From time to time, we may amend this Wrap Fee Program Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Wrap Fee Program Brochure (along with the complete ACM Disclosure Brochure) or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of ACM.

At any time, you may view this Wrap Fee Program Brochure and the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 281417. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (607) 973-2665.

## Item 3 – Table of Contents

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## Item 4 – Services Fees and Compensation

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### A. Services

ACM provides customized investment advisory services for its Clients. This Wrap Fee Program Brochure is provided as a supplement to ACM's Form ADV Part 2A ("Disclosure Brochure"). This Wrap Fee Program Brochure is provided along with the complete Disclosure Brochure to provide full details of the business practices and fees when selecting ACM as your investment advisor.

As part of the investment advisory fees noted in Item 5 – Fees and Compensation of the Disclosure Brochure, ACM includes normal securities transaction fees as part of the overall investment advisory fee. Securities regulations often refer to this combined fee structure as a "Wrap Fee Program". The Advisor sponsors the ACM Wrap Fee Program.

The sole purpose of this Wrap Fee Program Brochure is to provide additional disclosure relating the combination of securities transaction fees into the single "bundled" investment advisory fee. This Wrap Fee Program Brochure references back to the ACM Disclosure Brochure in which this Wrap Fee Program Brochure serves as an Appendix. **Please see Item 4 – Advisory Services of the Disclosure Brochure for details on ACM's investment philosophy and related services.**

### B. Program Costs

Advisory services provided by ACM are offered in a wrap fee structure whereby normal securities transaction costs are included in the overall investment advisory fee paid to ACM. As the level of trading in a Client's account[s] may vary from year to year, the annual cost to the Client may be more or less than engaging for advisory services where the transactions costs are borne separately by the Client. The cost of the Wrap Fee Program varies depending on services to be provided to each Client, however, the Client is not charged more if there is higher trading activity in the Client's account[s]. A Wrap Fee structure has a potential conflict of interest as the Advisor may have an incentive to limit the number of trades placed in the Client's account[s]. **Please see Item 5 – Fees and Compensation of the Disclosure Brochure for complete details on fees.**

### C. Fees

Investment management fees are paid quarterly, at the end of each calendar quarter, pursuant to the terms of the investment management agreement. Investment management fees are based on the market value of assets under management at the end of each quarter and are based on the following schedule:

Assets Under Management	Annual Rate
First \$1,000,000	1.00%
Next \$1,000,000	0.75%
Next \$1,000,000	0.50%
Over \$3,000,000	0.25%

Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee. For deposits or withdrawals from the Client's account[s], the Advisor's fee will be adjusted in the next billing period to reflect the fee difference.

The investment management fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by ACM will be independently valued by the Custodian. ACM will not have the authority or responsibility to value portfolio securities.

As noted above, the Wrap Fee Program includes normal securities trading costs incurred in connection with the discretionary investment management services provided by ACM. Securities transaction fees for Client-directed trades may be charged back to the Client.

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client's account[s]. Under this Wrap Fee Program, ACM includes securities transactions costs as part of its overall investment advisory fee.

In addition, all fees paid to ACM for investment management services or part of the Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. The Client may also incur other costs assessed by the Custodian or other parties for account related activity fees, such as wire transfer fees, fees for trades executed away from the Custodian and other fees. The Advisor does not control nor share in these fees. The Client should review both the fees charged by the fund[s] and the fees charged by ACM to fully understand the total fees to be paid. Please see Item 5.C. – Other Fees and Expenses of the Disclosure Brochure.

#### **D. Compensation**

ACM is the sponsor and portfolio manager of this Wrap Fee Program. ACM receives investment advisory fees paid by Clients for participating in the Wrap Fee Program and pays the Custodian for the costs associated with the normal trading activity in the Client's account[s].

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

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ACM provides investment advisory services to individuals, high net worth individuals, trusts, estates, charitable organizations, corporations and retirement plans. ACM generally does not impose a minimum account size for establishing a relationship. Please see Item 7 – Types of Clients of the Disclosure Brochure for additional information.

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

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#### **Portfolio Manager Selection**

ACM serves as sponsor and as portfolio manager for the services under this Wrap Fee Program.

#### **Related Persons**

ACM personnel serve as portfolio managers for this Wrap Fee Program.

#### **Performance-Based Fees**

ACM does not charge performance-based fees.

#### **Supervised Persons**

ACM Advisory Persons serve as portfolio managers for all accounts, including the services described in this Wrap Fee Program Brochure. Details of the advisory services provided are included in Item 4 – Advisory Services of the Disclosure Brochure.

#### **Methods of Analysis**

Please see Item 8.A – Methods of Analysis of the Disclosure Brochure for details on the research and analysis methods employed by the Advisor.

#### **Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. ACM will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account[s]. Client

participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor. Please see Item 8.B. – Risk of Loss of the Disclosure Brochure for details on investment risks.**

### **Proxy Voting**

ACM does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

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

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ACM is the sponsor and sole portfolio manager for the Program. The Advisor does not share Client information with other portfolio managers because it is the sole portfolio manager for this Wrap Fee Program. Please also see the ACM Privacy Policy (included after this Wrap Fee Program Brochure).

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

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ACM is a full-service investment management advisory firm. Clients always have direct access to the Portfolio Managers at ACM.

## **Item 9 – Additional Information**

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### **A. Disciplinary Information and Other Financial Industry Activities and Affiliations**

ACM values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 281417. Please see Item 9 – Disciplinary Information of the Disclosure Brochure as well as Item 3 – Disciplinary Information of Mr. Alsworth's Brochure Supplement (included with this Wrap Fee Program Brochure) for additional information on how to research the background of the Advisor and its Advisory Persons.

#### Other Financial Activities and Affiliations

Please see Items 10 – Other Financial Industry Activities and Affiliations and Item 14 – Other Compensation and Client Referrals of the Disclosure Brochure.

### **B. Code of Ethics, Review of Accounts, Client Referrals, and Financial Information**

ACM has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons subject to ACM's compliance program (our "Supervised Persons"). Complete details on the ACM Code of Ethics can be found under Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading of the Disclosure Brochure.

#### Review of Accounts

Securities in Client accounts are monitored on a regular and continuous basis by Advisory Persons of ACM under the supervision of the Chief Compliance Officer ("CCO"). Details of the review policies and practices are provided in Item 13 – Review of Accounts of the Disclosure Brochure.

#### Other Compensation

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*Participation in Institutional Advisor Platform* - As disclosed under Item 12, above, the Advisor participates in TD Ameritrade's institutional customer program and the Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between the Advisor's participation in the program and the investment advice it gives to its Clients, although the Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving the Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by the Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit the Advisor but may not benefit its Client accounts. These products or services may assist the Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the Advisor manage and further develop its business enterprise. The benefits received by the Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

Please see Item 14 – Other Compensation of the Disclosure Brochure for details on additional compensation that may be received by ACM or its Advisory Persons. Each Advisory Person's Brochure Supplement (also included with this Wrap Fee Program Brochure) provides details on any outside business activities and the associated compensation.

#### Client Referrals from Solicitors

ACM does not engage paid solicitors for Client referrals.

#### Financial Information

Neither ACM, nor its management have any adverse financial situations that would reasonably impair the ability of ACM to meet all obligations to its Clients. Neither ACM, nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. ACM is not required to deliver a balance sheet along with this Disclosure Brochure, as the firm does not collect advance fees of \$1,200 or more for services to be performed six months or more in advance. Please see Item 18 – Financial Information of the Disclosure Brochure.

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## Form ADV Part 2B – Brochure Supplement

for

**Shane M. Alsworth, CFP<sup>®</sup>, CLU<sup>®</sup>, CIMA<sup>®</sup>**  
**Chief Executive Officer**  
**Chief Compliance Officer**

**Effective: August 8, 2019**

This Form ADV2B ("Brochure Supplement") provides information about the background and qualifications of Shane M. Alsworth (CRD# **4418062**) in addition to the information contained in the Alsworth Capital Management, LLC ("ACM" or the "Advisor") (CRD # 281417) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the ACM Disclosure Brochure or this Brochure Supplement, please contact us at (607) 973-2665.

Additional information about Mr. Alsworth is available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 4418062.

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## Item 2 – Educational Background and Business Experience

Shane M. Alsworth, born in 1978, is dedicated to advising Clients of ACM in his role as the Chief Executive Officer and Chief Compliance Officer of ACM. Mr. Alsworth earned a Masters in Business Administration from St. Bonaventure University in 2001. Mr. Alsworth also earned his Bachelor of Business Administration from St. Bonaventure University in 2000 and an Associate of Applied Science from Jamestown Community College in 1998. Additional information regarding Mr. Alsworth's employment history is included below.

### Employment History:

Chief Executive Officer and Chief Compliance Officer, Alsworth Capital Management, LLC	11/2015 to Present
Registered Representative, Cadaret, Grant & Co., Inc.	11/2015 to Present
Registered Representative, H.D. Vest Investment Services, Inc.	08/2009 to 10/2015
Investment Advisor Representative, H.D. Vest Advisory Services, Inc. (d/b/a Proto & Alsworth Wealth Management, LLC, Principal 09/2008 to Present)	09/2008 to 10/2015
Portfolio Manager, Nancy Socha & Associates, LLC	06/2001 to 08/2008

### Certified Financial Planner ("CFP®")

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP® marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP® Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements: Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP® Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP® Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP® Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- *Continuing Education* – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- *Ethics* – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

#### The Chartered Life Underwriter ("CLU®")

The Chartered Life Underwriter® (CLU®) designation is offered by The American College. This is a professional designation for individuals who specialize in life insurance and estate planning. Individuals must complete five core courses and three elective courses, and successfully pass all eight two-hour, 100-question examinations in order to receive the designation. Candidates must also meet experience requirements and ethics standards, and agree to comply with The American College Code of Ethics and Procedures. Three years of full-time business experience is required. The three-year period must be within the five years preceding the date of the award.

#### Certified Investment Management Analyst (CIMA®)

The CIMA® certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA® certification are three years of financial services experience and an acceptable regulatory history. To obtain the CIMA® certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school, pass an online Certification Examination, and have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements. CIMA® designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA® designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

The CIMA® certification has earned ANSI® (American National Standards Institute) accreditation under the personnel certification program. The American National Standards Institute, or ANSI, is a private non-profit organization that facilitates standardization and conformity assessment activities in the United States. CIMA® is the first financial services credential to meet this international standard for personnel certification.

### **Item 3 – Disciplinary Information**

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***There are no legal, civil or disciplinary events to disclose regarding Mr. Alsworth.*** There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Alsworth.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Alsworth.***

However, we do encourage you to independently view the background of Mr. Alsworth on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 4418062.

### **Item 4 – Other Business Activities**

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#### Insurance Agency Affiliation

Mr. Alsworth is a licensed insurance professional. Implementations of insurance recommendations are separate and apart from Mr. Alsworth's role with ACM. As an insurance professional, Mr. Alsworth may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of

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**Alsworth Capital Management, LLC**  
4 West Market Street      150 Lake Street, Third Floor  
Corning, NY 14830      Elmira, NY 14901  
Phone: (607) 973-2665 \* Fax: (607) 973-2675  
<http://www.AlsworthCapital.com>

interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Alsworth or the Advisor.

#### Broker-Dealer Affiliation

Mr. Alsworth is a registered representative of Cadaret, Grant & Co., Inc. ("Cadaret Grant"). Cadaret Grant is a registered broker-dealer (CRD# 10641). In his separate capacity as a registered representative, Mr. Alsworth will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Mr. Alsworth or the Advisor. Neither the Advisor nor Mr. Alsworth will earn an ongoing investment advisory fees in connection with any services implemented in his separate capacity as a registered representative. Generally, recommendations made by ACM to its Clients are implemented in Mr. Alsworth's role as investment advisor representative, not in his role as a registered representative.

#### Finance Council Chairman

In his separate capacity, Mr. Alsworth is the Chairman of the Finance Council at St. Mary Our Mother Parish & School in Horseheads, NY. The Council is responsible for reviewing financial statements and advising the Priest. The council has no authority and serves only as a council to the Priest. Mr. Alsworth does not receive any compensation for this position and spends approximately 2 hours per month, in this capacity, during securities trading hours.

#### **Item 5 – Additional Compensation**

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Mr. Alsworth has additional business activities where compensation is received that are detailed in Item 4 above.

#### **Item 6 – Supervision**

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Mr. Alsworth serves as the Chief Executive Officer and Chief Compliance Officer of ACM. Mr. Alsworth can be reached at (607) 973-2665.

ACM has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of ACM. Further, ACM is subject to regulatory oversight by various agencies. These agencies require registration by ACM and its Supervised Persons. As a registered entity, ACM is subject to examinations by regulators, which may be announced or unannounced. ACM is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

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## Privacy Policy

Effective Date: August 8, 2019

### Our Commitment to You

Alsworth Capital Management, LLC ("ACM" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. ACM (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

ACM does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number[s]	Income and expenses
E-mail address[es]	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> ACM does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where ACM or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes
<b>Information About Former Clients</b> ACM does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (607) 973-2665.

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