

Firm Brochure

(Part 2 of Form ADV)





Firm Brochure

(Part 2A of Form ADV)

This brochure provides information about the qualifications and business practices of Alexandria Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 202-391-0170 or email us at compliance@alexandriacapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Alexandria Capital is available on the SEC's website at www.adviserinfo.sec.gov.

February 2017

WWW.ALEXANDRIACAPITAL.COM

New York | Virginia | Washington, DC

1030 15th Street, NW | Suite 450W | Washington, D.C. 20005 | T 202.391.0170 | F 202.391.0178



MATERIAL CHANGES

Annual Update

The Material Changes section of this brochure will be updated annually when material changes have occurred since the previous release of the Firm Brochure.

Material Changes

Effective January 3rd, 2017, Westmount Capital, Inc. and Charles D'Angelo no longer have ownership interest in Alexandria Capital.

The Firm Brochure may be requested by contacting us at 703.940.5903 or compliance@alexandriacapital.com. Our Firm Brochure is also available on our web site www.alexandriacapital.com.

Additional information about the Advisers is also available via the SEC's web site www.adviserinfo.sec.gov.

TABLE OF CONTENTS

| | |
|--|----|
| MATERIAL CHANGES | 3 |
| CEO MESSAGE | 5 |
| ADVISORY BUSINESS | 6 |
| SERVICES..... | 8 |
| FEES AND COMPENSATION | 10 |
| PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT..... | 12 |
| TYPES OF CLIENTS..... | 13 |
| METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS..... | 13 |
| DISCIPLINARY INFORMATION..... | 16 |
| OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS..... | 16 |
| CODE OF ETHICS..... | 16 |
| BROKERAGE PRACTICES..... | 17 |
| REVIEW OF ACCOUNTS | 20 |
| CLIENT REFERRALS AND OTHER COMPENSATION | 21 |
| OTHER COMPENSATION..... | 22 |
| CUSTODY | 23 |
| INVESTMENT DISCRETION | 23 |
| VOTING CLIENT SECURITIES | 23 |
| PRIVACY POLICY..... | 24 |
| FINANCIAL INFORMATION | 24 |

CEO MESSAGE

By virtue of being a registered investment adviser, we are legally mandated to be your fiduciary. This means that your interest is of the highest priority and at the core of everything we do.

Our TEAM is composed of some of the industry's most dedicated and successful financial professionals with extensive experience across multiple disciplines. Every employee of Alexandria Capital shares in the firm's core values of caring, transparency, and excelling – caring about our work and how it affects our clients; transparency in the things that we do, how we do them, and what we communicate to clients; and excelling at what each one of us does, so our clients can ultimately benefit.

Alexandria's business has steadily grown in size and scope, providing our clients with an array of services and personalized attention that extend beyond compulsory financial advice. Our unique team of financial experts specializes in Consultative Wealth Management Services that include tax, retirement, and estate planning, a full suite of 401(k) Plan Solutions, and Investment Management & Consulting Services all under one roof. Unlike our competition, our clients benefit from the collaborative efforts of an in-house ensemble of professionals that includes CPAs, CFP®s, CFA®s, AIF®, CPWA®, attorneys, investment managers, research analysts, and relationship managers.

Sometimes life comes at you fast, but you can rely on the wealth of resources and caring people at Alexandria to help you find peace and confidence in your steps to life's success.

Create wealth by design.

Sincerely,



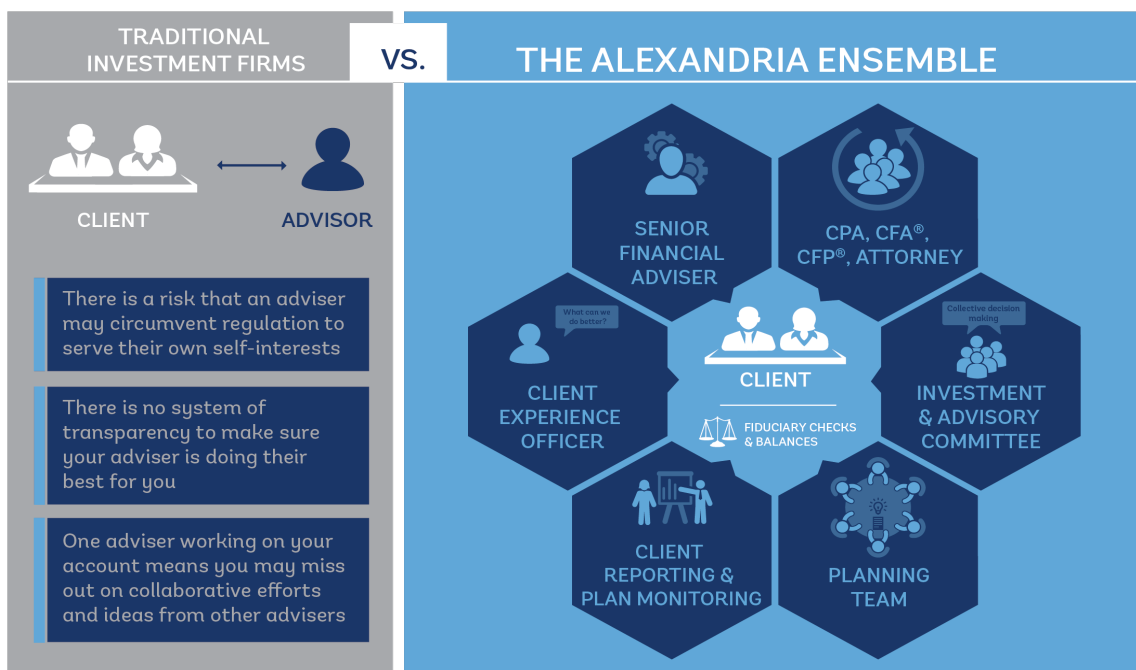
Augustine SC Hong
Chief Executive Officer

ADVISORY BUSINESS

Corporate Overview

Alexandria Capital, LLC (“Alexandria”) is a diversified financial services company comprised of *Investment Management & Research Division*, *Private Wealth Services Division*, and *Qualified Plans Division*. It is registered with the Securities and Exchange Commissions as a registered investment adviser (“RIA”) and has completed all requisite notice filings with the appropriate state agencies to perform investment advisory services for foundations, endowments, institutions, high net-worth individuals & families, trusts, and other financial guardians, both in the US and abroad.

For over a quarter-century, Alexandria has remained committed to the principle of always *placing the client’s interest first in all that we do*. Today, with offices in Virginia, Washington DC, and New York, we continue to help our clients protect and grow their wealth in a manner befitting their lifetime of hard work and discipline. Alexandria delivers *non-conflicted advice* in a collaborative, diverse professional setting, where clients’ interest is central to all its activities.



Ownership

Alexandria Capital, LLC is independently owned by Botree Capital Partners, LLC (a New Jersey Limited Liability Company), and Alexandria PHL, LLC (a Delaware Limited Liability Company). Our independence allows us to build a culture and workflow that demand 1) objectivity; 2) transparency; and 3) collaboration.

In addition, Augustine S.C. Hong, and C. Steven Park are indirect owners of Alexandria due to their ownership interests in Botree Capital Partners, LLC.

The Alexandria Difference

While all financial professionals and firms look and sound alike, there are very important distinctions. You may find companies that have some of the qualities we possess but rarely will you see all **SIX** of our differentiating value factors in one advisory firm.

| | |
|---|--|
|  | Independence Your Fiduciary Objectivity is the hallmark of our service and advice. When selecting an investment or wealth adviser, you need to have confidence that he or she is independent from the influences of third party financial institutions. We are a fiduciary adviser, putting your interest ahead of all else. |
|  | Our Best Thinking The Ensemble Experience To give you direct access to our best thinking, we've structured our business around centralized research, tax and financial planning, and investment management that you can experience with total transparency. Our clients control and shape the workflow and access points to fully benefit from the collective intelligence and experience of the Alexandria professionals. |
|  | Customized Portfolios Attention to Your Details Your particular circumstances guide the way we manage your money, as we tailor portfolios to your goals, income needs, tax situation and tolerance for risk. |
|  | Tax-Sensitive Investing Keeping More of What You Earn We leverage the expertise of our in-house tax professionals who review financial and investment decisions in the context of how they affect your personal after-tax performance. |
|  | A Legacy of Trust Commitment to You For over a quarter century, Alexandria has built a proud tradition of integrity, trust and financial excellence. When you entrust Alexandria to serve as your investment or wealth adviser, you become part of our family and success. |
|  | People Relationships You Can Invest In Our advisers are committed financial professionals with vast experience and industry credentials that require on-going continuing education. They typically hold one or more of these credentials: Certified Financial Planner (CFP®), Chartered Financial Analyst (CFA®), Certified Public Accountant (CPA), Certified Private Wealth Advisor (CPWA®), Personal Financial Specialist (PFS), and Accredited Investment Fiduciary (AIF). All employees of Alexandria go through a periodic audit and review of their activities with their supervisors and peers to ensure accountability, transparency, and teamwork. |

SERVICES

“Labore et virtute” (hard work and moral excellence)

Family Wealth Management

I-WIN™ Solution (*Integrated Wealth and Investment Navigation*)

Our Integrated Wealth and Investment Navigation Solution, I-WIN™ leverages the strength of our ensemble workflow design. This system delivers dynamic experiential solutions that live and change with you. Everything relating to your finances, regardless of where you are in life, is considered and understood in the context of your needs, wants and abilities. We help you achieve your goals on an ongoing basis and serve as your personal chief financial and investment officer.



Alexandria Capital provides a structured process to address the following components of wealth:

- **Wealth enhancement** – ongoing investment management, tax efficiency and cash flow management.
- **Wealth protection** – Reducing exposure to unnecessary risks and liabilities.
- **Wealth transfer** – Coordinating financial activities with estate planning.
- **Charitable giving** – Aligning philanthropic activities with overall wealth management.

Investment Management & Consulting

Custom Portfolio Management Services - discretionary investment management of portfolios comprised of common stocks, preferred stocks, exchange traded funds (ETF), mutual funds, corporate and tax-exempt bonds and short-term reserves.

The investment process begins with formulating an investment strategy. The client's investment strategy will reflect the client's investment objectives, needs, time horizon, risk tolerance level and any investment restrictions that may be desired. For example, if the client's primary objective is long-term growth, we will hold a higher percentage in equity based securities than we would if the client were more income-oriented, or more risk averse. For these more risk-averse clients, a greater percentage in bonds usually is appropriate.

For inherited securities, concentrated positions, or any personal or tax sensitive positions, accommodations can be made and we will develop strategies to address these challenges. Ultimately, this understanding is memorialized in an "Investment Policy Statement" (IPS) and updated as needed.

A la Carte Services

- **Financial Planning Services** - an analytical process designed to organize financial data, identify needs and opportunities and evaluate alternative courses of action. A financial plan may discuss current net worth, income tax issues, cash flow and budgeting strategies, specific investments and asset allocations, retirement planning, employee benefit plan analysis, estate and gift tax planning, education funding and risk management focusing on life, and health and disability coverage. The goal is to develop a strategy for the successful management of personal income, assets, and liabilities in meeting the client's financial goals and lifetime objectives.
- **Tax Planning and Tax Preparation Services** - Alexandria provides income, gift, and estate tax compliance and tax return preparation services.
- **Pooled Investments** – Alexandria provides investment advice to a limited partnership stock fund. This fund, with minimum investments of \$50,000, is appropriate for clients seeking to invest less than \$1 million.

- **Other Financial Services** – Alexandria provides services to clients on matters not involving securities, such as bill payment, accounting, and financial data aggregation.

Employer Qualified Plan Clients

Alexandria Capital Qualified Plan and Solutions comprehensively services employer 401(k) and other defined contribution retirement plans by:

- Providing professionally managed investment models
- Acting as the plan's ERISA Section 3(38) investment fiduciary, thereby significantly limiting employer liability
- Offering plan employees information to help them determine their investment selections
- Guiding employers on other compliance issues and
- Coordinating the team of service providers that provide back-end support for employer plan(s).

Assets Under Management

As of December 31, 2016 the total amount of client assets managed by Alexandria was approximately \$631,800,000. Of this total amount, approximately \$628,200,000.00 was managed on a discretionary basis and \$3,600,000 on a non-discretionary basis.

FEES AND COMPENSATION

Family Wealth Management Clients

Alexandria's wealth management fees are based on the size of the pool of assets under management. The base annual wealth management fee schedule ranges between .65% to 1.25% of Assets Under Management ("AUM"). This fee, which is payable in advance, is based on the value of a client's accounts under management on the last business day of the immediately preceding quarter.

The advance fee for new accounts (when substantial deposits may be received in several installments during the initial quarter), or for existing accounts when large (typically 20% of total household AUM) deposits or withdrawals occur during a quarter, are adjusted on a pro-rata basis. Pro-rata adjustment is made on the next quarterly invoice.

The annual minimum fee is \$10,000 but is subject to negotiation. The minimum account size is \$1,000,000, and this minimum is also subject to negotiation.

Investment Management and Consulting Clients

For "Investment management and consulting only" services, the fees range from 1% to 1.25% of Assets Under Management. This fee is payable in advance based on the value of

client's accounts on the last business day of the preceding quarter. The minimum AUM is \$500,000.00. Substantial (typically 20% of total household AUM) deposits and withdrawals will be adjusted on a pro-rata basis in on the next quarterly invoice.

Employer Qualified Plan Clients

Employer Pension Plan Clients' fees range between .35% to .90% of Assets Under Management. This fee is billed quarterly in arrears and is based on the account asset value on the last business day of the immediately preceding quarter. Fees are deducted directly from client accounts (clients may not select direct billing as payment method).

The minimum annual fee is \$20,000 but is subject to negotiation. There is no start-up or termination fee, nor will the Plan be subject to any penalties.

Tax Preparation and Financial Planning Fees

Alexandria Capital charges an hourly rate of \$150 to \$500 per hour for a written financial plan and time spent on preparing and filing tax returns. The anticipated required hours and rate, based on the complexity and the particulars of the case, are quoted prior to the contract being executed. Alexandria will, upon a client's request, continue to be available at the above rates for the implementation of the client's plan, any subsequent tax advice, evaluation, analysis function, or specific securities or investment related advice. Annual updates may also be provided upon contracting with the client.

Other Services Fee

The stock fund fee is 1% per annum, billed monthly based on average month end value of the fund.

In addition to Alexandria Capital management fee, clients engaged in separate manager strategy will incur cost associated with the separate account manager.

Other a la Carte service fees will be based on scope of the relationship and services provided. The fee will be determined prior to engagement.

Termination of Client Relationship

Our fees are stated in the Management Agreement that each client signs. This Agreement defines our relationship with the client. It describes the services we will provide and the client's obligations to us. A new client may terminate a Management Agreement within five days of the date of acceptance without any cost to the client. After the five-day period, either party may terminate for any reason upon receipt of thirty days written notice. The client will incur a pro-rata charge for bona fide services rendered during the term of the Management Agreement. If there are any prepaid unearned fees, we will promptly refund a pro rata share to the client.

Direct Debiting of Client Accounts

The client may elect to be directly billed for our services or to have the custodian for the investment account deduct our fees from the investment account. The client must provide written authorization permitting Alexandria to debit directly from the custodian. In addition, the account must be held by a qualified independent custodian and the qualified custodian must agree to send to the client an account statement each month. Each monthly account statement must indicate all amounts disbursed from the account including fees paid directly to Alexandria. Clients are informed that it is their responsibility to verify the accuracy of the custodian statement and fee calculation. The investment account custodian will not be responsible for the correctness of Alexandria's fee calculations.

Mutual Fund Fees

In addition to our Management Fee, clients will also incur, relative to all mutual fund purchases, charges imposed at the mutual fund level (e.g. management fees, other fund expenses and short-term redemption fees). In addition, clients will incur any transaction charges, including short-term redemption fees, imposed by the custodian. Please note that Alexandria receives none of these fees.

Trading and Other Costs

Our wealth management fees are separate and distinct from transaction fees charged by broker-dealers associated with the trading of securities in investment accounts. Such fees may include commissions, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Please refer to Brokerage Practices of this brochure for additional information.

Custodians may charge an annual custodian fee plus transaction fees on purchases or sales of securities executed with an outside broker.

Commissions

When clients purchase insurance, annuity, or products through PKS, PKS I, or independent insurance agencies, appropriately licensed individuals of Alexandria may receive commission typical of such transaction.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Alexandria does not charge any performance-based fees or engage in the practice known as side-by-side management.

TYPES OF CLIENTS

Family Wealth and Investment Management

Alexandria offers personalized wealth management and investment management services to individuals, families, and their related trusts and estates. Services may extend to other entities related to the client, such as small businesses, charitable organizations, including foundations, endowments, and other entities. Client relationships vary in scope and length of service.

We generally require a minimum of \$1,000,000.00 for Family Wealth accounts and \$500,000.00 for Investment Management only accounts, both are subject to negotiation. We may waive this minimum requirement based on the facts and circumstances.

Employer Qualified Plan

Alexandria Capital offers comprehensive investment and compliance services for employer qualified plans.

Alexandria typically services plans with assets of \$3 million to \$30 million. However, as with the family wealth management services, exceptions may be permitted at Alexandria's discretion.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

Methods of Analysis

Our methods of economic, market, and security analysis include fundamental analysis and technical analysis. Our main sources of information include financial newspapers and magazines, public and private databases, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases, as well as discussions and meetings with investment company representatives.

Managing Return, Risk & Cost

- **Risk**
Risk is managed through extensive diversification of securities classes, markets, capitalization groups, economic sectors, industries, and individual securities as well as being sensitive to both market and individual security price levels.
- **Return**
Although an investment portfolio's return reflects some factors that are beyond the investor's control, Alexandria seeks return by understanding the factors that drive market cycles and participating in the favorable multi-year portions of the cycles by tactically investing in undervalued companies, sectors,



and classes.

- **Cost**

Costs have a direct correlation to how advisers serve clients. Alexandria is a fiduciary adviser and as such, we are transparent on all costs and only make recommendations that are absolutely in the best interest of our clients, minimizing cost whenever possible.

Investment Strategies

Our investment strategy is customized based on each client's objective and Investment Policy Statement. Our asset allocation strategies begin with an analysis of fundamental economic and monetary factors that influence the stock and bond markets. Portfolios are globally diversified among U.S. equities, foreign equities and high-quality fixed income investments in an effort to control risk.

Alexandria may utilize different investment strategies, based upon the needs of the client, including long-term purchases, short-term purchases, currency hedging, and option writing.

We may also analyze, evaluate and recommend the use of independent individuals, firms and institutions that may provide investment management services for certain clients. Often referred to as "Separate Account Managers" (SAMs) these organizations may serve as sub-advisors for certain clients' accounts. Alexandria will provide overall direction and supervision on such SAM accounts as well as monitor performance and continued adherence to the targeted investment style.

Types of Investments

Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically be limited to domestic or foreign debt and equity securities, United States municipal and government securities, US registered mutual funds and exchange traded funds, real estate investment trusts (REITS), direct participation programs such as limited partnerships, private placements and options.

Options Strategies

Alexandria makes available to its clients a variety of options strategies to assist in protecting portfolios, building asset exposure and enhancing cash flow.

Strategy Overview

- **Protection** – PUT options on individual holdings (e.g., stocks, ETFs or a broad index) may be purchased to help offset a material downside move. Similarly, a "collar" may be employed on specific portfolio holdings. A collar involves the purchase of an out-of-the-money PUT, partially or entirely financed by the sale of an out-of-the-money CALL.
- **Building asset exposure** – As a limit order alternative, cash secured PUT options may be sold to generate cash flow and build asset exposure. Another strategy that may be employed to build asset exposure is the purchase of CALL options on stocks, ETFs or broad indexes.
- **Cash Flow and protection** – Covered CALL selling against existing positions (e.g., stocks and ETFs) may be employed to generate cash flow and help mitigate adverse moves.

- **Advanced: Tax-advantaged cash flow generation using an index option overlay**
– This strategy entails the sale of an out-of-the-money index CALL option and/or an out-of-the-money index PUT option in an effort to generate monthly cash flow. Index CALL and index PUT options are purchased to provide protection against an adverse move in the underlying index.

Cash Management

Cash is invested in a money market fund or FDIC-insured deposit account at the discretion of Alexandria.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following general investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of any security, including bonds, ETFs or mutual funds may drop in reaction to tangible and intangible events and conditions independent of the security itself. For example, political, economic and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power will erode at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, an oil company's profits depend on finding oil and then refining it, a lengthy process.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash without creating a significant reduction in the price. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid while real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business's operations generates risk because the company must meet the terms of its obligations in good times and in bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Options

There are numerous risks associated with transactions in options on securities or securities indexes. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some

degree because of market behavior or unexpected events. As the writer of covered call options, the client forgoes, during the option's life, the opportunity to profit from increases in the market value of the underlying security or the index above the sum of the option premium received and the exercise price of the call, but has retained the risk of loss, minus the option premium received, should the price of the underlying security decline. In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index. For example, the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well.

DISCIPLINARY INFORMATION

Neither Alexandria nor any of its Investment Advisory Representatives have ever been disciplined by a regulatory agency.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Alexandria Capital is registered with the United States Securities and Exchange Commission.

With Client approval, we may use separate account managers. Potential conflict of interest may exist when recommending a sub-advisor to clients, Alexandria may share in the revenue generated by the sub-advisor. To prevent conflict of interest, all recommendations must follow the firm's fiduciary mandate to always do what is in the best interest of the clients.

CODE OF ETHICS

Alexandria Capital has adopted a Code of Ethics that is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act"). The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All employees must annually acknowledge their understanding of the Code of Ethics.

This Code establishes rules of conduct for all employees of Alexandria. The Code is based upon the principle that Alexandria and its employees owe a fiduciary duty to Alexandria's clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid:

- Serving their own personal interests ahead of clients.
- Taking inappropriate advantage of their position with the firm.
- Any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

Alexandria's Code of Ethics requires all employees to report personal securities transactions

and provide detailed summary of all holdings and securities accounts upon commencement of employment and quarterly thereafter, in which such Employees have a direct or indirect beneficial interest.

Alexandria's Code of Ethics is available for review by clients and prospective clients upon request.

BROKERAGE PRACTICES

Broker Selection

Alexandria Capital generally has the authority to determine the broker dealer to be used and the commission rates paid. Unless otherwise instructed, Alexandria will recommend that clients utilize the brokerage and custodial services of TD Ameritrade, Charles Schwab, Pershing, or Bank of America.

Alexandria does not receive fees or commissions from any of these arrangements.

Alexandria may accept client instructions for directing the client's brokerage transactions to a particular broker-dealer. For some clients, Alexandria manages assets in clients' companies' Qualified Retirement Plans, where the clients' firm designates the custodial arrangement.

In those cases, where a client designates a specific broker-dealer, Alexandria may not have authority to negotiate commissions, best execution may not be achieved, and there may be a disparity in commission charges between clients.

Best Execution

Best execution has been defined by the SEC as the "execution of securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances." In seeking best execution, the determinative factor may not be the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive commission rates, we may not necessarily obtain the lowest possible commission rates for account transactions.

Soft Dollars

We maintain "soft-dollar" relationships with brokerage firms in order to obtain a broad range of information and ideas that are helpful in managing client portfolios in a rapidly changing world. These services involve domestic and international economic analysis, investment strategies and individual company research. Moreover, these soft-dollar relationships are maintained to enable us to participate in computerized communication systems that bring this investment research and pricing data to us in a timely manner. Soft-dollar expenditures are made in accordance with a budget determined by our investment professionals based on their perceptions of the value of the individual services to our clients' portfolios. To the

extent that this information is incorporated into our decision-making process and then applied to all of our portfolios, each of our client portfolios benefit from these soft-dollar relationships. While the brokerage charges on these soft-dollar trades are executed at a small premium to the pure execution cost of the trades, we view receipt of this research as essential to the clients' interest.

The use of soft-dollars to cover the cost of each soft-dollar service we use is reviewed and approved by our Investment Committee.

Alexandria has a relationship with Jeffries & Company where that firm pays for our subscription to Thomson One Analytics, an electronic investment data and research delivery system and Pershing Advisor Solutions LLC pays for one-third of our securities pricing data costs from International Data Corporation and a portion of our Bloomberg subscription in return for our using them as one of our brokers.

Alexandria Capital also participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Alexandria Capital receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, we participate in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our Clients, although we receive economic benefits through our 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; 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 us by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by us and related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Alexandria but may not benefit our Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by Alexandria 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, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by Alexandria 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.

Alexandria also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include Orion.

TD Ameritrade provides the Additional Services to us in its sole discretion and at its own expense, and we do not pay any fees to TD Ameritrade for the Additional Services. Advisor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Alexandria's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to us, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Alexandria's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with us, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, Alexandria may have an incentive to recommend to its Clients that the assets under management by Alexandria be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. Our receipt of Additional Services does not diminish its duty to act in the best interests of our Clients, including to seek best execution of trades for Client accounts.

We consider a number of factors in selecting brokers and custodians at which to locate (or recommend location of) our client accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. In selecting TD AMERITRADE Institutional ("TD Ameritrade") as the broker and custodian for certain of our current and future client accounts, Alexandria takes into consideration its arrangement with TD Ameritrade as to obtaining price discounts for TD Ameritrade's automatic portfolio rebalancing service for advisors known as "iRebal".

The standard iRebal annual license fee applicable to Alexandria is \$26,000.00. That fee is subject to specified reductions (and even complete waiver) if specified amounts of client taxable assets are either already on the TD Ameritrade platform or are committed to be placed on it. Specified taxable client assets either maintained on or committed to the TD Ameritrade platform will bring fee reductions of up to \$26,000.00 per year for each of as many as three years or more.

The non-taxable assets excluded from the maintenance and commitment levels described above are those that constitute "plan assets" of plans subject to Title 1 of the Employee Retirement Income Security Act of 1974, amended, or of plans as defined in Section 4975 of the Internal Revenue Code (which include IRAs).

If Alexandria does not maintain the relevant level of taxable assets on the TD Ameritrade platform, we may be required to make a penalty fee payment to TD Ameritrade calculated on the basis of the shortfall.

Although we believe that the products and services offered by TD Ameritrade are competitive in the market place for similar services offered by other broker-dealers or custodians, the arrangement with TD Ameritrade as to the iRebal service may affect Alexandria's independent judgment in selecting or maintaining TD Ameritrade as the broker or custodian for client accounts.

Aggregation of Orders

Alexandria Capital will aggregate orders with respect to a security if such aggregation is consistent with achieving best execution for the various client accounts. When orders are

aggregated, each participating account receives the average share price for the transaction and bears a proportionate share of all transaction costs, based upon each account's participation in the transaction, subject to Alexandria's discretion, depending on factual or market conditions and the duty to achieve best execution for client accounts. Clients participating in block trading may include proprietary or related accounts. Such accounts are treated as client accounts and are neither given preferential nor inferior treatment versus other client accounts. Alexandria does not receive additional compensation or remuneration of any kind arising out of the aggregation of client trades.

Allocations of orders among client accounts must be made in a fair and equitable manner. Generally, allocations among accounts with the same or similar investment objective are made pro rata based upon the size of the accounts. There is no allocation to an account or set of accounts based on account performance or the amount or structure of management fees. However, the following factors may justify an allocation that deviates from the general rule:

- Specific allocations may be chosen based upon an account's existing positions in securities.
- Specific allocations may be chosen because of the cash availability of one or more particular accounts or because of re-balancing or other account-specific considerations.
- Specific allocations may be chosen based on a partial fill of the block trade.
- Specific allocations may be chosen for tax reasons.

REVIEW OF ACCOUNTS

Family Wealth and Investment Management Clients

We monitor client accounts on a continuous and best efforts basis and conduct formal reviews with our clients. Factors that may trigger a review are changes in investment strategy, large deposits or withdrawals, changes in tax laws, and changes in the client's financial situation.

Account reviews are performed by the assigned portfolio manager.

Reports to Family Wealth and Investment Management Clients

Alexandria will render a report to each Client on a quarterly basis, which details the Client's portfolio valuation at the end of a calendar quarter, investment gains and losses, and time weighted return performance. Clients will also receive monthly investment account statements directly from their Custodian. Clients are able to review their investment accounts at any time on their Custodian's secure website. In addition, clients receive a weekly update on the financial markets.

Employer Pension Plan Clients

Alexandria Capital does not review individual retirement plan accounts for Employer Qualified Plan Clients' employees. Alexandria does rebalance Employer Pension Plan's managed investment models when necessary and as determined by Alexandria.

CLIENT REFERRALS AND OTHER COMPENSATION

Client Referrals

Alexandria has agreements with firms and individuals, referred to as Solicitors, through which such persons are compensated for (1) referring prospects who subsequently become clients of Alexandria and (2) providing, or for being prepared to provide, certain non-investment related services as required by such clients or requested by Alexandria. Solicitor's fees are negotiable but generally range between 10% and 20% of the quarterly fees paid to Alexandria for investment management services. Alexandria's standard investment advisory fees are not increased because of these agreements, nor is any additional charge passed along to a client in any way for the Solicitor's services.

Alexandria has a referral Agreement with Seaport Securities, a New York broker/dealer, under which Seaport refers clients. On the approval of the referred client, the management fee is shared between Seaport and Alexandria.

Alexandria may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, we may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Alexandria and there is no employee or agency relationship between us. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Alexandria and has no responsibility for Alexandria's management of client portfolios or other advice or services. We pay TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Advisor ("Solicitation Fee"). Alexandria will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Alexandria from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Alexandria on the recommendation of such referred client. Alexandria will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

Alexandria's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, we may have an incentive to recommend to clients that the assets under

management by Alexandria be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Alexandria has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Alexandria's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Additional referrals come from current clients, estate planning attorneys, accountants, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Alexandria does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

OTHER COMPENSATION

Alexandria participates in institutional service programs with several institutional brokers and custodians. While there is no direct link between the investment advice given and participation in the institutional program, economic benefits are received which would not be received if Alexandria did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements, access to a trading desk servicing institutional advisors exclusively, ability to have investment advisory fees deducted directly from a client's account, availability of electronic communications software and networks for order entry, account information, quotes, general business and securities information; receipt of compliance and investment publications; and access to mutual funds which may waive stated minimum initial investments or which may only be available to customer of institutional clients. Alexandria may also have access to certain share classes, typically called Class I shares, that are unavailable to others, based on Alexandria's willingness to commit to invest a specific dollar amount in the mutual fund(s) offering the Class I Shares.

In addition, broker-dealers, and mutual fund sponsors with whom client accounts are maintained or clients' funds are invested, often offer advisors other benefits which may not be available if the advisor does not maintain client's accounts or place client's investments with such persons:

- Referral of prospective clients.
- Educational conferences and seminars at no charge or reduced rates. Frequently such conferences and seminars may include cocktail receptions, meals, and entertainment. Air and/or ground transportation to and from the conference and lodging may be included at no cost or at reduced rates.
- Arranging for continuing education credits for attendance at conferences and seminars or participation in online or telephonic conferences sponsored and/or organized by the broker/dealer, mutual fund sponsor or SAM. Typically, conferences or seminars are devoted to topics such as investment analysis, income or estate taxes, retirement planning, educational planning, insurance, economics, international investing, etc., that helps Alexandria associates meet educational requirements to maintain designations such as CPA, PFS, CFP®, or CFA.

- Invitations to affairs such as dinners, charity balls, sporting events, and golf tournaments.
- The opportunity to participate in group discounts for investment software, portfolio management and reporting systems, computers, travel, etc. which smaller firms may not be in a position to arrange or negotiate independently.
- Travel, lodging, and meals for due diligence meetings that offer the opportunity to meet portfolio managers of mutual fund and exchange traded funds and discuss specific investments in which Alexandria may invest funds on behalf of clients or may be evaluating for future investments.

With Client approval, Alexandria may use separate account managers. Potential conflict of interest may exist when recommending a sub-advisor to clients, we may share in the revenue generated by the sub-advisor. To prevent conflict of interest, all recommendations must follow the firm's fiduciary mandate to always do what is in the best interest of the clients.

CUSTODY

Custody of client assets will always be maintained with the independent custodian selected by the client. Alexandria will not have physical custody of any client assets. Alexandria is permitted to direct the Custodian to deduct fees directly from client investment accounts maintained by the Custodian. Clients are responsible for paying all fees or charges of the custodian.

Clients will receive on a monthly basis, directly from the custodian an account statement showing all holdings and transactions occurring in the client's account during the period covered by the account statement. Clients are urged to carefully review the account statement sent by the Custodian and compare it with Alexandria's quarterly report.

INVESTMENT DISCRETION

Alexandria Capital is usually given the discretion and authority to manage client investment accounts. This means Alexandria is authorized to perform various functions, at the client's expense, without further approval from the client. Such functions include the determination of securities to be purchased or sold, the amount of securities to be purchased or sold, the broker/dealer to be used and the commission rates to be paid. Of course, our discretion must be exercised in a manner consistent with the stated investment objectives, limitations, and restrictions for each investment account.

Clients authorize Alexandria to give the custodian instructions by completing a document called a Limited Power of Attorney for the investment account.

VOTING CLIENT SECURITIES

Unless designated by the Client, Alexandria does not vote proxies on behalf of its clients. Alexandria directs the investment account Custodian to forward directly to the client copies

of all proxies and shareholder communications relating to the client's investment assets. Each client tells the Custodian how to vote proxies. The client also makes all elections relative to any corporate action notification such as mergers, tender offers, or bankruptcy proceedings. Alexandria realizes that voting requests range from routine matters to unique situations. If a client has a specific question about a voting matter the client should contact our Chief Compliance Officer for assistance.

If we are designated, we vote proxies for securities over which we maintain discretionary authority consistent with our Proxy Voting Policy detailed in our Compliance Manual. A copy of our Proxy Voting Policy is available upon request.

PRIVACY POLICY

Alexandria has policies and procedures to keep client information private and secure. We do not disclose any nonpublic personal information about our clients or former clients to any nonaffiliated third parties, except at the request of a client or as permitted or required by law. In the course of servicing a client's account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers. We restrict internal access to nonpublic personal information about the client to those persons who need access to that information in order to provide services to the client and to perform administrative functions. For the full text of our Privacy Policy, please contact our Chief Compliance Officer.

FINANCIAL INFORMATION

Alexandria Capital does not have any adverse financial conditions to disclose and we have never been the subject of a bankruptcy petition.