

Advisory Alpha, LLC

Client Brochure

This brochure provides information about the qualifications and business practices of Advisory Alpha, LLC. If you have any questions about the contents of this brochure, please contact us at (616) 889-0163 or by email at: steve@advisoryalpha.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 Advisory Alpha, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Advisory Alpha, LLC's CRD number is: 158282

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

Advisory Alpha, LLC has not yet filed an annual updating amendment using the ADV Form 2A. Therefore there are no material changes to report.

Item 3: Table of Contents

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Item 4: Advisory Business

A. Description of the Advisory Firm

Advisory Alpha, LLC is a Limited Liability Company organized in the state of Michigan. This firm has been in business since June 2011, and the principal owner is Steve Mark Osterink, Jr.

B. Types of Advisory Services

Advisory Alpha, LLC (hereinafter "AA") offers the following services to advisory clients:

Investment Supervisory Services

AA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. AA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

AA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. AA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Act as a Sub-Advisors

AA acts as a sub-advisor to AlphaStar Capital Management, LLC (AlphaStar) an investment advisor firm. AA will perform money management services for AlphaStar clients. AlphaStar will collect fees from the client and will forward AA's fees to AA. The fees charged will not exceed any limit imposed by any regulatory agency. This relationship will be disclosed in each contract between AA and AlphaStar.

Financial Planning

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees or hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

Services Limited to Specific Types of Investments

AA generally limits its investment advice and/or money management to mutual funds, equities, ETFs, and insurance products including annuities. AA may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

AA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent AA from properly servicing the client account, or if the restrictions would require AA to deviate from its standard suite of services, AA reserves the right to end the relationship.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. AA DOES NOT participate in any wrap fee programs.

E. Amounts Under Management

AA is a newly formed investment advisory firm, as such; its current assets under management are not yet reported.

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
All Assets Under Management	0.10% - 2.50%

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in arrears, and clients may terminate their contracts with thirty days' written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

Sub-Advisor Fees

AA and AlphaStar Capital Management, LLC have agreements in place to act as sub-advisors and/or provide sub-advisory services for the various asset allocation models and other securities offerings available thru both AA and AlphaStar Capital Management, LLC. AA and AlphaStar Capital Management, LLC have a sharing agreement in place whereby, depending on the services offered by either firm to the individual client, there may be a sharing of the gross advisory commissions earned by either AA or AlphaStar Capital Management, LLC on these offerings. While the exact details of each client will of course vary depending on services rendered and which firm is providing which services, there can be as much as a 40% fee sharing of the gross advisory commissions earned by the other firm. Clients are never charged additional fees to cover this fee sharing agreement between AA and AlphaStar Capital Management, LLC. The fees shared will not exceed any limit imposed by any regulatory agency. Fees are paid quarterly in arrears, and clients may terminate their contracts with ten days' written notice. Because fees are charged in arrears, no refund is necessary.

Financial Planning Fees

Fixed Fees

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$1,000 and \$100,000. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

Hourly Fees

Depending upon the complexity of the situation and the needs of the client, the hourly consultation fee is between \$50 and \$400. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in arrears.

Advisory fees may also be invoiced and billed directly to the client quarterly in arrears. Clients may select the method in which they are billed.

Payment of Sub-Advisor Fees

Advisory fees assessed for the sub-advisory services provided by AA or AlphaStar Capital Management, LLC may be collected by either firm and forwarded to the advising firm. Fees are paid quarterly in arrears.

Payment of Financial Planning Fees

Hourly Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

Fixed Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by AA. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

AA collects its fees in arrears. It does not collect fees in advance.

E. Outside Compensation For the Sale of Securities to Clients

Neither AA nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

AA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

AA generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Other Registered Investment Advisers

Minimum Account Size

There is no account minimum.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

AA's methods of analysis include fundamental analysis, strategic asset allocation, and tactical asset allocation.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Strategic Asset Allocation's primary goal is to create an asset mix that will provide the optimal balance between expected risk and return for a long-term investment horizon.

Tactical Asset Allocation is where an investor takes a more active approach that tries to position a portfolio into those assets, sectors, or individual stocks that show the most potential for gains.

Investment Strategies

AA uses long term trading, short term trading, and options writing (including covered options, uncovered options, or spreading strategies).

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Strategic Asset Allocation focuses on long term investments. The rise and fall of certain securities may not react according to predicted trends.

Tactical Asset Allocation is based on specific market anomalies that may change or disappear in the future. Other factors such as risk tolerance, market timing, portfolio size, investment expenses, etc. may also affect the portfolio performance.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using these strategies.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

AA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it will utilize options writing. Options writing generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SR) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

AA is not registered as, and has no pending applications to become, a broker/dealer. Several of AA's IARs may be registered representatives of various Broker-Dealer firms. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. AA always acts in the best interest of the client. Clients are in no way required to implement the plan or products offered through any representative of AA in their capacity as a registered representative of a broker-dealer firm.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither AA nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Steve Mark Osterink, Jr. and various IARs of AA are licensed insurance agents. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. AA always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of AA in their capacity as an insurance agent.

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D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

AA and AlphaStar Capital Management, LLC have agreements in place to act as sub-advisors and/or provide sub-advisory services for the various asset allocation models and other securities offerings available thru both AA and AlphaStar Capital Management, LLC. AA and AlphaStar Capital Management, LLC have a sharing agreement in place whereby, depending on the services offered by either firm to the individual client, there may be a sharing of the gross advisory commissions earned by either AA or AlphaStar Capital Management, LLC on these offerings. While the exact details of each client will of course vary depending on services rendered and which firm is providing which services, there can be as much as a 40% fee sharing of the gross advisory commissions earned by the other firm. Clients are never charged additional fees to cover this fee sharing agreement between AA and AlphaStar Capital Management, LLC. The fees shared will not exceed any limit imposed by any regulatory agency. Fees are paid quarterly in arrears, and clients may terminate their contracts with ten days' written notice. Because fees are charged in arrears, no refund is necessary

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

AA does not recommend that clients buy or sell any security in which a related person to AA or AA has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of AA may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of AA to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. AA will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

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D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of AA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of AA to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. AA will always transact client's transactions before its own when similar securities are being bought or sold.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian, TD AMERITRADE Institutional, Division of TD AMERITRADE, Inc., member FINRA/SIPC/NFA, was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. AA will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

1. Research and Other Soft-Dollar Benefits

AA receives research, products, or services other from its broker-dealer or another third-party in connection with client securities transactions ("soft dollar benefits"). There is no minimum client number or dollar number that AA must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for AA to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. The first consideration when recommending broker/dealers to clients is best execution.

2. Brokerage for Client Referrals

AA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

AA allows clients to direct brokerage. AA may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients' money because without the ability to direct brokerage AA may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

AA maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing AA the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed annually by investment advisor representatives of the firm. They are the chief advisors and are instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at AA are assigned to these reviewers.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by the investment advisor representatives of the firm.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

AA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to AA clients.

B. Compensation to Non – Advisory Personnel for Client Referrals

AA does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

AA, with client written authority, has limited custody of client's assets through direct fee deduction of AA's Fees only. Constructive custody of all client's assets and holdings is maintained primarily at the TD AMERITRADE Institutional, Division of TD AMERITRADE, Inc., member FINRA/SIPC/NFA. Clients will receive all required account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

For those client accounts where AA provides ongoing supervision, the client has given AA written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides AA discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

Item 17: Voting Client Securities (Proxy Voting)

AA will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

AA does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither AA nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

AA has not been the subject of a bankruptcy petition in the last ten years.

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