

Form ADV Part 2A: Firm Brochure**Item 1 – Cover Page**

AlphaCore Capital LLC
875 Prospect Street, Suite 315
La Jolla, California 92037
858-875-4100
www.alphacorecap.com

Date of Disclosure Brochure: January 4, 2017

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

Item 2 – Material Changes

AlphaCore Capital, LLC's previous ADV Part 2A was dated September 22, 2016. This disclosure brochure will be updated annually or when material changes occur since the previous release. The following is a summary of the material changes made to the brochure:

Item 4 – Advisory Services – updated the assets under management information for both discretionary and non-discretionary assets.

Item 5 – Fees and Compensation - updated standard fee schedule for asset management and financial planning services to reflect the new tiered fees, which includes a minimum annual fee amount of \$15,000. Also added language regarding the fact that Mr. Marc Seward, who serves as an IAR of AlphaCore is a licensed insurance agent and get paid commissions on insurance products recommended to clients when clients elect to purchase such insurance products.

Item 10 – Other Financial Activities and Affiliations – added disclosures on Mr. Seward's outside business activities, the conflicts surrounding the activities and how the firm addresses the conflicts.

Item 14 – Client Referrals and Other Compensation – added disclosures that AlphaCore has arrangements with and pays fees to solicitors.

Additionally, non-material changes were made within this disclosure brochure. AlphaCore Capital, LLC encourages each client to read the brochure carefully and contact us with any questions.

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

Item 3 – Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Advisory Business	4
Description of Advisory Services	4
Limits Advice to Certain Types of Investments	6
Tailor Advisory Services to Individual Needs of Clients	7
Client Assets Managed by AlphaCore Capital	7
Item 5 – Fees and Compensation	7
Asset Management Services and Financial Planning Services	7
Model Portfolio & Research Subscription Service	9
Item 6 – Performance-Based Fees and Side-By-Side Management	10
Item 7 – Types of Clients	10
Minimum Investment Amounts Required	11
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	11
Methods of Analysis	11
Investment Strategies	12
Risk of Loss	13
Item 9 – Disciplinary Information	14
Item 10 – Other Financial Industry Activities and Affiliations	14
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading	15
Code of Ethics Summary	15
Affiliate and Employee Personal Securities Transactions Disclosure	15
Item 12 – Brokerage Practices	16
Custodian Arrangements	16
Fidelity Institutional Wealth Services	16
Client Directed Brokerage	18
Block Trading Policy	18
Item 13 – Review of Accounts	18
Account Reviews and Reviewers	18
Statements and Reports	19
Item 14 – Client Referrals and Other Compensation	19
Item 15 – Custody	19
Item 16 – Investment Discretion	20
Item 17 – Voting Client Securities	20
Item 18 – Financial Information	21

Item 4 – Advisory Business

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

Richard “Dick” Pfister is the CEO and President, Chief Compliance Officer (CCO), Managing Member and majority owner of AlphaCore Capital. Full details of the education and business background of Dick Pfister are provided in his Form ADV Part 2B, which is delivered to new clients and available upon request.

Description of Advisory Services

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

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

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

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

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

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

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

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

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

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

Recommendation of Unaffiliated Sub-Advisors: As part of our Asset Management Services, we usually select one or more unaffiliated, third-party investment advisors to serve as "Sub-Advisors" to manage a portion of a client's assets. We are granted discretionary authority by our clients via the client agreement to "hire and fire" Sub-Advisors, which means we can select and remove Sub-Advisors from a client's account without first consulting with the client. AlphaCore performs due diligence on each Sub-Advisor and confirms, among other things, that each Sub-Advisor is properly registered as an investment adviser with the appropriate regulator. The decision to use a Sub-Advisor is always based on each client's individual needs and is triggered when a strategy offered or available by a Sub-Advisor is in the best interests of our clients. Clients will be provided a copy of the applicable Sub-Advisor's Form ADV Part 2A Disclosure Brochure and Form ADV Part 2B Supplemental Brochure(s) at or before a Sub-Advisor is hired to manage a client's assets.

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

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

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

- **Retirement Planning**– This involves advice with respect to alternatives and techniques for accumulating wealth for retirement income or advice relative to appropriate distributions of assets following retirement. Tax implications and consequences are identified and evaluated in general terms.
- **Tax Planning**– Tax planning is referred to the client's chosen personal tax advisor. Our firm may offer advice as to how tax laws may affect various financial decisions, e.g. acquisitions, pension strategy, investing in new opportunities or consolidation of existing investments, and individual taxation issues, among others.
- **Investment Consulting and Asset Allocation** – This involves advice with respect to asset selection and allocation, as well as investment income accumulation techniques. Evaluations are made of existing and, when applicable, potential investments in terms of their economic and tax characteristics as well as their suitability for meeting client's objectives. Tax consequences and their implications are identified and evaluated in general terms.
- **Risk Management and Insurance Analysis**– This includes risk management associated with advisory recommendations based on the combination of insurance types that best meet a client's specific needs, e.g. life, health, disability, and long-term care, and others as appropriate.

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

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

Clients have the sole responsibility for determining whether to implement our financial planning recommendations. When providing financial plans, we have a conflict of interest between our interests and a client's interests. Therefore, clients are under no obligation to act upon our financial planning recommendations. If a client does act upon our recommendations, the client is under no obligation to effect transactions through our firm.

Institutional Sub-Advisor Services – AlphaCore Capital makes available its investment strategies to institutional advisors through various platforms. Our firm earns a portion of the fees that are collected by the institutional advisors for the management of such accounts. The institutional advisors provide the relationship management portion of the service and recommends our strategy to their clients. The institutional advisors ultimately have the fiduciary duty to these clients to ensure that the strategy is suitable for their clients' portfolios.

Model Portfolio Subscription Service – AlphaCore Capital offers subscription services allowing Institutional and other clients to utilize AlphaCore Capital's proprietary strategies and to provide information about mutual funds, exchange-traded funds, equity securities and/or fixed income securities. These strategies are designed to satisfy a gradient of standard risk/return assumptions as determined by AlphaCore Capital.

Advisory Services to an Affiliated Registered Investment Company

AlphaCore Capital provides investment management services to an affiliated investment company registered under the Investment Company Act of 1940, the AlphaCore Absolute Fund, through an advisory arrangement ("Affiliated Fund"). AlphaCore Capital manages the Affiliated Fund's portfolio assets based on the Fund's specific investment objectives and restrictions, as outlined in the Affiliated Fund's prospectus and statement of additional information. Please refer to prospectus of the AlphaCore Absolute Fund for a complete description of the investment objective and risks pertaining to the Affiliated Fund.

Limits Advice to Certain Types of Investments

We specialize in "alternative" investing strategies which we define as investments that don't fall into traditional investment categories such as long-only stocks, bonds, or cash. Alternative investment managers can invest long or short, across multiple asset classes, aren't constrained to an investment style, and aren't entirely dependent on the markets going up to achieve positive results.

AlphaCore Capital provides investment advice on the following types of investments:

- Alternative Mutual Funds
- Traditional Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Corporate Debt Securities
- Commercial Paper
- Municipal Securities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests
- Hedge Funds (including Limited Partnerships)
- Private Equity investment opportunities
- Private Real Estate

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

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

Tailor Advisory Services to Individual Needs of Clients

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

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

Participation in Wrap Fee Programs

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

Client Assets Managed by AlphaCore Capital

AlphaCore manages \$168,952,516 on a discretionary basis and \$35,112,906 on a non-discretionary basis as of December 31, 2016.

Item 5 – Fees and Compensation

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

Asset Management Services and Financial Planning Services

Fees charged for our Asset Management Services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of a client's account as of the last business day of the previous billing period. We do **not** charge separately or impose additional fees for our financial planning services. All financial planning services are covered by the asset management fees assessed.

Fees are prorated (based on the number of days service is provided during the initial billing period) when accounts are opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period is based on the value of the Account when services commence and is due immediately and will be deducted from the Account when services commence. Adjustments will be made for deposits and withdrawals during the quarter.

The asset management services continue in effect until terminated. Clients may terminate the services by providing AlphaCore Capital with notice. AlphaCore Capital may terminate the services by providing clients with written notice effective 30 days after receipt of the written notice. Any prepaid, unearned fees

will be promptly refunded by AlphaCore Capital to the client. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Fees charged for our asset management services are negotiable based on the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the relationship of the client with the investment advisor representative, and the total amount of assets under management for the client. The following is our current standard fee schedule:

<u>Assets under Management</u>	<u>Annual Fees</u>
First \$1,000,000	\$15,000 (minimum fee)
\$1,000,001 to \$1,250,000	1.50%
\$1,250,001 to \$5,000,000	1.00%
\$5,000,001 to \$10,000,000	0.75%
\$10,000,001 and above	0.50%

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

AlphaCore imposes a minimum annual fee amount of \$15,000, which can be lowered and/or waived at our sole discretion. While we are no longer requiring a minimum account size, we reserve the right to turn away any potential client or terminate any current client with account assets of less than \$1 million.

The fee schedule listed above was implemented on January 1, 2017, which means there are clients of the firm that are subject to a lower fee schedule and that are not subject to the minimum fee amount. In addition, this fee schedule represents the fees charged solely by AlphaCore Capital and does not include the fees charged by Sub-Advisors selected by our firm to manage clients' accounts. Fees assessed by Sub-Advisors are separate and in addition to the advisory fees we charge. We strive to ensure that the fees charged separately by the Sub-Advisors and also the fees charged by both AlphaCore and the Sub-Advisors are reasonable in light of the services being provided. Sub-Advisors are responsible for calculating and billing their fees. A description of each Sub-Advisor's fees and billing practices are outlined in their respective Form ADV Part 2A, which is provided to each applicable client. Please also refer to "Other Fees and Expenses" below for further information on third party fees.

AlphaCore Capital believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisors offering similar services/programs. Our annual investment advisory fee may be higher than that charged by other investment advisors offering similar services/programs.

In addition to our compensation, clients also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

Clients can choose how to pay AlphaCore Capital's investment advisory fees. The investment advisory fees can be deducted from a client's account and paid directly to our firm by the client's qualified custodian(s), or a client can pay our firm upon receipt of a billing notice sent directly to the client.

For clients that choose to have the investment advisory fees deducted from their account, the client must provide the qualified custodian(s) of their account with authority to deduct fees and pay such fees directly to AlphaCore Capital. This authorization is contained in the client agreement entered into with AlphaCore, when clients select this method of payment.

Clients will receive a quarterly statement from their qualified custodian no less than on a quarterly basis detailing all account transactions, including amounts paid to AlphaCore Capital. We send a billing statement to clients at the same time that fee deduction instruction is sent to the client's qualified

custodian(s). The billing statement will detail the formula used to calculate the fee, the assets under management and the time period covered.

Clients should review their account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

If a client chooses to pay the advisory fees after receiving a billing statement from us, fees will be due upon receipt of the billing statement. The billing statement will detail the formula used to calculate the fee, the assets under management and the time period covered. Fees for the services of our firm will be due immediately after receipt of the billing notice.

Institutional Sub-Advisor Services

Fees charged for our sub-advisory services are negotiable, billed quarterly in arrears, and based on the complexity of the advisor's situation and the composition of the advisor's accounts. The following is our standard fee schedule provided for illustrative purposes.

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

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

Tiered-Blended Pricing Schedule: The actual fees charged to an advisor's clients are a blending of the rates above. As an example, an advisory relationship with \$6,000,000 of assets under management with AlphaCore Capital would pay 0.65% annually on the first \$5,000,000, 0.50% on the next \$1,000,000. The resulting blended fee would be 0.55% per annum.

Model Portfolio & Research Subscription Service

Fees charged for our subscription services are negotiable, billed quarterly in arrears, and based on the complexity of the advisor's situation and the composition of the advisor's account. Advisor will be charged a flat annual fee of up to 0.50%* of the assets under management. Fees will be due within 10 days of each quarter's end. In cases of termination of subscription services, applicable fees shall be paid until the earlier of either AlphaCore releasing a revised model portfolio or Advisor reallocating their clientele so that Advisor is no longer using AlphaCore models is been accomplished.

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

Affiliated Fund Fees

AlphaCore Capital is paid an annual advisory management fee of 0.65% of the daily net assets of the Affiliated Fund by the Fund. The fee is calculated by the Fund's administrator monthly and is based on the average daily net assets of the Affiliated Fund's portfolio and paid quarterly. Detailed management fee and related expense information are contained in the prospectus and statement of additional information for the Affiliated Fund, which should be read carefully before investing. No performance fees are charged to this mutual fund.

When suitable, AlphaCore Capital recommends that certain clients purchase shares of the Affiliated Fund. When this occurs, any portion of a client's account assets that is invested in the Affiliated Fund will not be subject to AlphaCore Capital's asset management fee. However, the client will be subject to the fees and charges applicable to all shareholders of the Affiliated Fund, which includes a sub-advisory fee paid to AlphaCore Capital, as outlined in the Fund's prospectus and statement of additional information.

Other Fees and Expenses

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to the client by the qualified custodian and are in addition to the advisory fees paid. AlphaCore Capital does not receive any portion of such commissions or transaction fees paid to qualified custodians. In addition, clients will incur certain charges imposed by third parties other than AlphaCore Capital in connection with investments made through client's account including, but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s). Management fees charged by AlphaCore Capital are separate and distinct from the fees and expenses charged by investment company securities (e.g. internal mutual fund expenses) that may be recommended to clients or invested in clients' accounts by AlphaCore Capital. A description of these fees and expenses are available in each investment company security's (mutual fund) prospectus.

Additional Compensation Received by IARs

Mr. Marc Seward serves as an IAR of AlphaCore Capital and also is a registered insurance agent. In this capacity, Mr. Seward recommends from time to time various insurance products to AlphaCore clients. Should a client elect to purchase the recommended insurance product(s), Mr. Seward will receive commissions, which depending on the product can be a one-time commission or ongoing payments for the term of the insurance product.

The receipt of additional compensation creates an inherent conflict of interest, and could affect the judgment of Mr. Seward when making recommendations. The conflict is due to the fact that Mr. Seward have an incentive to make recommendations based on the compensation he can receive rather than on a client's needs. AlphaCore Capital and its IARs, including Mr. Seward endeavor at all times to put the interests of the clients first and recommendations only will be made to the extent that they are reasonably believed to be in the best interests of the clients. Also, this conflict is disclosed to AlphaCore clients at the time of entering into an advisory agreement, mainly through the delivery of this Disclosure Brochure (ADV Part 2A) and Mr. Seward's Form ADV Part 2B Supplement Brochure. Clients are not obligated to implement insurance recommendations made by Mr. Seward and have the option to purchase any recommended insurance products through other non-affiliated insurance agents.

Please refer to Item 10 for additional information regarding the financial industry affiliations of AlphaCore and its IARs.

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

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

Item 7 – Types of Clients

AlphaCore Capital generally provides investment advice to high net-worth individuals defined as individuals with at least \$1,000,000 under management with our firm or \$2,000,000 net worth not including primary residence. We also work with Registered Investment Advisors, Banks and Trusts, small companies, charitable contributions, and non-high net worth individuals. Additionally, we provide investment management services to an affiliated mutual fund.

Clients are required to execute a written agreement with AlphaCore Capital specifying the particular advisory services in order to establish a client arrangement with AlphaCore Capital.

Minimum Investment Amounts Required

AlphaCore Capital requires a minimum of \$1,000,000 in order to open an account. To reach this account minimum, clients can aggregate all household accounts. Exceptions can be granted to this minimum at the sole discretion of AlphaCore Capital.

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

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

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

Risks associated with qualitative macro analysis involve the subjectivity of the interpretation of the data itself. If by reviewing the various risks described above a portfolio allocation employed there is no guarantee those risk factors will necessarily provide positive returns. In fact, they may contribute to potential loss.

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

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

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

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most

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

Investment Strategies

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

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

The strategies and asset classes that AlphaCore may utilize include:

Equities

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

Bonds

There are virtually an unlimited number of bond categories that AlphaCore may recommend at various times:

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

Hard Assets

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

- Diversified commodities indexes, as well as actively managed companies that produce or distribute commodities;
- Hard assets may be in individual holdings or actively managed mutual funds, Master Limited Partnership's ("MLPs"), ETF and/or ETN formats; and
- Real Estate Investment Trusts ("REITs").

Alternatives

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

Cash and Cash-equivalents

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

Risk of Loss

- Alternative Investing - Hedge funds, commodity pools and other alternative investments involve a high degree of risk and can be illiquid due to restrictions on transfer and lack of a secondary trading market. They can be highly leveraged, speculative and volatile, and an investor could lose all or a substantial amount of an investment. Alternative investments may lack transparency as to share price, valuation and portfolio holdings. Complex tax structures often result in delayed tax reporting. Compared to mutual funds, hedge funds and commodity pools are subject to less regulation and often charge higher fees. Mutual funds involve risk including possible loss of principal. Alternative investment managers typically exercise broad investment discretion and may apply similar strategies across multiple investment vehicles, resulting in less diversification.
- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If a client held common stock, or common stock equivalents, of any given issuer, the client would generally be exposed to greater risk than if a client held preferred stocks and debt obligations of the issuer.
- Company Risk - When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk - When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk - Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, a client will bear additional expenses based on the client's pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. A client will also incur brokerage costs when purchasing ETFs.
- Management Risk – A client's investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our

investment strategies do not produce the expected returns, the value of the investment will decrease.

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

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

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

Item 9 – Disciplinary Information

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

Item 10 – Other Financial Industry Activities and Affiliations

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

However, Mr. Marc Seward, who is an investment adviser representative of AlphaCore, is a registered insurance agent and owns a consulting firm. These outside business activities create conflicts of interest. For example, as outlined in Item 5 above, from time to time Mr. Seward recommends various insurance products to AlphaCore clients and when an insurance product is purchased by a client, Mr. Seward receives commissions. The fact that Mr. Seward receives compensation creates an incentive to make such recommendations, which in turn creates a conflict. Importantly, AlphaCore and its IARs endeavor at all times to put the interests of the clients first and recommendations only will be made to the extent that they are reasonably believed to be in the best interests of the client. Clients are not obligated to implement insurance recommendations and have the option to purchase any recommended insurance products through other non-affiliated insurance agents.

While Mr. Seward devotes as much time to the business and affairs of AlphaCore as is necessary to perform his duties as an investment adviser representative, he also devotes a portion of his time to performing services for his other outside business activities. Having outside business activities create conflicts of interest, especially since Mr. Seward's obligations to the outside businesses take time away from his duties performed for AlphaCore.

The conflicts outlined above are disclosed to clients at the time of entering into an advisory agreement, mainly through the delivery of this Disclosure Brochure (ADV Part 2A) and Mr. Seward's ADV Part 2B Supplement Brochure.

For a detailed description of the affiliations and outside business activities of each AlphaCore IAR, please refer to their respective Form ADV Part 2B Supplemental Disclosure Brochure.

Third – Party Investment Advisor Arrangements

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

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

Code of Ethics Summary

An investment advisor is considered a fiduciary and has a fiduciary duty to all clients. AlphaCore Capital has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. AlphaCore Capital's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment advisor representatives are classified as supervised persons. AlphaCore Capital requires its supervised persons to consistently act in a client's best interest in all advisory activities. AlphaCore Capital imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to our clients. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

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

Affiliate and Employee Personal Securities Transactions Disclosure

AlphaCore Capital or supervised persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. Also, there are times when AlphaCore Capital will purchase the same or similar securities for the Affiliated Fund at the same time as it affects transactions for other our clients. Additionally, supervised persons of AlphaCore Capital will invest in the Affiliated Fund. This creates a potential conflict of interest. It is the express policy of AlphaCore Capital that all persons supervised in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. AlphaCore Capital and its supervised persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

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

- Supervised persons cannot prefer their own interests to that of the client.
- Supervised persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Supervised persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Supervised persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Supervised persons are discouraged from conducting frequent personal trading.
- Supervised persons are generally prohibited from serving as board members of publicly traded

companies unless an exception has been granted to the Chief Compliance Officer of AlphaCore Capital.

- Supervised persons must report their transactions and holdings in certain securities and the Affiliated Fund.

Any supervised person not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of AlphaCore Capital. When the firm implements our investment advice, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in a client's best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

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

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

AlphaCore Capital does not have a related company that is a broker/dealer and we do not receive client referrals from broker/dealers.

Custodian Arrangements

Fidelity Institutional Wealth Services

We will primarily recommend (and in some cases require) that clients open accounts directly at Fidelity Institutional Wealth Services as a result of our participation in the Fidelity Institutional Wealth Services program. Fidelity Institutional Wealth Services, a division of Fidelity, Inc. is a registered broker/dealer, member FINRA/SIPC/NFA ("Fidelity"), and will serve as the client's qualified custodian and maintain physical custody of all client funds and securities, along with effecting trades in clients' accounts held at Fidelity

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

Fidelity also makes available to AlphaCore Capital other products and services that we benefit from but may not benefit our clients. Some of these other products and services assist us in managing and administering client accounts. These include software and other technology that:

- Provide access to client account data (such as trade confirmation and account statements)
- Facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts)
- Provide research, pricing information and other market data
- Facilitate payment of our fees from client accounts
- Assist with back-office functions, recordkeeping and client reporting.

Many of these services generally may be used to service all or a substantial number of our accounts. Fidelity also makes available other services intended to help us manage and further develop our business. These services may include:

- Consulting, publications and conferences on practice management
- Information technology
- Business succession
- Regulatory compliance
- Marketing

In addition, Fidelity may make available, arrange and/or pay for these types of services rendered to AlphaCore Capital by independent third-parties providing these services to us. As a fiduciary, we endeavor to act in our client's best interest. Our recommendation that clients maintain their assets in accounts at Fidelity may be based in part on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Fidelity. This creates a potential conflict of interest.

Charles Schwab & Company, Inc.

AlphaCore Capital also sometimes recommends Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, Member SIPC, to clients to serve as custodian of the client's assets and to effect trades for their account(s). Although AlphaCore Capital may recommend that a client establish accounts at Schwab, it is the client's decision to custody assets with Schwab. AlphaCore Capital is independently owned and operated and not affiliated with Schwab. AlphaCore Capital may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

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

For AlphaCore Capital's clients' accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Institutional also makes available to AlphaCore Capital other products or services that benefit AlphaCore Capital but may not directly benefit clients' accounts. Many of these products and services may be used to service all or some substantial number of AlphaCore Capital' accounts, including accounts not maintained Schwab.

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

Schwab Institutional also offers other services intended to help AlphaCore Capital manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii)

access to employee benefits providers, human capital consultants and insurance providers. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to AlphaCore Capital. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of AlphaCore Capital personnel. While as a fiduciary, AlphaCore Capital endeavors to act in its clients' best interests, AlphaCore Capital's recommendation that clients maintain their assets in accounts at Schwab may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Affiliated Fund Transactions

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

Client Directed Brokerage

Upon consent and approval of AlphaCore Capital, clients may be permitted to select the broker/dealer that will be used for executing transactions in their accounts. Clients directing the use of a particular broker/dealer or other custodian must understand that we may not be able to obtain the best prices and execution for the transaction. Under a client-directed brokerage arrangement, clients may receive less favorable prices than would otherwise be the case if the client had not designated a particular broker/dealer or custodian. Directed brokerage account trades are generally placed by AlphaCore Capital after effecting trades for other clients of AlphaCore Capital. In the event that a client directs AlphaCore Capital to use a particular broker or dealer, AlphaCore Capital may not be authorized to negotiate commissions and may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct AlphaCore Capital to use a particular broker or dealer versus clients who do not direct the use of a particular broker or dealer.

Under no circumstances will AlphaCore Capital place any transactions for the Affiliated Fund with a broker-dealer in recognition of past or future client referrals or in consideration of the broker's promotion of the sale of mutual fund shares.

Block Trading Policy

Transactions for each client will be effected independently, unless AlphaCore Capital determines a transaction of the same security for several clients at approximately the same time should be placed as a "bunched" transaction. AlphaCore Capital provides advisory services for a number of clients, some of which may have similar investment objectives. When believed to be beneficial to all participating clients, AlphaCore Capital will aggregate clients transactions, which from time to time will include transactions for the Affiliated Fund and/or proprietary (employee) accounts that have similar orders being made at the same time. Such client benefits may include better transaction prices and lower trade execution costs. If all aggregate orders do not fill at the same price, transactions will generally be averaged as to price and allocated among participating accounts pro rata to the purchase and sale orders placed for each participating account on any given day. If such orders cannot be fully executed under prevailing market conditions, AlphaCore Capital will allocate the securities traded among participating accounts and each similar order in a manner which it considers equitable, taking into consideration, among other things, the size of the orders placed, the relative cash positions of each account, the investment objectives of the accounts, and liquidity of the security.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at a client's request. Account reviews will include investment strategy and

objectives review and making a change if strategy and objectives have changed. Reviews are conducted by one or more of our investment advisor representatives with reviews performed in accordance with a client's investment goals and objectives.

Statements and Reports

For our asset management services, clients are provided with transaction confirmation notices and regular quarterly account statements directly from their qualified custodian. Additionally, AlphaCore Capital may provide written position or performance reports to clients quarterly and upon request.

Financial planning clients do not receive any report other than the written plan provided by AlphaCore Capital.

Clients are encouraged to always compare any reports or statements provided by us, a sub-advisor or third-party money manager against the account statements delivered from the qualified custodian. When clients have questions about their account statement, they should contact our firm or the qualified custodian preparing the account statement.

Item 14 – Client Referrals and Other Compensation

AlphaCore has entered into arrangement with solicitors to refer potential clients to the Firm. All such agreements are in writing and comply with the requirements of Rule 206(4)-3 of the Advisers Act. When a prospective client is introduced to AlphaCore by a solicitor and then becomes a client, AlphaCore pays the referring solicitor a fee. While the specific terms of each arrangement may differ, generally, the compensation paid to the solicitor is based upon the engagement of new clients and the retention of those clients and is calculated using a varying percentage of the advisory fees paid by the clients.

Each prospective client who is referred to AlphaCore under such an arrangement will receive a copy of the Firm's Disclosure Brochure and a separate written disclosure document disclosing the nature of the relationship between the third party solicitor and AlphaCore, along with the amount of compensation that will be paid by AlphaCore to the solicitor. The solicitor is required to obtain the client's signature on that disclosure document, which acknowledges the client's receipt of AlphaCore's Disclosure Brochure and the solicitor's written disclosure statement outlining the arrangement.

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

Item 15 – Custody

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

AlphaCore Capital is deemed to have custody of client funds and securities whenever AlphaCore Capital is given the authority to have fees deducted directly from client accounts. This is the only form of custody

AlphaCore Capital will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

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

When fees are deducted from an account, AlphaCore Capital is responsible for calculating the fee and delivering instructions to the custodian. At the same time AlphaCore Capital instructs the custodian to deduct fees from a client's account; AlphaCore Capital will send an invoice to the client itemizing the fee. Itemization will include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Item 16 – Investment Discretion

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

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

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

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

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

Item 17 – Voting Client Securities

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

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

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

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

Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. AlphaCore Capital does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, AlphaCore Capital has not been the subject of a bankruptcy petition at any time.