



## Alpha Capital Management Group, LLC

6465 Greenwood Plaza Blvd.  
Suite 625  
Centennial, CO 80111

April 1, 2020

### Part 2A Brochure

This brochure provides information about the qualifications and business practices of Alpha Capital Management Group, LLC. If you have any questions about the contents of this brochure, please contact us at (303) 900-1940. 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. Alpha Capital is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about Alpha Capital Management Group, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Alpha Capital Management Group, LLC is 283624.

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## ITEM 2 – MATERIAL CHANGES

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### Summary of Material Changes

This section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The following are a list of changes since our ADV filing dated February 3, 2020:

- The CCO has been named Ian Campbell as of April 1, 2020.
- Item 4 has been amended to update ownership of the firm.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer Ian Campbell at (303) 900-1940 or [ian.campbell@alphacmg.com](mailto:ian.campbell@alphacmg.com).

We encourage you to read this document in its entirety.

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## ITEM 4 – ADVISORY BUSINESS

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This Disclosure document is being offered to you by Alpha Capital Management Group, LLC (“Alpha Capital”) in connection with the investment advisory services we provide. It discloses information about the services that we provide and the manner in which those services are made available to you, the client.

We are an investment management firm located in Colorado. We specialize in investment advisory services for high-net-worth individuals, small businesses, families, trusts and estates. The firm is owned by GC Capital, LLC, Elevate Wealth Management, LLC, and Business Wealth Strategies, LLC. Mark Ell, Garrison Campbell and Ian Campbell are indirect owners of Alpha Capital Management Group, LLC through the aforementioned entities.

We are committed to helping clients build, manage, and preserve their wealth, and to provide assistance that helps clients to achieve their stated financial goals. We will offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and Alpha Capital execute an engagement letter or client agreement.

### **Investment and Wealth Planning Services**

We offer discretionary investment management and investment supervisory services for a fee based on a percentage of your assets under management or on a dollar flat fee. These services include investment analysis, allocation of investments, quarterly portfolio statements, financial commentaries, wealth planning services (as described below) and ongoing monitoring of client portfolios. We primarily allocate client assets among various mutual funds, exchange-traded funds (“ETFs”), and individual debt (bonds) and equity securities in accordance with their stated investment objectives.

We will work with you to obtain necessary information regarding your financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. This information enables us to determine the portfolio best suited for your investment objective and needs.

In performing our services, we shall not be required to verify any information received from you or from other professionals. If you request, we may recommend and/or engage the services of other professionals for implementation purposes. You have the right to decide whether or not to engage the services of any such recommended professional.

Once we have determined the types of investments to be included in your portfolio and allocated them, we will provide ongoing portfolio review and management services. This approach requires us to review your portfolio at least quarterly.

We will rebalance the portfolio, as we deem appropriate, to meet your financial objectives. We trade these portfolios and rebalance them on a discretionary basis based on our market views and on your objectives, using our investment process. We tailor our advisory services to meet the needs of our clients and seek to ensure that your portfolio is managed in a manner consistent with those needs and objectives.

In all cases, you have a direct and beneficial interest in your securities, rather than an undivided interest in a pool of securities. We do have limited authority to direct the Custodian to deduct our investment advisory fees from your accounts, but only with the appropriate authorization from you.

Where appropriate, we may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage us to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans).

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account's performance. This could result in capital losses in your account.

### **Wealth Planning Services**

Our firm offers wealth planning services to our investment management clients. Some of our Advisers market this planning service under the name Alpha Capital Family Office ("ACFO"). Through your individual Private Financial Website supported by e-Money, our firm is able to conduct an analysis of your current situation and identify appropriate financial planning and investment management techniques to help you to meet your specific financial objectives. Such services include various reports on specific goals and objectives or general investment and/or planning recommendations, answers to outside assets and periodic updates.

In preparing your analysis, we may address any or all of the six areas of financial planning established by the National Endowment for Financial Education and endorsed by the Certified Financial Planner Board of Standards, depending on your specific needs. These include: financial position, protection planning, investment planning, income tax planning, retirement planning, and estate planning.

Our specific services in preparing your plan may include:

- Review and clarification of your financial goals.
- Assessment of your overall financial position including cash flow, balance sheet, investment strategy, risk management and estate planning.

- Creation of a unique plan for each goal you have including personal and business real estate, education, retirement or financial independence, charitable giving, estate planning, business succession and other personal goals.
- Development of a goal-oriented investment plan around tax suggestions, asset allocation, expenses, risk and liquidity factors for each goal. This includes IRA and qualified plans, taxable and trust accounts that require special attention.
- Design of a risk management plan including risk tolerance, risk avoidance, mitigation and transfer, including liquidity as well as various insurance and possible company benefits.
- Crafting and implementation of, in conjunction with your estate and/or corporate attorneys as tax advisor, an estate plan to provide for you and/or your heirs in the event of an incapacity or death.
- Generation of a benefits plan, risk management plan and succession plan for your business, if applicable.

### **Alpha Intelligent Portfolio**

We offer an automated investment program through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds (“ETFs”) and a cash allocation. The client may instruct us to exclude up to three ETFs from their portfolio. The client’s portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“CS&Co”). We use the Institutional Intelligent Portfolios® platform (“IIPP”), offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of CS&Co., to operate the automated investment program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, “Schwab”). We, and not Schwab, are the client’s investment advisor and primary point of contact with respect to the automated investment program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the automated investment program for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the IIPP, which consists of technology and related trading and account management services for the automated investment program. The IIPP enables us to make the automated investment program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that helps us determine the client’s investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client’s answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio. As the listed Adviser on the account, our Firm has the ability to select a portfolio that may be more suited to the Client’s objective based on the research and information regarding the Client’s financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. The System also includes an automated

investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

### **Retirement Plan Advisory Services**

Retirement Plan Advisory Services consists of helping employer plan sponsors to establish, monitor and review their company's retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment selection and monitoring, plan structure, and participant education.

We offer advisory services to employer sponsored retirement plans such as 401(k), 457, 403(b), and ROBS Plans (Rollovers as Business Start-Ups). On the plan level, we manage the investment line-up making changes as necessary as well as providing risk based investment models for the participants. On the individual participant level, we manage risk based models using the current investment lineup based on risk tolerance of the individual investor.

#### ***Plan Level***

We will establish the plan's needs and objectives through an initial meeting to collect data, review plan information, and assist in developing or updating the plan's provisions. Ongoing services may include recommendations regarding the selection and review of unaffiliated mutual funds that, in the Alpha Capital's judgment, are suitable for plan assets to be invested. We periodically review the investment options selected and make recommendations to keep or replace plans investment options as appropriate. We perform a comprehensive review of Investment options and will assist with converting from incumbent service providers to a new service provider if appropriate.

We will provide quarterly recommendations for the plan's investment allocation. Upon receipt we will review the investment options and provide positions for accounts in accordance with the management style chosen by the client. Analysis is provided for each fund held by the Plan. A report shows historical performance, asset allocation, and the performance of each fund, including its performance in comparison to its appropriate benchmark. The report also contains information regarding each Fund's managers, capitalization, investment style, expenses, portfolio composition and other qualitative factors relevant to the Fund's performance and adherence to the Plan's Investment Policy Statement. Clients are responsible for making the fund changes within the account.

#### ***Participant Level***

We can also be engaged to provide financial education to plan participants. The scope of education provided to participants will not constitute "investment advice" within the meaning of ERISA and participant education will relate to general principles for investing and information about the investment options currently in the plan. We may also participate in initial enrollment meetings and periodic workshops and enrollment meetings for new participants.

### **Third Party Money Managers ("TPMM")**

Our Firm provides investment advice and recommendations on the investment strategies of Third Party Money Managers ("TPMM"). Selected TPMMs are evaluated by Alpha Capital for client use. Our services include assisting you in identifying your investment objectives and matching personal and financial data with a select list of TPMMs. The intent of this service is to have a selected list of high quality and recognizable third party investment management firms from which you select one or more TPMMs to handle the day-to-day management of your account(s). Following recommendations by our Investment Adviser Representatives ("IAR"), you will have final authority to select a TPMM. The IAR will assist you in completing appropriate TPMM documents.

Alpha Capital IARs assist clients with identifying their risk tolerance and investment objectives. IARs will recommend TPMMs in relation to the client's stated investment objectives and risk tolerance. A client may select a recommended TPMM based upon the client's needs. Clients will enter an Advisory Program Agreement directly with the TPMM.

TPMMs selected for your investments need to meet several quantitative and qualitative criteria established by Alpha Capital. Among the criteria that may be considered are the TPMM's experience, assets under management, performance record, client retention, the level of client services provided, investment style, buy and sell disciplines, capitalization level, and the general investment process.

You are advised and should understand that:

- **A TPMM's past performance is no guarantee of future results;**
- There is a certain market and/or interest rate risk which may adversely affect any TPMM's objectives and strategies, and could cause a loss in a Client's account(s); and
- Client risk parameters or comparative index selections provided to Alpha Capital are guidelines only and there is no guarantee that they will be met or not be exceeded.

Our IARs shall be available to answer questions the client may have regarding their account and act as the communication conduit between the client and the TPMM. TPMMs take discretionary authority to determine the securities to be purchased and sold for the client. Neither Alpha Capital nor its associated persons will have any trading authority with respect to clients' managed account with the TPMM(s).

All accounts are managed by the selected TPMM and Alpha Capital does not have any discretionary trading authority with respect to such accounts. Information collected by our firm regarding TPMMs is believed to be reliable and accurate but Alpha Capital does not independently review or verify it on all occasions. All performance reporting will be the



responsibility of the respective TPMM. Such performance reports will be provided directly to you and Alpha Capital. Alpha Capital does not audit or verify that these results are calculated on a uniform or consistent basis as provided by a TPMM directly to Alpha Capital or through the consulting service utilized by the TPMM.

Alpha Capital has entered into agreements with various independent TPMMs. Under these agreements, Alpha Capital offers client's various types of programs sponsored by these TPMMs. All TPMM to whom Alpha Capital will refer clients will be licensed as registered investment advisors by their resident state and any applicable jurisdictions or registered investment advisors with the Securities and Exchange Commission.

Third-party managed programs generally have account minimum requirements that will vary from investment advisor to investment advisor. Account minimums are generally higher on fixed income accounts than equity based accounts. A complete description of the TPMM's services, fee schedules and account minimums will be disclosed in the TPMM's Form ADV or similar Disclosure Brochure which will be provided to clients at the time an agreement for services is executed and account is established.

### **Consulting Services**

We also provide clients investment advice on a more-limited basis on one-or-more isolated areas of concern such as estate planning, real estate, retirement planning, or any other specific topic. Additionally, we may provide advice on non-securities matters in connection with the rendering of estate planning, insurance, real estate, and/or annuity advice. In these cases, you may be required to select your own investment managers, broker-dealer and/or insurance companies for the implementation of consulting recommendations. If your needs include brokerage and/or other financial services, we may recommend the use of one of several investment managers, brokers, banks, custodians, insurance companies or other financial professionals ("Firms"). You must independently evaluate these Firms before opening an account or transacting business, and have the right to effect business through any firm you choose. You are under no obligation to follow the consulting advice that we provide.

### **DBA Names and Entities**

Investment Advisor Representatives ("IAR") may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials or client statements. The Client should understand that the businesses are legal entities of the IAR and not of our firm Alpha Capital. The IARs are under the supervision of our firm Alpha Capital, and the advisory services of the IAR are provided through our firm, Alpha Capital.

### **Wrap Fee Program**

Under our wrap fee program, you will receive investment advisory services and the execution of securities brokerage transactions for a single specified advisory fee. Our firm receives this wrap fee for the services rendered. The terms and conditions on a wrap

program engagement are more fully discussed in our Wrap Fee Program Brochure. We adhere to our fiduciary duty when trading in your accounts. Trades are made only on the basis of the account's stated investment objectives, and without concern to the firm's trading costs and firm's expenses that trading the accounts will create. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that there is an incentive to limit our trading activities in your account(s) because our firm incurs the transaction fees for executed trades. In order to mitigate this conflict of interest, we will fulfill our fiduciary duty by acting in the client's best interest.

There are two pricing structures in our Wrap Fee Program - transactional and asset based pricing. This pricing election is unique to each Custodian's platform. Our firm presents each of our recommend Custodian's services and fee structure to clients but it's ultimately the Clients decisions on what Custodian is utilized. The pricing with the custodians may be renegotiated at any given time.

#### **Assets under Management**

As of December 31, 2019, we have total assets under management of \$321,459,288. We have \$170,886,646 under discretionary management and \$150,572,642 under non-discretionary management.

#### **Assets under Advisement**

During our client review meetings, our firm will advise on certain accounts and assets not held through one of firm's recommended custodians. This would include assets invested in Real Estate, business investments, Life Insurance, Long Term Care- Asset Based and Employer Sponsored Retirement Plans. As of December 31, 2019 the assets under our advisement are approximately \$ 90,075,000.

### **ITEM 5 - FEES AND COMPENSATION**

#### **Investment Management Fees and Compensation**

Alpha Capital charges a fee as compensation for providing Investment Management services on your account. These services include advisory and consulting services, trade entry, investment supervision, and other account-maintenance activities. Our custodian may charge transaction costs, custodial fees, redemption fees, retirement plan and administrative fees or commissions. See Additional Fees and Expenses below for additional details. This fee structure is the same for the Alpha Intelligent Portfolios.

The fees for portfolio management are based on an annual percentage of assets under management or a flat quarterly fee. The advisory fees are applied to the account asset value on a pro-rata basis and billed either on a three-month billing cycle in advance or a calendar quarter in arrears, as indicated in your Investment Management Agreement. The initial fee will be based upon the date the account is accepted for management by execution of the advisory agreement by Alpha Capital or when the assets are transferred

through the last day of the current calendar quarter or the three-month billing period. Thereafter, the fee will be based on the market value of each previous quarter's last business day or the last day of the three-month billing period. Fees are assessed on all assets under management, including securities, cash and money market balances. There may be a possibility for price or account value discrepancies due to quarter-end transactions in an account. Dividends or trade date settlements may occur and our third party billing software may report a slight difference in account valuation at quarter end compared to what is reported on your Statement from the Custodian. Our firm has the ability to produce billing summaries, which can be provided upon request.

Our maximum investment advisory fees is 1.50%. Our annual fixed fees range from \$2,000 to \$100,000 depending on the level of engagement. The specific advisory fees are set forth in your Investment Advisory Agreement. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. Additional deposits and withdrawals will be added or subtracted from portfolio assets, as the case may be, which may lead to an adjustment of the account fee. In certain circumstances, our fees and the timing of the fee payments may be negotiated. Our employees and their family related accounts are charged a reduced fee for our services.

At our discretion, we will aggregate asset amounts in accounts from your same household together to determine the advisory fee for all your accounts. We may do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause your account(s) to be assessed a lower advisory fee based on the asset levels available in our fee schedule

The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us. You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account including our advisory fees. See Item 15 for details. At our discretion, you may pay the advisory fees by check or credit card. You are encouraged to review your account statements for accuracy.

Either Alpha Capital or the client may terminate the management agreement immediately upon written notice to the other party. The management fee will be pro-rated to the date of termination, for the calendar quarter or three-month billing period in which the cancellation notice was given. Depending on your billing arrangement and what is agreed to in the Agreement, any unearned advisory fee will be refunded to you and any earned advisory fee will be billed to the client up to the date of termination. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

### **Wealth Planning Fees**

If you engage Alpha Capital for its investment management services, wealth planning fees are included in the fee discussed above. There are some instances where Alpha Capital does not manage your assets. Under these circumstances, you would engage Alpha Capital to provide a financial plan to you for a flat fee.

Alpha Capital will negotiate the planning fees with you. Under our fixed fee arrangement, any fee will be agreed in advance of services being performed. The fee will be determined based on factors including the complexity of your financial situation, agreed upon deliverables. Fixed fees for financial plans range from \$1,000 to \$2,500. The specific fixed fee for your financial plan is specified in your planning agreement with Alpha Capital.

Typically, we complete a plan within a month and will present it to you within 90 days of the contract date, if you have provided us all information needed to prepare the financial plan. Fees are billed in with one half (50%) of the estimated fee due and payable at the time you enter into the financial planning agreement, with the balance due and payable at the time the financial plan is delivered. You may terminate the financial planning agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you based on an hourly rate of \$250.00. Services provided up to date of termination but not yet paid to Alpha Capital will be billed to you based on the hourly rate of \$250.00. We will not require prepayment of more than \$1,200 in fees per client, six (6) or more months in advance of providing any services.

When both investment management or plan implementation and wealth planning services are offered, there is a conflict of interest since there is an incentive for us offering wealth planning services to recommend products or services for which Alpha Capital receives compensation. However, Alpha Capital will make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs. As a wealth planning client, you have the right not to act upon any of our recommendations and not affect the transaction(s) through us if you decide to follow the recommendations.

### **Alpha Intelligent Portfolios**

We charge clients an advisory fee for our services as described above. Our advisory fees are not set or supervised by Charles Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of the automated investment program. Charles Schwab does receive other revenues in connection with the automated investment program.

### **Retirement Plan Advisory Services**

For Retirement Plan Advisory Services compensation, we charge an annual fee as negotiated with the client and disclosed in the Investment Advisory Agreement. The compensation

method is explained and agreed upon in advance before any services are rendered. Fees range from 0.10% to 1.25% annually. Fixed fees range from \$500 to \$50,000.

Plan advisory services begin with the effective date of the Agreement, which is the date you sign the Investment Advisory Agreement. For that calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the Agreement was effective. Our fee is billed in advance or in arrears on the last business day of the calendar quarter. Invoices are sent out each quarter to either the client or the custodian of the Plan. For Plans where our fee is billed to the custodian, the fee is deducted directly from the participant accounts. Written authorization permitting us to be paid directly from the custodial account is outlined in the Investment Advisory Agreement.

Either party may terminate the Agreement at any time upon 30 days written notice. You are responsible to pay for services rendered until the termination of the agreement.

### **Third Party Management ("TPMM Program" or "TPMM") Fees**

Fees and billing methods are outlined in each respective TPMM's Brochure and Advisory Contract. The Client pays an on-going fee directly to the TPMM based upon a percentage of your assets under management with respect to each TPMM. You will receive disclosure of all fees by the TPMM, which include the terms of the compensation arrangement and a description of the compensation paid, at the time of signing an advisory agreement with the TPMM.

The minimum account size for will vary from TPMM to TPMM. All such minimums will be disclosed in the respective TPMM's Brochure. Alpha Capital may have the ability to negotiate such minimums for you.

You may terminate your relationship in accordance with the respective TPMMs' disclosure documents. In the event of pre-paid fees, fees will be refunded in accordance with the respective TPMM's agreement and disclosure documents and termination date.

We may recommend you terminate the relationship with a TPMM. Factors involved in the termination of a TPMM may include a failure to adhere to their stated management style or your objectives, a material change in the professional staff of the TPMM, unexplained poor performance, unexplained inconsistency of account performance, or our decision to no longer include the TPMM on our list of approved TPMMs.

Account custodial services may be provided by several account custodians depending on the investment management program offered. Programs may have higher or lower fees than other programs available through Alpha Capital or available elsewhere. Investment management programs may differ in the services provided and method or type of management offered, and each may have different account minimums. Client reports will depend upon the management program selected. Please see complete details in the program brochure and custodial account agreement for each program recommended and

offered. Because managers pay different fees to the referring party, there is a conflict of interest when referring to various TPMMs. This creates a conflict of interest. We recognize the fiduciary responsibility to act in your best interest and have established policies in this regard to mitigate any conflicts of interest. You, the Client, always has right to decide to engage the TPMM that Alpha Capital recommends to you.

### **Consulting**

Alpha Capital provides consulting services for clients who need advice on a limited scope of work. Alpha Capital will negotiate consulting fees with you. Fees may vary based on the extent and complexity of the consulting project. Fees are negotiated and you will be billed as services are rendered.

Either party may terminate the agreement. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you as described above.

### **Administrative Services Provided by ORION Advisor Services, LLC**

We have contracted with ORION Advisor Services, LLC (referred to as “ORION”) to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, research, client database maintenance, quarterly performance evaluations, payable reports, web site administration, models, trading platforms, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, ORION will have access to client accounts, but ORION will not serve as an investment advisor to our clients. Alpha Capital and ORION are non-affiliated companies. ORION charges our Firm an annual fee for each account administered by ORION. Please note that the fee charged to the client will not increase due to the annual fee Alpha Capital pays to ORION, the annual fee is paid from the portion of the management fee retained by Alpha Capital.

### **Additional Fees and Expenses:**

In addition to the advisory fees paid to Alpha Capital, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges may include custodial fees, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Alpha Capital’s brokerage practices are described at length in Item 12, below.

There are certain securities or investments a client wishes to purchase or hold in their account. These investment products may carry fees from the delivering firm to the Custodian. Custodians may also charge an additional fee for select securities and/or alternative investments to be included in the holdings of their account. Our Firm will

communicate in writing to the client on the Advisory Agreement or Addendum if our firm will be reimbursing these “holding” fees. The reimbursement of these unique situations are based on the total assets in the client portfolio and client relationship. For some of the fee reimbursements, certain custodians do not allow our firm to directly reimburse additional fees directly into a client account. In those cases, the client reimbursement is processed and recorded with Alpha Capital’s quarterly billing statement.

Examples of the investments outside the typical securities that may have additional fees at the Custodian:

- *REITS* (To be billed by custodian - \$100 initial purchase fee, \$250 annual holding fee, \$100 redemption fee)
- *Private Investments* (To be billed by custodian - \$100 initial purchase fee, \$250 annual holding fee, \$100 redemption fee)
- *Separately Managed Accounts* (will vary by TPM and disclosed in the TPM ADV delivered to the client prior to investment, fees not to exceed 0.25% annually in addition to Alpha Capital’s advisory fee)
- *Charitable Donor Funds* – Fidelity bills an additional fee not to exceed 0.60% to accommodate for Charitable Donor Funds
- *American Depositary Receipts*

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#### ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

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We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees).

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#### ITEM 7 - TYPES OF CLIENTS

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We provide investment advice to individuals, high-net-worth individuals, families, small businesses, institutions, pensions, charitable trusts and estates. Our minimum initial account value is \$250,000; however, we may accept accounts for less than the minimum.

#### **Alpha Intelligent Portfolio**

Clients eligible to enroll in the automated investment program include individuals, IRAs, and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the automated investment program. The minimum investment required to open an account in the automated investment program is \$5,000. The minimum account balance to enroll in the tax-loss harvesting feature is \$50,000.

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#### ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

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We seek to recommend investment strategies that will give a client a diversified portfolio consistent with the client’s investment objective. We do this by analyzing the various securities, investment strategies, and third party management firms. The goal is to identify

a client's risk tolerance, and then find a manager with the maximum expected return for that level of risk.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We utilize both fundamental and technical analysis. We gather our information from a broad array of financial resources including financial newspapers, magazines, research prepared by others, corporate rating services, company press releases, annual reports, prospectuses and filings with the Securities and Exchange Commission.

We determine how to allocate assets among the various asset classes based on the investment strategy chosen, prevailing economic conditions and our determination of where we are in the economic cycle. Potential risks and opportunities are weighed to determine to what degree the portfolio should be invested.

From time-to-time, market conditions may cause your account to vary from the established allocation. To remain consistent with the asset allocation guidelines established, your account is monitored on an ongoing basis and rebalanced to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy.

In addition to the rebalancing, overall market conditions and microeconomic factors that affect specific holdings in your account may trigger changes in allocation. Your account may also receive informal reviews more frequently.

Alternative investments are thought of as investments other than stocks and bonds. The alternative investment strategies we offer tend to move independently of stock and bond markets. The main goal of alternatives is to provide access to other return sources, with the potential benefits of reducing the risk of an investor's portfolio, improving returns, or both.

Our Firm may recommend alternative investments such as public non-traded real estate programs, public non-traded business development companies, and private real estate programs which have their own management fees and operating expenses. Therefore, these investments subject clients to Alpha's direct management fee and the indirect fees of the investment.

### **Investment Philosophy**

Prior to making recommendations, we determine your financial status, needs, time horizon, investment objectives, risk tolerance, and tax status. From this, we create an



investor profile and general asset allocation target. While we believe asset, allocation is a key factor affecting long-term rate of return, we also believe fundamental research and securities selection are vital. To that end, we select from a narrow, refined list of institutional fund managers known for excellence in their respective disciplines. We focus primarily on the people, processes, research, consistency, and culture rather than simply recent “high performance” or “track record”.

As much as reasonably possible, we strive to:

- Diversify strategically with non-correlating assets.
- Balance between growth and value styles.
- Diversify globally.
- Rebalance as markets change.
- Manage for tax efficient returns wherever possible or as your goals and objectives dictate.

### **TPMM Analysis**

We seek to recommend investment strategies that will give a client a diversified portfolio consistent with the client’s investment objective. We do this by analyzing the various securities, investment strategies, and third party management firms. The goal is to identify a client’s risk tolerance, and then find a TPMM with the maximum expected return for that level of risk.

We examine the experience, expertise, investment philosophies and past performance of independent TPMMs in an attempt to determine if that TPMM has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the TPMMs’ underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the TPMMs’ compliance and business enterprise risks.

A risk of investing with a TPMM who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a TPMMs’ portfolio, there is also a risk that the TPMM may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the TPMMs’ daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

### **Risk of Loss**

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, Alpha Capital 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 you from losses due to market corrections or declines.

Investors should be aware that accounts are subject to the following risks:

- \* **Market Risk** — Even a long-term investment approach cannot guarantee a profit. Economic, political and issuer-specific events will cause the value of securities to rise or fall. Because the value of investment portfolios will fluctuate, there is the risk that you will lose money and your investment may be worth more or less upon liquidation.

- \* **Foreign Securities and Currency Risk** — Investments in international and emerging-market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability.

- \* **Capitalization Risk** — Small-cap and mid-cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.

- \* **Interest Rate Risk** — In a rising rate environment, the value of fixed-income securities generally declines and the value of equity securities may be adversely affected.

- \* **Credit Risk** — Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.

- \* **Securities Lending Risk** — Securities lending involves the risk that the fund loses money because the borrower fails to return the securities in a timely manner or at all. The fund could also lose money if the value of the collateral provided for loaned securities, or the value of the investments made with the cash collateral, falls. These events could also trigger adverse tax consequences for the fund.

- \* **Derivative Risk** — Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. Derivatives can be used for hedging (attempting to reduce risk by offsetting one investment position with another) or non-hedging purposes. Hedging with derivatives may increase expenses, and there is no guarantee that a hedging strategy will achieve the desired results.

- \* **Exchange-Traded Funds** — ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund's shares trading at either a premium or a discount to its "net asset value."

\* Performance of Underlying Managers — We select the mutual funds and ETFs in the asset allocation models. However, we depend on the manager of such funds to select individual investments in accordance with their stated investment strategy.

\* Alternative Investments - Investments classified as "alternative investments" may include a broad range of underlying assets including, but not limited to, hedge funds, private equity, venture capital, and registered, publicly traded securities. Alternative investments are speculative, not suitable for all clients and intended for only experienced and sophisticated investors who are willing to bear the high risk of the investment, which can include: loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative investment practices; lack of liquidity in that there may be no secondary market for the fund and none expected to develop; volatility of returns; potential for restrictions on transferring interest in the fund; potential lack of diversification and resulting higher risk due to concentration of trading authority with a single advisor; absence of information regarding valuations and pricing; potential for delays in tax reporting; less regulation and typically higher fees than other investment options such as mutual funds. The SEC requires investors be accredited to invest in these more speculative alternative investments. Investing in a fund that concentrates its investments in a few holdings may involve heightened risk and result in greater price volatility.

\* Liquidity Risk - Liquidity risk exists when particular investments would be difficult to purchase or sell, possibly preventing clients from selling such securities at an advantageous time or price.

Cybersecurity Risk - In addition to the Material Risks listed above, investing involves various operational and "cybersecurity" risks. These risks include both intentional and unintentional events at our Firm or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise our Firm's ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. Our Firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because our Firm does not directly control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

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#### ITEM 9 - DISCIPLINARY INFORMATION

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Alpha Capital does not have any legal, financial or other "disciplinary" item to report.

## ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### Insurance

Alpha Capital Insurance Group, LLC, an affiliated and separate entity, is a licensed insurance agency with the State of Colorado and licensed in various other states. Investment Adviser Representatives ("IAR") of Alpha Capital may act as agents of Alpha Capital Insurance Group appointed with various life, disability or other insurance companies, receive commissions, trails, or other compensation from the respective product sponsors and/or as a result of effecting insurance transactions for clients. However, clients should note that they are under no obligation to purchase any insurance products through Alpha Capital Insurance Group or Alpha Capital's IAR.

### Alpha Capital Family Office

Alpha Capital Family Office is separate entity and commonly owned by Alpha Capital's indirect owners Douglas Campbell and Christopher Baxter. This name is also used for marketing purposes for our wealth planning services described above in Item 4. It should be noted that all advisory services are conducted and supervised under our registered entity, Alpha Capital Management, LLC.

### Other Entities Under Common Ownership

Alpha Capital Private Investments, LLC and Alpha Capital Wealth Planning are separate but affiliated entities by common ownership with Alpha Capital Management Group. Alpha Capital Private Investments, LLC is managed by Douglas Campbell and Alpha Capital Wealth Planning is managed by Douglas Campbell and Christopher Baxter. These are currently dormant entities and once activities commence under these entities, the ADV will be updated to reflect the appropriate disclosure requirements.

Our firm does not have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Clients should be aware that the ability to receive additional compensation by our Firm and its management persons or employees creates conflicts of interest that impair the objectivity of the Firm and these individuals when making advisory recommendations. Our Firm endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment advisor; we take the following steps, among others to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for the Firm and our employees to earn compensation from advisory clients in addition to the Firm's advisory fees;
- we disclose to clients that they have the right to decide to purchase recommended investment products from our employees ;

- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives, and risk tolerance;
- the Firm conducts regular reviews of each client advisory account to verify that all recommendations made to a client are in the best interest of the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by the Firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

<p><b>ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING</b></p>
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Alpha Capital and persons associated with us are allowed to invest for their own accounts or to have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates the potential for a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of Alpha Capital, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm's ethical principles.

We have established the following restrictions in order to ensure our firm's fiduciary responsibilities:

1. A director, officer or employee of Alpha Capital shall not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No director, officer or

employee of Alpha Capital shall prefer his or her own interest to that of the advisory client.

2. We maintain a list of all securities holdings and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of Alpha Capital.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We emphasize the unrestricted right of the client to select and choose any broker-dealer (except in situations where we are granted discretionary authority) he or she wishes.
5. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

6. Any individual not in observance of the above may be subject to termination.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2; attn: Chief Compliance Officer.

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#### **ITEM 12 - BROKERAGE PRACTICES**

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We generally recommend that clients utilize the custody, brokerage and clearing services of Fidelity Institutional Wealth Services ("Fidelity"), Charles Schwab & Co., Inc. Advisor Services ("Schwab"), LPL Financial ("LPL") (the "Custodians") for investment management accounts. Our Custodians are independent and unaffiliated FINRA-registered broker-dealers. We may recommend that you establish accounts with these custodians to maintain custody of your assets and to effect trades for your accounts. Some of the products, services and other benefits provided by our custodians benefit us and may not benefit you or your account. Our recommendation/requirement that you place assets with one of these custodians may be based in part on benefits they provide us, and not solely on the nature, cost or quality of custody and execution services provided by the custodian.

We are independently owned and operated and not affiliated with these custodians. They provide us with access to their institutional trading and custody services. These services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors.

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at one of these custodians. We may recommend that you establish accounts with the custodians to maintain custody of your assets and to effect trades for your accounts. You have the right

to not act upon any recommendations, and if you elect to act upon any recommendations, you have the right to not place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions. The custodian's execution quality may be different than other broker-dealers.

For our client accounts maintained in custody with a custodian, the custodian generally does not charge separately for custody but are compensated by account holders through 12b-1 fees and ticket charges.

The custodian we utilize makes available to us other products and services that benefit us but may not benefit your accounts in every case. Some of these other products and services assist us in managing and administering your accounts. These include software and technology that provide access to client account data (such as trade confirmations 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 your account, and assist with back-office functions, recordkeeping and reporting.

Many of these services generally may be used to service all or a substantial number of our accounts. The custodians also make available to us other services intended to help us manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the custodians may make available, arrange and/or pay for these services rendered to us by third parties. The custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us.

We also receive certain additional economic benefits from the Custodian that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, these services include Orion Advisor Services.

While as a fiduciary, we endeavor to act in your best interest, our recommendation that you maintain your assets in accounts at our recommended custodians may be based in part on the benefit to us or 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 the custodian, which may create a conflict of interest. IARs endeavor at all times to put the interest of our clients first as a part of their fiduciary duty.

We will aggregate (combine) trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

We will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated.

No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction;

- If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, it will be allocated pro-rata based on the allocation statement;
- Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
- We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
- Individual advice and treatment will be accorded to each advisory client.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis other than what is described above.

Additionally, we have outsourced our back-office tasks to Orion Advisors. These include tasks of daily database reconciliation, generation and delivery of client statements, and advisory fee filling. Orion's system will provide us with customized reporting, GIPS-compliant composites, trade upload creation and pending trade follow-up for us to provide maintenance activities for your account.

### **Alpha Intelligent Portfolio**

Client accounts enrolled in the automated investment program are maintained at, and receive the brokerage services of, CS&Co., a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use CS&Co. as custodian/broker to enroll in the automated investment program, the client decides whether to do so and opens its account with CS&Co. by entering into a brokerage account agreement directly with CS&Co. We do not open the account for the client. If the client does not wish to place his or her assets with CS&Co., then we cannot manage the



client's account through the automated investment program. CS&Co. may aggregate purchase and sale orders for ETFs across accounts enrolled in the automated investment program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the IIPP.

The availability of services from CS&Co. benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to CS&Co. in trading commissions or assets in custody. With respect to the automated investment program, as described above under Item 4 Advisory Business, we do not pay SPT fees for the IIPP so long as we maintain \$100 Million in client assets in accounts at CS&Co. that are not enrolled in the automated investment program. In light of our arrangements with Schwab, we may have an incentive to recommend] that our clients maintain their accounts with CS&Co. based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a conflict of interest. We believe, however, that our selection of CS&Co. as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality, and price of CS&Co.'s services and not Schwab's services that benefit only us. We have adopted policies and procedures designed to ensure that our recommendation of Schwab's services is appropriate for each of our clients.

### **Trade Errors**

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

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## **ITEM 13 - REVIEW OF ACCOUNTS**

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### **Account Reviews and Reviewers – Investment Supervisory Services**

The underlying securities within the investment supervisory services are regularly monitored. These reviews will be made by your individual Investment Advisor and are reviewed by the supervisor in charge. An annual review is usually conducted in person or by telephone.

The purpose of all these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More-frequent reviews may be triggered by material changes in variables such as your individual

circumstances, or the market, political or economic environment. You are urged to notify us of any changes in your personal circumstances.

### **Statements and Reports**

Through an agreement with ORION Advisor Services, Inc., Alpha Capital will have the ability to provide clients with Performance/Position summary reports upon request. Reports may also be provided at every client meeting.

The custodian for the individual client's account will also provide clients with an account statement at least quarterly. You are urged to compare the reports provided by Alpha Capital against the account statements you receive directly from your account custodian.

### **Alpha Intelligent Portfolio Statements**

All Statements and performance reports are provided by Schwab and available online on their website.

## **ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

As referenced in Item 12 above, we may receive an indirect economic benefit from LPL. Alpha Capital, without cost (and/or at a discount), may receive support services and/or products from LPL or our other another recommended Custodians.

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing-expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

Alpha Capital refers clients to a TPMM. TPMM will be paid an on-going fee by based upon a percentage of your assets under management with respect to each TPMM. You will receive disclosure of all fees paid to Alpha Capital by the TPMM, which include the terms of the compensation arrangement and a description of the compensation paid, at the time of signing an advisory agreement directly with the TPMM and/or Alpha Capital.

We do not receive any compensation for client referrals.

## **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.

### **Deduction of Advisory Fees**

Alpha Capital is deemed to have custody of client funds and securities whenever Alpha Capital is given the authority to have fees deducted directly from client accounts and/or authorized reoccurring charges to Client's credit card if payments are made in that manner. For accounts in which Alpha Capital is deemed to have custody, the firm has 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. You should carefully review those statements and are urged to compare the statements against reports received from Alpha Capital. When you have questions about your account statements, you should contact Alpha Capital or the qualified custodian preparing the statement.

### **Standing Letters of Authorization**

Our firm is also deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and, under that SLOA, it authorizes us to designate the amount or timing of transfers with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow. We do not have a beneficial interest on any of the accounts we are deemed to have Custody where SLOAs are on file. In addition, account statements reflecting all activity on the account(s), are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us, your Advisor or the qualified custodian preparing the statement.

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## **ITEM 16 - INVESTMENT DISCRETION**

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Prior to engaging Alpha Capital to provide investment advisory services, you will enter into a written Agreement with us granting the firm the authority to supervise and direct, on an on-going basis, investments in accordance with the client's investment objective and guidelines. In addition, you will need to execute additional documents required by the Custodian so as to authorize and enable Alpha Capital, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your accounts. We are authorized, in our discretion and without prior consultation with you to: (1) buy, sell, exchange and trade any stocks, bonds or other securities or assets and

(2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations to such authority will be communicated by you to us in writing.

The limitations on investment and brokerage discretion held by Alpha Capital for you are:

1. For discretionary clients, we require that we be provided with authority to determine which securities and the amounts of securities to be bought or sold.
2. Any limitations on this discretionary authority shall be included in this written authority statement. You may change/amend these limitations as required. Such amendments shall be submitted in writing.

In some instances, we may not have discretion. We will discuss all transactions with you prior to execution or you will be required to make the trades if in an employer sponsored account.

#### **ITEM 17 - VOTING YOUR SECURITIES**

We will not vote proxies under our limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

**Class Action Suits** - A class action is a procedural device used in litigation to determine the rights of and remedies, if any, for large numbers of people whose cases involve common questions of law and/or fact. Class action suits frequently arise against companies that publicly issue securities, including securities recommended by investment advisors to clients. With respect to class action suits and claims, you (or your agent) will have the responsibility for class actions or bankruptcies, involving securities purchased for or held in your account. We do not provide such services and are not obligated to forward copies of class action notices we may receive to you or your agents.

#### **ITEM 18 - FINANCIAL INFORMATION**

This item is not applicable to this brochure. We do 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 our 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, we have not been the subject of a bankruptcy petition at any time.