



AMERICAFirst

FORM ADV PART 2A

AmericaFirst Capital Management LLC
300 Harding Blvd, Suite 215
Roseville, CA 95678
916-787-9940
www.americafirstfunds.com

May 18, 2020

This Brochure provides information about the qualifications and business practices of AmericaFirst Capital Management, LLC. If you have any questions about the contents of this Brochure, please contact Paul Mallory, the Chief Compliance Officer, at 248-830-3715. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

We are a registered investment adviser. However, registration of an investment adviser does not imply any level of skill or training. The oral or written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about AmericaFirst Capital Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Summary of Material Changes

Since our last ADV Part 2A Brochure filing on March 30, 2019, we have made the following material changes to this brochure:

- On September 1, 2019, the AmericaFirst Tactical Alpha Fund changed its name to the AmericaFirst Risk On/Risk Off Fund. Item 4 has been updated to reflect the name change.
- Item 8 has been updated to discuss the investment objectives, risks, and strategies pertaining to the AmericaFirst Risk On/Risk Off Fund. Information pertaining to the AmericaFirst Tactical Alpha Fund has been removed.

You may request our full Brochure by contacting our main office at 916-787-9940 or by email at pmallory@afcm-quant.com. You may also download a free copy via the Internet from the SEC's website at www.adviserinfo.sec.gov.

Table of Contents

Item 2 - Summary of Material Changes.....	1
Item 4 - Advisory Business	3
Item 5 - Fees and Compensation	4
Item 6 - Performance-Based Fees and Side-by-Side Management	5
Item 7 - Types of Clients.....	5
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	6
AmericaFirst Income Fund	9
AmericaFirst Defensive Growth Fund	9
AmericaFirst Large Cap Share Buyback Fund	11
AmericaFirst Seasonal Rotation Fund	11
AmericaFirst Risk On/Risk Off Fund	12
Item 9 - Disciplinary Information	13
Item 10 - Other Financial Industry Activities or Affiliations	13
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	13
Item 12 - Brokerage Practices	14
Item 13 - Review of Accounts	15
Item 14 - Client Referrals and Other Compensation	15
Item 15 - Custody.....	15
Item 16 - Investment Discretion	16
Item 17 - Voting Client Securities.....	16
Item 18 - Financial Information.....	17

Item 4 - Advisory Business

AmericaFirst Capital Management, LLC (“AmericaFirst”, “AFCM,” “the Company,” “we,” or “us”) is a privately held company formed in 2007. Rick A. Gonsalves is our Chief Portfolio Manager and owns 33% of the company. No other entity or individual owns 25% or more of the company.

AFCM is the affiliated investment advisor to the AmericaFirst Quantitative Funds. The investment strategies utilize data driven, quantitative models to support our investment decisions. AFCM’s underlying strategies are researched and comprehensively tested before implementation.

AFCM currently manages the following five affiliated open-ended mutual funds:

- AmericaFirst Large Cap Share Buyback Fund
- AmericaFirst Risk On/Risk Off Fund
- AmericaFirst Defensive Growth Fund
- AmericaFirst Income Fund
- AmericaFirst Seasonal Rotation Fund

Additional information about each fund and the prospectuses of each fund may be found at www.AmericaFirstFunds.com.

Using Separately Management Accounts, we also provide portfolio or investment management services to individuals, trusts, corporations, retirement plans, and other entities. Advisory services are tailored to the individual needs of clients and take into consideration a client’s investment objectives, risk tolerance, and other factors. Separately Managed Account clients are free to impose restrictions on certain security types, asset classes, or individual securities unless it compromises the integrity of an investment model or the Portfolio Manager’s decision-making process. We encourage clients and potential clients to express any concerns they might have prior to entering into a management agreement with us.

AFCM may also offer or be asked to provide investment management services as a sub-adviser. In other words, a non-affiliated, third-party investment advisor firm may engage us to provide portfolio management services to all or part of its own clients’ portfolios. Currently, we do not have any sub-advisory relationships.

As of May 18, 2020, our discretionary assets under management in our Separately Managed Accounts was approximately \$3,319,000. As of May 18, 2020, our discretionary assets under management in the AmericaFirst funds was approximately \$41,000,000. We have \$0 under non-discretionary management.

In addition to the lines of business described above, AFCM may also contract to provide non-discretionary investment recommendations in the form of model portfolios and/or individual investment selections to another investment adviser. In these cases, AFCM will not have authority to invest any client’s assets.

Item 5 - Fees and Compensation

Advisory fees for Separately Managed Accounts are calculated according to the following fee schedule. The formula used to calculate the fee is based on the month-end balance (in arrears) multiplied by the annual rate, divided by 365 (days in year), multiplied by the days in the billing period.

Advisory fees are paid monthly. The fees are deducted from the client's account by the custodian and remitted to AFCM. Fees generally are negotiable and may be negotiated or waived for any account. This is also disclosed in the Investment Advisory Agreement.

VALUE OF PORTFOLIO	ANNUAL ADVISORY FEE
Less than \$999,999	1.25%
\$1,000,000 - \$1,999,999	1.00%
\$2,000,000 - \$4,999,999	0.75%
Over \$5 million	0.50%

At present, each AmericaFirst mutual fund pays an advisory fee based on the individual fund's average daily net assets. You are urged to reference the current prospectus of each fund, but generally the advisory fee is 1.00 – 1.50%.

You will incur other expenses in connection with our advisory services. Such expenses may include transaction fees, brokerage commissions, custody fees, government charges, transfer fees, and other related costs and expenses that will be incurred with respect to the transactions for either your Separately Managed Account or you will bear the investment management or other fees charged by any mutual funds in which we may invest on behalf of a client. For our clients in Separately Managed Accounts, these fees are determined by the custodian.

You may terminate your agreement with us by providing written notice. Our advisory services shall cease upon receiving such written notice. Investment advisory services fees shall be accrued to the date of receipt of such written notice and, if necessary, securities may be redeemed if advisory fees are owed.

If you are invested in AmericaFirst funds or other mutual funds, fees incurred will include management fees and other internal fees commonly associated with mutual funds. Such fees are specifically stated and disclosed in the current prospectus. Mutual funds may also charge a sales load in accordance with the fund's prospectus. There exist other mutual funds which may offer similar strategies to the AmericaFirst funds and these funds may offer lower fees and expenses than the AmericaFirst funds.

AFCM sometimes recommends that clients in Separately Managed Accounts invest a portion of their assets under management in one or more AmericaFirst funds. If these affiliated funds are purchased, the funds will be in alignment with the client's investment objective, risk tolerance, and so forth. When this occurs, AFCM receives the advisory fees from the Separately Managed Account for investing in one of the funds and fees for managing the funds itself. In both instances AFCM is being compensated based on a percentage of assets under management. This ability to

collect fees from the Separately Managed Accounts and from the mutual funds may provide an incentive for the portfolio manager to recommend that a client invest in one of the affiliated funds.

This is a conflict of interest. This conflict of interest is mitigated by the ability of AFCM to waive the advisory fee for Separately Managed Accounts that hold one or more of our affiliated mutual funds. Clients with Separately Managed Accounts are under no obligation to remain invested in AmericaFirst funds.

Item 6 - Performance-Based Fees and Side-by-Side Management

We do not charge performance-based fees. Our advisory fees are not based on a share of the capital gains you earn or on the capital appreciation of assets in your account.

Item 7 - Types of Clients

Our primary client is the AmericaFirst Quantitative Funds.

In addition, AFCM provides investment advisory services to Separately Managed Account clients who are individuals and high net worth individuals.

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

All investment programs and strategies, including those offered by AFCM, involve a risk of loss that clients should be prepared to accept. The information below discusses investment risk, market risk, and other risk factors that apply to investing in general and to each of our mutual funds.

ETF Risk (All Funds) - When the Fund invests in an ETF, it will indirectly bear its proportionate share of any fees and expenses payable directly by the ETF. Therefore, the Fund will incur higher expenses, many of which may be duplicative. In addition, the Fund may be affected by losses of the ETFs and the level of risk arising from the investment practices of the ETFs (such as the use of leverage by the funds). The Fund has no control over the investments and related risks taken by the ETFs in which it invests. Additionally, investments in ETFs are also subject to the following risks: (i) the market price of an ETF's shares may trade above or below their net asset value; (ii) an active trading market for an ETF's shares may not develop or be maintained; or (iii) trading of an ETF's shares may be halted for a number of reasons.

Inverse ETF Risk (All Funds) - Inverse or "short" ETFs seek to deliver returns that are opposite of the return of a benchmark (e.g., if the benchmark goes up by 1%, the ETF will go down by 1%), typically using a combination of derivative strategies. Inverse ETFs contain all the risks that regular ETFs present. Because inverse ETFs typically seek to obtain their objective daily, holding inverse ETFs for longer than a day may produce unexpected results particularly when the benchmark index experiences large ups and downs. Unexpected results include an Inverse ETF failing to rise in price despite a drop in the reference index. Inverse ETFs may also be leveraged. Inverse ETFs contain all the risks that regular ETFs present.

Leveraged ETF Risk (All Funds) - Investing in leveraged ETFs will amplify the Fund's gains and losses. Most leveraged ETFs "reset" daily. Because of compounding, their performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark during the same period.

Management Risk (All Funds) - The portfolio manager's judgments about the strategy as well as the attractiveness, value and potential appreciation of particular asset classes, sectors, or other securities in which the Fund invests may prove to be incorrect and there is no guarantee that the portfolio manager's judgment will produce the desired results.

Security Risk (All Funds) - The value of the Fund may decrease in response to the activities and financial prospects of an individual security in the Fund's portfolio.

Small and Medium (Mid) Capitalization Stock Risk (All Funds) - The earnings and prospects of small and mid-capitalization companies are more volatile than larger companies, they may experience higher failure rates than larger companies and normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures.

Stock Market Risk (All Funds) - Overall stock market risks may also affect the value of the Fund. Factors such as domestic economic growth and market conditions, interest rate levels and political events affect the securities markets.

Tracking Risk (All Funds) - Investment in the Fund should be made with the understanding that the acquired funds, such as ETFs, in which the Fund invests will not be able to replicate exactly the performance of the indices or sector they track, if any, because the total return generated by the securities will be reduced by transaction costs incurred in adjusting the actual balance of the securities.

Turnover Risk (All Funds) - Because the Fund will rebalance its holdings, the Fund may have portfolio turnover rates significantly in excess of 100%. Increased portfolio turnover causes the Fund to incur higher brokerage costs, which may adversely affect the Fund's performance and may produce increased taxable distributions.

Below are certain types of risk that are applicable to one or more of our mutual funds as indicated:

Credit Risk (Income, Defensive Growth, and Seasonal Rotation Funds) - There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Fund, resulting in losses to the Fund.

Fixed Income Risk (Income, Risk On/Risk Off, Defensive Growth, and Seasonal Rotation Funds) - When the Fund invests in equity securities that may convert to fixed income securities, the value of your investment in the Fund will fluctuate with changes in interest rates. Other risk factors include credit risk (the debtor may default) and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments).

High-Yield Risk (Income, Risk On/Risk Off, and Seasonal Rotation Funds) - High-yield, high-risk securities, commonly called "junk bonds," are considered speculative. While generally providing greater income than investments in higher-quality securities, these lower-quality securities will involve greater risk of principal and income than higher-quality securities.

Interest Rate Risk (Income, Risk On/Risk Off, and Seasonal Rotation Funds) - Interest rate risk is the risk that bond prices overall, including the prices of securities held by the Fund, will decline over short or even long periods of time due to rising interest rates. Bonds with longer maturities tend to be more sensitive to interest rates than bonds with shorter maturities. Recently, interest rates have been historically low. Current conditions may result in a rise in interest rates. As a result, for the present, interest rate risk may be heightened.

Preferred Stock Risk (Income, Risk On/Risk Off, and Seasonal Rotation Funds) - The value of preferred stocks will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of preferred stock. Preferred stocks are also subject to credit risk, which is the possibility that an issuer of preferred stock will fail to make its dividend payments. Preferred stock prices tend to move more slowly upwards than common stock prices.

Foreign and Currency Exposure Risk (Income, Risk On/Risk Off and Defensive Growth Funds) - Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. The value of foreign securities is also affected by the value of the local currency relative to the U.S. dollar.

MLP Risk (Income and Risk On/Risk Off Funds) - Investments in MLPs involve risks different from those of investing in common stock including risks related to limited control and limited rights to vote on matters affecting the MLP, cash flow risks, dilution risks and risks related to the general partner's limited call right. MLPs are generally considered interest-rate sensitive investments. During periods of interest rate volatility, these investments may not provide attractive returns. Many MLPs are focused on energy-related business and are subject to energy sector risks, such as decline in the price of petroleum.

Real Estate Risk (Income and Risk On/Risk Off Funds) - Because of its investment in REITs, the Fund is subject to the risks of the real estate market as a whole, such as taxation, regulations and economic and political factors that negatively impact the real estate market and the direct ownership of real estate.

Liquidity Risk (Risk On/Risk Off and Seasonal Rotation Funds) - Liquidity risk exists when particular investments of the Fund would be difficult to purchase or sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring a Fund to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.

Buyback Strategy Risk (Large Cap Share Buyback Fund) - The announcement of a share buyback and other selection criteria used in selecting portfolio securities may not be accurate

predictors of future share performance. The Fund's returns will be adversely affected if the Advisor selects stocks that subsequently decline in value.

Non-diversification Risk (Large Cap Share Buyback Fund) - Because a relatively high percentage of a non-diversified Fund's assets may be invested in the securities of a limited number of companies that could be in the same or related economic sectors, the Fund's portfolio may be more susceptible to any single economic, technological or regulatory occurrence than the portfolio of a diversified fund.

Below are discussions of the methods of analysis and investment strategies for each of our affiliated mutual funds.

AmericaFirst Income Fund

The Fund seeks to achieve its investment objective by investing in a portfolio of high income securities that may include (but not limited to) stocks, preferred stocks, master limited partnerships ("MLPs"), convertible preferred stock, convertible bonds, real estate investment trusts ("REITs"), and bonds (including high-yield securities, commonly called "junk bonds") selected by applying a rules-based model. The Fund may rebalance a significant portion of its holdings on a quarterly or more frequent basis based upon the results of the model. The Fund may hold significantly higher than normal short-term cash positions during rebalancing or when market conditions warrant. The Fund may employ risk on / risk off, seasonal and/or market timing trading strategies based upon the Advisor's rules-based model. The strategy upon which the Fund is based was developed by the Fund's advisor, AmericaFirst Capital Management, LLC. The Fund invests without restriction as to issuer capitalization, maturity, credit quality or whether the security is foreign or domestic. Foreign bonds may include both domestic and sovereign bonds. Additionally, the Fund may invest in the shares of investment companies that are exchange-traded funds ("ETFs") that invest in securities that are consistent with the Fund's investment objective and policies. These ETFs include those with inverse market exposure and leveraged ETFs. Inverse ETFs are designed to produce results opposite to market direction, which may serve to hedge portfolio investments. Inverse ETFs seek daily investment results, before fees and expenses, which correspond to the inverse (opposite) of the daily performance of a specific benchmark, such as the S&P 500 Index. The Advisor does not rebalance inverse ETFs positions daily to adjust for daily changes in the reference index. Leveraged ETFs seek to use financial derivatives and debt to amplify the returns of an underlying index.

AmericaFirst Defensive Growth Fund

The Fund seeks to achieve its investment objective by investing, under normal circumstances, a range of approximately 70% to 100% of its net assets in a portfolio of defensive, non-cyclical equity securities of foreign and domestic companies selected by applying a rules-based strategy. Equity securities include common stock. The Fund may not meet its target range during

rebalancing transitions as well as upon the discretion of the Fund's investment advisor. The Fund strategy was developed by the Fund's investment advisor, AmericaFirst Capital Management, LLC (the "Advisor").

The Fund seeks to select stocks of historically "defensive" industries. Defensive companies tend to offer basic consumer necessities where consumer demand tends to be unaffected even in poor economic conditions and therefore may have the ability to weather economic downturns better than non-defensive companies. The Advisor believes that sales and earnings growth of stocks of these defensive companies may remain relatively constant regardless of the ups and downs of the economy due to the generally stable demand for these company's products. Industries that are comprised primarily of defensive, non-cyclical companies would include, but are not limited to, Consumer Staples (example: food products, cosmetics & toiletries, brewing, soft drinks, food processing and retail), Healthcare (pharmaceuticals, health care services, medical supplies and equipment), Aerospace & Defense (companies engaged in the production of spacecraft and commercial military and private aircraft), and Utilities (electric, natural gas and water utilities as well as telephone services). Under normal market conditions, the Fund may overweight portfolio investments primarily in securities in the consumer staples and healthcare sectors which represent numerous industries. These sectors generally are comprised of companies that are defensive in nature and are selected to provide capital appreciation while reducing overall portfolio volatility.

The Fund may also execute a portion of its equity strategy by investing in ETFs, including those with inverse market exposure and leveraged ETFs. Inverse ETFs are designed to produce results opposite to market direction, which may serve to hedge portfolio investments. Inverse ETFs seek daily investment results, before fees and expenses, which correspond to the inverse (opposite) of the daily performance of a specific benchmark, such as the S&P 500 Index. The Advisor does not rebalance inverse ETFs positions daily to adjust for daily changes in the reference index. Leveraged ETFs seek to use financial derivatives and debt to amplify the returns of an underlying index.

The Fund may also sell short equity securities from any industry to reduce volatility and risk in unfavorable market conditions. Depending upon market conditions and prospects as determined by the Advisor's quantitative models, the Fund may target having approximately 0% to 30% of its assets in short positions under normal market conditions. The Fund may target having approximately 70% to 100% of its assets in long positions under normal market conditions. The Fund will invest in securities of companies regardless of market capitalization. The Fund will rebalance a significant portion of its holdings, based on the Advisor's quantitative models, on a quarterly basis or more frequent basis. The Fund may hold significantly higher than normal short-term cash positions during rebalancing or when market conditions warrant. The Advisor's rules-based models consider and weigh such variables that may include operating earnings yield, price momentum, share buyback, trading liquidity and others when selecting long positions. In selecting short positions, the Advisor's rules-based models considers such variables including, but not limited to, poor relative price momentum, poor technical indicators and poor fundamentals. The Fund may employ seasonal and/or market timing trading strategies based upon the Advisor's quantitative models.

AmericaFirst Large Cap Share Buyback Fund

The Fund invests primarily in the common stocks of large capitalization domestic companies that have engaged in repurchasing a portion of the company's outstanding shares over the twelve months. Under normal conditions, the Fund will invest at least 80% of the Fund's net assets, plus any borrowings for investment purposes, in large capitalization companies, which the Advisor defines as companies with a market capitalization of \$10 billion or more at the time of purchase, that have purchased their own stock over the last year. While the Fund will primarily invest in large capitalization companies, it may also invest in small or medium capitalization companies from time to time and when the large capitalization companies in which the Fund invests lose capitalization between purchase and rebalancing of the portfolio.

The Fund's investment advisor, AmericaFirst Capital Management, LLC (the "Advisor"), applies fundamental, technical and/or valuation criteria to select from a universe of large capitalization companies that have purchased their own stock over the last twelve months. The Advisor analyses the companies based on market capitalizations, the size of their buyback ratio (the amount the company has bought back), and their risk-adjusted price momentum and value momentum. The companies selected for the Fund's portfolio remain in the portfolio until the portfolio is rebalanced. The portfolio is rebalanced as often as every four months in order to remove stocks that are no longer attractive or add stocks that have become attractive according to the investment criteria used by the Advisor, which could result in high portfolio turnover.

The Fund's strategy is based on the premise that stocks of companies that purchase their own stock will perform well because share buybacks are a signal to the market that the management of a company believes the company's shares are undervalued.

The Fund may also execute a portion of its equity strategy by investing in ETFs, including those with inverse market exposure and leveraged ETFs. Inverse ETFs are designed to produce results opposite to market direction, which may serve to hedge portfolio investments. Inverse ETFs seek daily investment results, before fees and expenses, which correspond to the inverse (opposite) of the daily performance of a specific benchmark, such as the S&P 500 Index. The Advisor does not rebalance inverse ETFs positions daily to adjust for daily changes in the reference index. Leveraged ETFs seek to use financial derivatives and debt to amplify the returns of an underlying index.

The Fund is classified as "non-diversified" for purposes of the Investment Company Act of 1940 (the "1940 Act"), which means a relatively high percentage of the Fund's assets may be invested in the securities of a limited number of companies.

AmericaFirst Seasonal Rotation Fund

The Fund seeks to achieve its investment objective by investing primarily in a portfolio of domestically traded equity and fixed-income securities. Equity securities include common stock, preferred stock and convertible preferred stock. The Advisor selects equities it believes are

relatively undervalued by applying rules-based methodology that may include (but not limited to) technical and fundamental factors as well as price momentum. An exponential moving average is similar to simple moving average, except that more weight is given to the latest data. The Fund will invest in securities regardless of market capitalization. Regarding fixed income securities, the Fund may invest in fixed income securities regardless of maturity or credit rating including High Yield Bonds (commonly called “junk bonds”), Investment Grade Bonds and US Treasury Securities.

The Fund may also execute a portion of its strategy by investing in ETFs, including those with inverse market exposure and leveraged ETFs. Inverse ETFs are designed to produce results opposite to market direction, which may serve to hedge portfolio investments. Inverse ETFs seek daily investment results, before fees and expenses, which correspond to the inverse (opposite) of the daily performance of a specific benchmark, such as the S&P 500 Index. The Advisor does not rebalance inverse ETFs positions daily to adjust for daily changes in the reference index. Leveraged ETFs seek to use financial derivatives and debt to amplify the returns of an underlying index.

The Fund’s investment advisor, AmericaFirst Capital Management, LLC (the “Advisor”) employs a “Seasonal” strategy to allocate assets between equity and fixed income securities. This strategy is based on the Advisor’s study of seasonal price patterns in asset classes over various time periods. Pursuant to one of the central tenets of this Seasonal strategy, the Advisor anticipates rebalancing Fund holdings to reduce equity exposure in May and increasing it in November. This element of the Seasonal strategy is commonly referred to as the “sell in May and walk away” tactic. The Fund may hold significantly higher than normal short-term cash positions during rebalancing or when market conditions warrant. The Fund may employ market timing trading strategies based upon the Advisor’s quantitative models.

AmericaFirst Risk On/Risk Off Fund

The Fund seeks to achieve its investment objective through long positions in global equity markets and U.S. interest rate markets. The Fund will invest in equity securities regardless of market capitalization and regardless of industry sector. Regarding fixed income securities, the Fund invests primarily in U.S. Treasury bonds with a mid-term maturity.

The Fund’s portfolio of securities may include common stocks of foreign and domestic companies, preferred securities, of domestic or foreign issuers, U.S. Treasury bonds, exchange-traded portfolios (“Exchange Traded Portfolios”), master limited partnerships (“MLPs”), and real estate investment trusts (“REITs”). For purposes of the strategy, the Fund defines Exchange Traded Portfolios to include exchange traded funds (“ETFs”) that issue shares that are approved for listing and trading on a national securities exchange. It is possible that the Fund may not include all of these types of securities and may only include one of these types of securities in the portfolio at any given time.

Risk-on risk-off refers to the monthly assessment of risk and changes in investment allocation in response to stock market and economic patterns. The Fund’s Advisor defines risk-on assets as equities and risk-off assets as mid-term United States Treasury bonds. When applicable, the Fund

may rebalance a significant portion of its equity holdings based on the Advisor's rules-based models, on a monthly or more frequent basis.

The Fund utilizes eight factors to determine how much to invest in stocks ("risk-on") and how much to invest in Treasury bonds ("risk-off"). The factors are equal-weighted and each account for 12.50% of the Model's allocation. As an example, if all eight of the factors are "risk on", then 100% of the Model is allocated to stocks. If 4 of the 8 indicators are "risk on", then 50% of the Model allocates to stocks while the other 50% allocates to bonds.

Item 9 - Disciplinary Information

On January 23, 2018, AmericaFirst Capital Management and its officers voluntarily agreed, without admitting or denying wrongdoing, to an administrative settlement with the SEC involving incomplete disclosures provided to noteholders of the firm. The Order required us to give a separate notice, composed of the Order and a cover letter, to anyone who invested in or renewed promissory notes after December 1, 2012. We were also required, for a period of twenty-four months after the entry of the Order, to send the Order to each client or prospective client. The firm and its officers agreed to pay fines and revise the firm's procedures.

If you have questions about this, or any other matter, please contact us.

Item 10 - Other Financial Industry Activities or Affiliations

As of the date of this brochure, AFCM and its employees do not have registration, or pending registration, with a broker-dealer.

Shares of AmericaFirst mutual funds are currently offered on a continuous basis through:

Arbor Court Capital, LLC
8000 Town Center Drive, Suite 400
Broadview Heights, OH 44147

The Funds have no obligation to deal with any broker or dealer in the execution of its transactions. AFCM does not recommend or select other investment advisers for our clients and are not compensated for such activities.

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

We have adopted a Code of Ethics (the "Code") describing the standards of business conduct we expect our supervised persons to follow. The Code describes certain personal securities

transaction reporting requirements with which certain, if not all, our employees and supervised persons, must comply. Investment adviser representatives, employees, portfolio managers and/or other employees or supervised persons may own the same securities recommended to you. In the vast majority of cases, these securities will be shares of mutual funds, ETFs, stocks, or bonds that are actively traded on a national securities exchange and/or traded at such a high volume and will not affect transactions for our clients. Neither our firm nor any of our employees or supervised persons are permitted to benefit, directly or indirectly, from transactions made in your account.

We review the Code annually and update it when necessary. You may request a complete copy of our Code of Ethics by contacting us at 916-787-9140.

Item 12 - Brokerage Practices

Among the factors we consider in selecting or recommending the use of a broker-dealer or custodian are:

- Combination of transaction execution services and asset custody services
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payments, etc.)
- Breadth of available investment products
- Availability of investment research and tools to assist us in making investment decisions
- Competitiveness of the price of the services, including commission charges and other fees
- Reputation, financial strength and stability

For our Separately Managed Accounts, Folio Investments, Inc., a registered broker-dealer, is our sole broker-dealer and custodian. The firm has chosen Folio Investments, Inc. because of their online trading and management platform which permits AFCM to create models to rebalance client accounts as necessary.

AFCM does not permit directed brokerage, which is the option for clients to direct trades to one or more broker-dealers of their choice. All Separately Managed Accounts are to be maintained at Folio Investments, Inc. Not all investment advisers require their clients to maintain their accounts at a certain custodian. Clients of investment advisers who permit directed brokerage may receive more favorable execution of their transactions. AFCM reviews its relationship with the custodian on a periodic basis and may decide to use a new custodian at which time you will be notified and given the proper documents to sign.

For the AmericaFirst funds, AFCM utilizes J.P. Morgan Securities to execute and process transactions in stocks and TradeWeb Direct LLC to execute and process transactions in bonds and other fixed-income securities. AFCM has chosen these broker-dealer relationships because of their industry reputation, market presence, and the quality and cost of their execution services.

AFCM has a soft-dollar arrangement with J.P. Morgan Securities. However, we are not compensated for referrals nor does JP Morgan Securities provide referrals to us. J.P. Morgan is not a custodian and we do not direct Separately Managed Account clients or trades to J. P. Morgan.

When we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for research, products, or services. We may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on the clients' interest in receiving most favorable execution. We limit the use of soft dollars to services that constitute research and execution within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended.

If a purchase or sale of securities consistent with the investment policies of the Fund and one or more of these accounts served by us is considered at or about the same time, it is the policy of the Adviser to aggregate the trades in order to assist with its obligation to seek best execution for its clients. Costs are shared evenly in the event of aggregated trades. It is our policy not to favor any one account or portfolio over another if security trades are aggregated.

Item 13 - Review of Accounts

Rick Gonsalves, the portfolio manager for AmericaFirst funds, daily reviews the positions held by the funds and manages the funds in accordance with each fund's stated investment objective. In addition, the portfolio manager also reviews, at least monthly, positions held in the firm's Separately Managed Accounts. Factors which may trigger a review are changes in a client's investment objective, risk tolerance, other financial circumstances, market conditions, or economic indicators.

Separately Managed Account clients receive official account statements from our custodian on a monthly or quarterly basis (depending on activity level) that includes transactions, fees, additions, withdrawals, and other information. Clients with accounts at our custodian should review these official account statements and, if there is a discrepancy, should contact AFCM. Normally, we do not send any account statements to our clients.

Item 14 - Client Referrals and Other Compensation

AFCM does not compensate others for client referrals, nor are we compensated for providing referrals.

Item 15 - Custody

AFCM does not have custody. All client funds and securities for our Separately Managed Accounts are held at our custodian, Folio Investments, Inc., a registered broker-dealer.

Separately Managed Account clients will receive official account statements directly from Folio Investments, Inc. at least quarterly. Although AFCM does not send clients statements or other reports, clients are urged to carefully review those statements for accuracy. If you have questions about your account statements, you should contact AFCM or Folio Investments, Inc.

AmericaFirst Funds utilizes Fifth Third Bank as custodian for the mutual funds.

Item 16 - Investment Discretion

As it applies to Separately Managed Accounts, AFCM accepts discretionary authority to buy or sell stocks, bonds, mutual funds, and other investments in accordance with a client's stated investment objectives, risk tolerance, and other factors which the client may disclose or is known to the firm. AFCM accepts discretionary authority only through an investment advisory agreement.

Item 17 - Voting Client Securities

AFCM will vote proxies on behalf of the AmericaFirst Quantitative Funds.

AFCM has adopted the following policies and procedures for proxy voting regarding portfolio companies in the AFCM funds. Generally, AFCM will vote based upon the portfolio company management's recommendation.

The key objectives of these policies and procedures recognize that a company's management is entrusted with the day to-day operations and long-term strategic planning of the company, subject to the oversight of the company's board of directors. While "ordinary business matters" are primarily the responsibility of management and should be approved solely by the corporation's board of directors, these objectives also recognize that the company's shareholders must have final say over how management and directors are performing, and how shareholders' rights and ownership interests are handled, especially when matters could have substantial economic implications to the shareholders.

Therefore, we strongly consider the following matters in exercising our proxy voting responsibilities as a fiduciary for our clients:

1. *Accountability* – Each company should have effective means in place to hold those entrusted with running a company's business accountable for their actions. Management of a company should be accountable to its board of directors and the board should be accountable to shareholders.
2. *Alignment of Management and Shareholder Interests* – Each company should endeavor to align the interest of management and the board of directors with the interest of the company's shareholders. For example, we generally believe that compensation should be

designed to reward management for doing a good job of creating value for the shareholders of the company.

3. *Transparency* – Promotion of timely disclosure of important information about a company's business operations and financial performance enables investors to evaluate the performance of a company and to make informed decisions about the purchase and sale of a company's securities.

No one set of proxy voting policies can anticipate all situations that may arise. In some cases, we may seek outside guidance on how a proxy proposal may impact the financial prospects of a company and vote accordingly.

We believe that we invest in companies with strong management. Therefore, we will tend to vote proxies consistent with management's recommendations. However, we will vote contrary to management's recommendations if we believe those recommendations are not consistent with increasing shareholder value.

A copy of our complete Proxy Voting Policies and Procedures is available to our clients by calling 877-217-8363. We will send a copy of these Proxy Voting Policies and Procedures within five business days of receipt of a request, by first-class mail or other means designed to ensure equally prompt delivery.

We will also provide each client, without charge, upon request, information regarding the proxy votes cast by us with regard to the client's securities.

Item 18 - Financial Information

AFCM does not charge or solicit pre-payment of \$1200 in fees per client six or more months in advance.

Since 2018, AmericaFirst has reduced its outstanding debt by nearly 90% due to its conversion to preferred equity. Any remaining debt results in a leveraged balance sheet and negative net worth. AmericaFirst is current and not in default of its debt obligations.

AFCM has never been the subject of a bankruptcy petition.