

**FORM ADV PART 2A**

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**This brochure provides information about the qualifications and business practices of Alpha Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at (804) 754-8532 and/or [sbyrd@alpha-advisors.com](mailto:sbyrd@alpha-advisors.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Alpha Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Alpha Advisors, LLC is 118107.**

**Any references to Alpha Advisors, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.**

**Item 2 - MATERIAL CHANGES**

None since the last filing on February 24, 2021.

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#### **Item 4 - ADVISORY BUSINESS**

Alpha Advisors, LLC (hereinafter referred to as “Alpha Advisors”) is an investment advisory firm offering a variety of advisory services customized to your (hereinafter referred to as “Client”) individual needs.

Alpha Advisors was established in February 2001. R. Douglas Wallace and Alexander Scott are equal owners and are the principal owners. Mark Leimberger and Sarah Byrd have ownership that is less than 25%.

Alpha Advisors offers discretionary management of marketable securities portfolios.

In addition to portfolio management, other services include, but are not limited to, cash flow analysis, limited financial planning to support investment decisions, coordination with a Client’s other financial professionals, such as attorney and/or accountant, and consulting on various financial issues.

Upon completion of an initial analysis, we will determine an asset allocation customized to the Client’s financial goals, objectives and risk tolerance. In the course of developing an investment plan, we develop a suitable model portfolio and customize the model as needed to accommodate any unique limitations or restrictions required by Client’s circumstances.

An advisor will schedule a meeting with Client and present an Investment Policy Statement (“IPS”) that describes the recommended portfolio allocation, including, costs to restructuring, limitations due to legacy positions, risk profile, any other information material to the creation of the IPS. Upon Client’s approval of the IPS, the portfolio allocation is implemented. Alpha Advisors will provide continuous and ongoing management of Client’s accounts on a discretionary basis and make changes to the allocation as Alpha Advisors deems appropriate within the limitations of the IPS. Alpha Advisors will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with Client. Discretionary authority is granted by Client to Alpha Advisors as part of the Wealth Management Agreement executed by Alpha Advisors and Client.

Wealth Management Services are based on Client’s current financial situation as disclosed by Client to Alpha Advisors. Clients are advised that certain assumptions are made with respect to rates of interest, market returns, and inflation including, past performance is in no way an indication of future performance. Alpha Advisors cannot offer any guarantees or promises that Client’s financial goals and objectives will be met. Clients, whose financial situation or investment goals change, should notify Alpha Advisors promptly. The advice offered by Alpha Advisors in certain areas is limited; other professionals, such as an insurance adviser, attorney or accountant, are needed.

Some transactions, account reallocations and rebalancing are taxable events, with the exception of IRA accounts, 403(b) accounts and other qualified or tax deferred retirement accounts. Alpha Advisors works with the Client, Client’s CPA and legal advisors as needed to, minimally, avoid unintended tax liability and, optimally, to achieve a generally desired strategy.

Alpha Advisors tailors the advisory services it offers to each Client’s individual needs. Clients may impose restrictions and/or limitations on investing in certain securities or types of securities.

Alpha Advisors meets with each Client and conducts a series of interviews and data- gathering sessions as a part of its initial analysis. Financial information and history gathered from clients includes, but is not limited to:

- Retirement and financial goals
- Investment objectives
- Liquidity needs
- Investment horizon and risk tolerance
- Income and cash flow information
- Cost of living needs
- Education spending needs
- Assets and liabilities
- Insurance coverage
- Estate documents
- Tax returns

This information Alpha Advisors gathers will assist in providing each Client with services tailored to their unique financial situation.

As of December 31, 2021, Alpha Advisors had approximately \$157,789,370 of client assets under management. Alpha Advisors does not have non-discretionary assets under management.

### **IRA Rollover Considerations**

As part of our consulting and advisory services, Alpha Advisors provides the Client with recommendations and advice concerning investments in employer retirement plans or other qualified retirement accounts. Alpha Advisors' recommendations may include withdrawing the assets from the Client's employer retirement plan or other qualified retirement account and roll the assets over to an individual retirement account ("IRA") which would then come under Alpha Advisors' management services for which Alpha Advisors will receive an asset based fee as described above under Item 5. This practice could present a conflict of interest if the assets in an employer plan were not already under Alpha Advisors' management because Alpha Advisors has an incentive to recommend a rollover to the Client in order to receive an advisory fee rather than making the recommendation solely based the Client's needs.

The Client is under no obligation, contractually or otherwise, to complete a rollover. Furthermore, if the Client does complete the rollover, the Client is under no obligation to have the assets in an IRA managed by Alpha Advisors.

It is important for the Client to understand many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, the Client should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in employer's (former employer's) plan.
2. Move the funds to a new employer's retirement plan.
3. Cash out and taking a taxable distribution from the plan.

4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change Alpha Advisors encourages seeking advice from your CPA and/or a tax attorney as needed.

When considering rolling over your retirement funds to an IRA for Alpha Advisors to manage it is

1. Determine whether the investment options in the employer's retirement plan are sufficient.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. The employer retirement plan may have lower fees than Alpha Advisors' fees.
  - a. Take note of the cost structure of mutual fund share classes available in the employer's retirement plan and how costs compare with share classes available in an Alpha Advisors managed IRA.
  - b. Further, examine the various products and services likely to be used at an Alpha Advisors managed IRA provider and the costs of those products and services.
  - c. Employer retirement plans generally charge fees either embedded in the mutual fund fees or explicitly taken to support managing the plan and potentially to offer advice to participants. These fees may be more or less than fees charged by Alpha Advisors.
3. Alpha Advisors' strategies may have higher risk than the options provided by the employer's plan.
4. Keeping assets titled in a 401k or retirement account, could delay required minimum distributions beyond age 70.5 (70 ½).
5. A 401k may offer more liability protection than a rollover IRA; each state may vary.
  - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules. Consult an attorney to better understand protecting retirement plan assets from creditors.
6. Loans may be available in a 401k plan. IRAs do not offer loans.
7. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
8. Company stock owned in an employer retirement plan may be able to be liquidated at favorable capital gains tax rates.

It is important to understand the differences between 401k (403b) and IRA accounts when choosing between them. Prior to making this choice the Client is encouraged to contact an Alpha Advisors investment adviser representative, or call the main number as listed on the cover page of this brochure.

## Item 5 - FEES AND COMPENSATION

### Wealth Management Services

Alpha Advisors charges a Wealth Management fee in one of two ways: 1) a fee based on client's assets under management or 2) a flat annual retainer fee. Fees are negotiable. Management fees are billed in arrears, at the end of each calendar month. Additionally, the monthly fee is rounded to the nearest dollar. Therefore, a monthly fee calculating to less than 50 cents will be rounded down and a fee calculating to 50 cents or more will be rounded up. Therefore, Alpha Advisors may receive more or less for a particular month.

#### Fee based on Assets Under Management

In this arrangement, the fee is calculated according to the following table:

Account Size*	Annual Fee
Balances up to \$ 2,000,000	1.00%
Balances between \$2,000,000 and \$4,000,000	0.75%
Balances above \$4,000,000	0.50%

(example: A Client with \$3,000,000 in billable assets will be charged 1% on the first \$2,000,000 and 0.75% on the remaining \$1,000,000.)

Alpha Advisors aggregates or "households" all of a client's managed accounts (joint, individual, retirement, etc.) together to determine the monthly fee.

Clients may make additions to or withdrawals from their portfolio at any time. Cash flows of \$10,000 or more into and out of their portfolio during a month will be assessed a pro-rated fee, based on the number of days the funds were in the account provided the fee adjustment is greater than \$10. Large withdrawals from the account can adversely impact our ability to manage the portfolio in accordance with a client's plan.

\*Assets that are not marketable and are generally illiquid (i.e. assets for which a daily market value cannot readily be determined) will be excluded from the calculation of a management fee based on the fee schedule above.

#### Annual Retainer Fee

Alpha Advisors may negotiate a flat annual retainer fee for clients with complex balance sheets or in need of specialized services. The retainer fee will be reviewed on an annual basis and will generally range from \$5,000 to \$50,000.

Typically, clients authorize Alpha Advisors to debit management fees, whether flat annual retainer fees or AUM, directly from their accounts. We will provide a monthly fee invoice that identifies the advisory fee, the value of their portfolio and how the fee was calculated. In addition, account statements reflecting the deduction of the advisory fee are sent directly from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, Alpha Advisors has the authority to sell or redeem securities in sufficient amounts to pay advisory fees. Clients may elect to pay their fees by check.

Client accounts are held at Fidelity Investments, a third-party custodian. In addition to the advisory fees above, clients may pay transaction fees for securities transactions executed in their accounts in accordance with Fidelity's transaction fee schedule. They may also pay fees for custodial services, account maintenance fees, and other fees associated with maintaining their accounts. Finally, many investment vehicles, such as mutual funds, have internal management and operating expenses, and these are born proportionally by the fund owners. Alpha Advisors does not receive any portion of such fees.

#### Termination Provisions

Clients may terminate their Wealth Management Agreement with Alpha Advisors without penalty, upon written notice to Alpha Advisors. Clients will be responsible for any fees and charges incurred from third parties as a result of maintaining any accounts, such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Should a client terminate investment advisory services before the end of a calendar month, they may be charged a prorated portion of the advisory fee for the period up to the date of termination.

### **Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

Alpha Advisors does not charge performance-based fees.

### **Item 7 - TYPES OF CLIENTS**

Alpha Advisors' clients are primarily individuals and families, with a wide range of ages, levels of wealth and objectives.

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

Alpha Advisors' investment philosophy embraces asset allocation as the main driver of portfolio returns, and diversification among asset classes and securities as the primary means of managing risk. We seek to determine the most appropriate portfolio allocation for a client given their goals and stated risk tolerance.

Investing in securities involves the risk of loss, including the loss of principal. Therefore, clients must be prepared to bear the risk of loss and fluctuating portfolio values.

Asset allocation and diversification strategies are utilized to help a client work toward long-term goals. However, any investment's future performance will deviate from its historical track record, both from an absolute return standpoint or relative to its benchmark.

Alpha Advisors primarily uses no-load mutual funds (Funds). No-load means Alpha Advisors is not compensated for purchasing or selling the fund on behalf of the client. The Funds have managers and infrastructure the cost of which is represented by fees that are taken from the returns of the Funds. The fees and other risks associated with the funds are described in the funds' prospectuses, which the custodian sends directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's web site. At the client's request Alpha Advisors will assist with obtaining a prospectus.

Funds typically hold multiple underlying equity and/or fixed income positions which provides diversification. However, Fund investment strategies vary widely from passive and to active producing significant variations in market risk. The stated strategies of the Funds and success of



those strategies can and do change. One way a Fund's strategy will change is when a manager is replaced. This manager risk will change the suitability of a Fund for a client's asset allocation and significantly affect performance. Other risks include but not be limited to market risk, interest rate risk, inflation, currency risk, leverage risk and commodities risk. Strategies that are narrowly focused on certain types of risk are themselves a type of risk that must be evaluated in the overall context of a client's portfolio to determine suitability.

In addition, we use exchange-traded funds ("ETFs") from time to time. ETFs trade on stock exchanges. Therefore, there is more daily price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day. ETFs, like mutual funds, vary in strategies from passive to active. ETFs are often used to replicate various stock or bond indices with returns generally near the return of the indices less fees required to operate the ETF. Otherwise the risks associated with ETFs are very similar to the Funds described above.

The prospectus is required reading for no-load mutual funds, ETFs and, as mentioned above, is provided by the custodian post purchase and otherwise be requested from the Alpha Advisors at any time.

Stock and bond prices fluctuate throughout the trading day and are subject to market risk and company-specific risk. The value of stocks and bonds can decline due to company-specific reasons as well as the health of the overall stock market. Dividends can be reduced or eliminated.

#### **Item 9 - DISCIPLINARY INFORMATION**

Neither Alpha Advisors nor its professionals have been subject to any disciplinary actions in the last ten years.

#### **Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Alpha Advisors does not have any other financial industry activities or affiliations.

#### **Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

##### **Code of Ethics**

Alpha Advisors has a fiduciary duty to act in the best interest of its clients. Further, Alpha Advisors takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as Alpha Advisors' policies and procedures. Alpha Advisors strives to handle clients' non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides clients with Alpha Advisors' Privacy Policy.

**Alpha Advisors will provide a copy to any client or prospect at any time, upon their request.**

Alpha Advisors maintains a Code of Ethics for its advisory representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Alpha Advisors' Code of Ethics is as follows:

Alpha Advisors, its Advisory Representatives and any supervised person shall not engage in unethical business practices, including the following activities:

1. Recommending to a client the purchase, sale or exchange of any security without reasonable grounds for believing that the recommendation is suitable based upon the client's investment objectives, financial situation and needs.
2. Inducing trading in a client's account that is excessive in view of the financial resources, investment objectives and character of the account.
3. Placing an order to purchase or sell a security for the account of a client without authority to do so.
4. Placing an order to purchase or sell a security for the account of a client upon instruction of a third party without first having obtained a written third-party trading authorization from the client.
5. Borrowing money or securities from a client unless the client is a broker/dealer, an affiliate of Alpha Advisors, or a financial institution engaged in the business of loaning funds.
6. Loaning money to a client unless the client is an affiliate of Alpha Advisors.
7. Misrepresenting prior performance by exaggerating successes and concealing losses or fees charged.
8. Misrepresenting to any advisory client, or prospective client, the qualifications of the Alpha Advisors, or to misrepresent the nature of the advisory services being offered or fees to be charged for such service, or to omit any material fact necessary to make the statements made not misleading.
9. Providing a report or recommendation to any advisory client prepared by someone other than Alpha Advisors without disclosing that fact.
10. Charging a client a fee which is unreasonable in relation to fees charged by other advisors for similar services.
11. Failing to disclose to clients in writing before any advice is rendered any material conflict of interest relating to Alpha Advisors which could reasonably be expected to impair the rendering of unbiased and objective advice including:
  - a. Compensation arrangements connected with advisory services to clients which are in addition to compensation from such clients for such services; and
  - b. Charging a client an advisory fee for rendering advice when a commission for executing the suggested securities transactions will also be charged.
12. Guaranteeing a client that a specific result will be achieved (gain or loss) with advice which will be rendered.
13. Publishing, circulating or distributing any advertisement which does not comply with the Investment Advisors Act of 1940 and state requirements (see above).

14. Disclosing the identity, affairs, or investments of any client unless required by law to do so, or unless consented to by the client.
15. When the investment Alpha Advisors has custody or possession of the securities or funds of a client, failing to:
  - a. Segregate and properly mark securities of the client.
  - b. Deposit the funds of the clients into separate bank accounts.
  - c. Notify each client as to the place and manner in which his funds and securities are being maintained.
  - d. Provide an itemized list of all securities and funds in Alpha Advisor's possession to the client at least every three months.
  - e. Verify annually on a surprise basis through actual examination by an independent CPA that Alpha Advisor's accounting of all funds and securities of the client is correct.
16. Entering into any investment advisory contract unless the contract is in writing and discloses the services to be provided, the term of the contract, the advisory fee, the formula for computing the fee, the amount of prepaid fee to be returned in the event of contract termination or non-performance, whether the contract grants discretionary power to the Advisor, and that no assignment of such contract shall be made by the investment Advisor without the consent of the client.
17. Entering into, extending, or renewing any advisory contract contrary to the provisions of Section 205 of the Investment Advisors Act.
18. To indicate, in an advisory contract, any condition, stipulation, or provision binding any person to waive compliance with any provision of any rule or regulation to which Alpha Advisors is subject.
19. Engaging in any act, practice, or course of business which is fraudulent, deceptive, or manipulative in contrary to the provisions of any rule or regulation to which Alpha Advisors is subject.
20. Engaging in conduct or any act, indirectly or through or by any other person, which would be unlawful for such person to do directly under the rules and regulations to which Alpha Advisors is subject.
21. Engaging in a conduct such as nondisclosure, incomplete disclosure, or deceptive practices shall be deemed an unethical business practice.

Neither Alpha Advisors nor its associated persons recommends to clients, or buys or sells for client accounts, any securities in which we have a material financial interest.

Alpha Advisors and its associated persons buy or sell securities identical to those securities recommended, purchased or sold on behalf of its clients. Therefore, Alpha Advisors and/or its associated persons have an interest or position in certain securities that are also recommended and bought or sold for its clients. Alpha Advisors and its associated persons will not put their interests

before its clients' interests. Alpha Advisors and its associated persons do not trade ahead of its clients or trade in such a way to obtain a better price for themselves than for any clients. Alpha Advisors will not place trades for its own account that are opposite of its recommendations to clients. Its associated persons who have different personal financial goals than clients, from time to time, hold a position that is outside the recommendations for clients. However, they are prohibited from any personal trading activity that could adversely impact a client's investment results.

Alpha Advisors has procedures in place to supervise the trading activities of associated persons who have knowledge of its clients' transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

### **Prohibition on Use of Insider Information**

Alpha Advisors has adopted policies and procedures to prevent the misuse of "insider" information (i.e. material non-public information). A copy of such policies and procedures is available to any person upon request.

### **Item 12 - BROKERAGE PRACTICES**

Alpha Advisors has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides Alpha Advisors with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist Alpha Advisors in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Alpha Advisors is independently owned and operated and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Fidelity provides Alpha Advisors with certain brokerage and research products and services, referred to as soft dollars, that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

In initially selecting Fidelity, Alpha Advisors conducted due diligence. Alpha Advisors' evaluation and criteria includes:

- Ability to service you
- financial strength as a company

- Industry reputation
- Ability to report to you and to Alpha Advisors
- Availability of an efficient and relatively low-cost trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that bear on the overall evaluation of best price and execution

In addition, periodically Alpha Advisors will periodically review transaction costs in light of current market circumstances, available published statistical analysis as well as other relevant information.

“Best execution” does not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the currently utilized custodian.

Alpha Advisors requires clients to maintain accounts at Fidelity. Other investment advisers do not require you to maintain accounts at a specific broker/dealer. By directing brokerage to Fidelity, Alpha Advisors are not be able to achieve the most favorable execution of client transactions and this practice costs clients more money.

Due to the individual management of client accounts, we do not aggregate the purchase or sale of securities for various client accounts.

### **Item 13 - REVIEW OF ACCOUNTS**

We make efforts to conduct reviews with all clients at least annually. Clients may request more frequent reviews and set thresholds for triggering events that would cause a review to take place. Some clients are unavailable for annual reviews. Alpha Advisors will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which their assets are invested, and market shifts and corrections.

The following individuals conduct reviews:

- R. Douglas Wallace, Chief Investment Officer
- Alexander Scott, Financial Advisor
- Mark Leimberger, Financial Advisor

Clients should notify their Advisory Representative promptly of any changes to their financial goals, objectives or financial situation as such changes may require him to review the portfolio allocation and recommend changes.

Alpha Advisors sends a portfolio report to all clients at the end of each calendar quarter. In addition, we will provide clients with reports of their portfolios at any time upon their request. They will also be provided statements at least quarterly, directly from the account custodian, as well as

confirmations of all transactions. Clients should compare the report with statements received direct from the account custodian. Should there be any discrepancy, the account custodian's report will prevail.

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

In an effort to minimize conflicts of interest whenever possible, Alpha Advisors receives no financial benefit from outside product or service providers.

#### **Item 15 - CUSTODY**

With the exception of the deduction of Alpha Advisors' advisory fees from client accounts or the authority to facilitate third party standing letters of authorization on your behalf, Alpha Advisors does not take custody of its clients' funds or securities.

#### **Item 16 - INVESTMENT DISCRETION**

Our Wealth Management Agreement authorized Alpha Advisors to manage client accounts on a discretionary basis. Discretionary authority gives Alpha Advisors the authority to buy, sell, exchange, and convert securities in managed accounts.

#### **Item 17 - VOTING CLIENT SECURITIES**

Alpha Advisors does not vote securities. Unless client suppresses proxies, securities proxies will be sent directly to him/her by the account custodian or transfer agent. Clients may contact Alpha Advisors about questions they have regarding how to vote the proxies. However, the voting and how clients vote the proxies is solely their decision.

#### **Item 18 - FINANCIAL INFORMATION**

Alpha Advisors does not require prepayment of any fees.