ADV PART 2A – FIRM BROCHURE **August 11, 2022**

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This brochure provides information about the qualifications and business practices of Alphastar Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 855-340-2514 or support@alphastarcm.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 Alphastar Capital Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov. Alphastar Capital Management, LLC's CRD number is: 157423.

Alphastar Capital Management, LLC 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.

ITEM 2. MATERIAL CHANGES

Alphastar Capital Management, LLC ("Alphastar") filed its last annual amendment with the SEC on March 30, 2021. Since our last annual amendment, we have updated this brochure largely with the intent to generally improve the overall quality and content of the disclosures it contains, and more specifically to address the following material changes:

1. Item 4 has been updated to provide acknowledgements as required by the Department of Labor's Prohibited Transaction Exemption 2020-02, as well as certain arrangements in which Alphastar provides trading and client account management platform services to unaffiliated investment advisory firms.

2. Item 10.C. has been revised to disclose potential new conflicts of interest with affiliate companies Barnabas Capital, LLC and RIA Insurance Solutions, LLC. We have also added disclosures related to the addition of two new subsidiaries: Alphastar Capital Management CAG, LLC and Alphastar Capital Management SageGuard, LLC.

3. Item 15 has been updated to disclose certain situations where Alphastar may be deemed to have custody of client assets pursuant to Rule 206(4)-2 of the Investment Advisers Act of 1940.

4. Item 18 has been updated to remove disclosures relating to the receipt of a Paycheck Protection Program (PPP) loan through the U.S. Small Business Administration.

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ITEM 4. ADVISORY BUSINESS

A. Description of Advisory Firm

Alphastar Capital Management ("Alphastar") is a privately held Limited Liability Company organized in the state of North Carolina, which has provided investment advisory services since 2011. Alphastar's Managing Partner is Brian K. Williams. No one individual or entity owns greater than 25% of Alphastar.

Alphastar primarily provides investment advisory services to clients and prospective clients through individuals associated with Alphastar as Investment Adviser Representatives ("IAR" or "Advisor"). Your communication regarding your account(s) with Alphastar will primarily be with your Advisor. For more information about your Advisor, refer to their Brochure Supplement, which is a separate document that is provided to you by your Advisor along with this Brochure before or at the time you engage your Alphastar and the Advisor. If you did not receive a Brochure or the Brochure Supplement from your Advisor, contact Alphastar at support@alphastarcm.com.

As used in this brochure, the words "firm", "Company", "we", "our" and "us" refer to Alphastar and its IARs and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

B. Description of Advisory Services

Alphastar offers investment advisory services to direct clients, subadvisory services to unaffiliated investment advisory ("UIA") firms and their clients, retirement plan consulting, financial planning, platform services for UIA firms, and referrals to UIA firms. Below are descriptions of each. A written agreement detailing the specific services we will provide to you and the fees you will be charged will be executed prior to the commencement of any services.

1. Investment Advisory Services to Direct Clients

Alphastar offers investment advisory services on a discretionary or non-discretionary basis, which is customized to your specific investment objectives and financial needs. Your Advisor will gather data from you and document your financial circumstances and objectives in order to determine the scope of services, the appropriate investment strategies and asset allocations that meet your financial objectives. You are encouraged to consult your own tax, legal and financial professionals before investing in any investment strategy. It remains your responsibility to promptly notify us if there is ever any change in your financial or other personal situation, tax status, or investment objectives.

After the scope of services has been determined with your Advisor, we will ask you to sign a client agreement ("Client Agreement"), which specifies the services to be provided, including, among other things, whether your account will be managed by Alphastar on a discretionary or non-discretionary basis. For "discretionary" services, you authorize Alphastar and your Advisor to buy, sell or hold investment positions or appoint one or more unaffiliated third-party subadvisers to manage all or a portion of your portfolio without obtaining your prior approval; whereas "non-discretionary" services require you to initiate or pre-approve investment transactions in your account(s) before any such transaction can occur.

Your Advisor will select from predefined investment strategies ("Model Portfolios") or create a custom investment strategy ("Non-Model Portfolios") to manage your account(s) in a manner that is consistent with your investment objectives. A Model Portfolio is designed to achieve a specific investment objective and consists of several elements, including the investment strategy, asset class selection, asset class target allocation, and the selection of investment securities. If your account is invested using a Model Portfolio, your assets will be invested in a manner that is substantially identical to other clients investing in the same Model Portfolio.

The following contains an overview of the Model and Non-Model Portfolios offered by Alphastar. Your Advisor will inform you as to which specific investment strategies are intended for use in your account(s).

a. <u>Model Portfolios</u>

Alphastar uses Model Portfolios that are primarily invested in a combination of equities, exchange traded funds ("ETF") and mutual funds to implement asset allocation strategies that are either strategic or tactical in nature. In a strategic Model Portfolio, Alphastar will invest your account using fixed asset allocation targets and periodically rebalance your account to maintain those targets. By comparison, investments in a tactical Model Portfolio are selected based on independent research that integrates evaluation of recent momentum and market fundamentals. Not all Model Portfolio strategies are available to all clients, and certain strategies are available only to certain clients who invested in such strategies prior to becoming clients of Alphastar ("Limited Offering Model Portfolios"). Your Advisor may also suggest a blended model approach ("Blended Model Strategy") to you. Blended Model Strategy accounts are invested in a combination of Model Portfolios.

b. <u>Non-Model Portfolios</u>

i. Individual Discretionary

You may choose for your Advisor to create and manage an Individual Discretionary account based on a chosen strategy. An Individual Discretionary account may, subject to your investment objectives and qualifications, invest in any type of investment that Alphastar offers including one or more Model strategies, domestic and international equities, fixed income, real estate investment trusts, commodity and other alternative investment funds, and fee-based annuity insurance products. See Item 8, Methods of Analysis, Investment Strategies and Risk of Loss, for additional details about these investment types.

ii. Individual Non-Discretionary

You may choose for your Advisor to create and manage an Individual Non-Discretionary account based on a chosen strategy. This service is designed for certain clients who desire investment research and advice, while maintaining full investment authority to direct the individual investments made within their account. As noted above, Non-Discretionary services require Alphastar to receive your authorization prior to implementing any investment recommendation. If you select an Individual Non-Discretionary account, you will retain discretion over all such implementation decisions, and you are free to accept or reject any recommendation from us.

c. <u>Unmanaged Accounts</u>

From time to time, and at the request of a client, Alphastar may agree to maintain on its systems and report on certain client account(s) on an unmanaged basis. This type of account is offered as an accommodation to our clients and is referred to as an "Unmanaged Account". If you have one or more Unmanaged Accounts, you should understand that you will maintain full investment authority over the account. Alphastar does not provide any investment research or advice and must receive your instruction and authorization prior to entering any client directed investment decision. Unmanaged Accounts will not receive portfolio management services, investment monitoring, or investment recommendations or advice for investment holdings of the account. As a result, unmanaged accounts are not charged an advisory fee but are subject to the Alphastar administrative fee, and any other custodian transactional and other brokerage related fees (see Item 5, Fees and Compensation).

d. <u>Use of Subadvisers</u>

Alphastar may at times appoint an independent third-party manager ("Subadviser") to actively manage one or more portfolios on behalf of its clients. Alphastar evaluates various information about the Subadvisers and the strategies they offer to clients. To the extent possible, Alphastar takes into consideration the Subadviser's investment strategies, management style, past performance returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors. The specific terms and conditions under which a Subadviser is engaged are typically set forth in a separate written agreement between the designated Subadviser and Alphastar. Depending on Alphastar's arrangement with a particular Subadviser, the Subadviser will, among other things, (i) send signals to Alphastar regarding trades to make for a particular Model or Non-Model Portfolio, (ii) exercise trading authority with respect to a Model or Non-Model Portfolio, or (iii) provide investment research, market commentary, notes and reports. When a Subadviser is engaged to provide services to your account(s) (whether in a Model or a Non-Model Portfolio), you will receive a copy of the Subadviser's Form ADV Brochure, which you are encouraged to carefully review for additional information regarding the Subadviser's investment strategies, processes and associated risks that impact your account(s).

e. Use of Underlying Funds

Model and Non-Model Portfolios will often invest in equities, ETFs, mutual funds, or other comingled investment vehicles managed by other investment advisers ("Underlying Funds"). Alphastar, your Advisor and any applicable Subadviser do not have control of, or discretion, with respect to the management of such Underlying Funds, and you should refer to the prospectus or other offering material of such Underlying Funds for discussion of the investment strategies employed therein, the risks associated with those strategies, and the fees charged by the Underlying Funds.

2. Subadvisory Services

Alphastar provides investment management services as a subadviser to UIA firms ("Primary Adviser"). When acting as a subadviser, we employ the same general investment philosophy and investment strategies that we employ for our other investment advisory clients (see Item 8, Methods of Analysis, Investment Strategies and Risk of Loss). Alphastar's subadvisory services typically include platform services such as trading, billing and debiting of fees from client accounts on behalf of the Primary Adviser. Alphastar provides subadvisory services pursuant to a written agreement with each UIA detailing the specific services we will provide to the UIA and the fees the UIA will be charged for such services, among other things. Alphastar does not directly engage or enter into an Investment Management Agreement with any of the Primary Adviser's clients. Management and service of subadvised client accounts, including resolution of billing related matters, remains the responsibility of the Primary Adviser.

3. Pension and Profit-Sharing Plan Consulting Services

Alphastar provides pension and profit-sharing plan consulting services to pensions, profit-sharing and 401(k), 403(b), and other retirement plans. In general, our services include an existing plan review and analysis, plan-level advice regarding fund selection and investment options, education services to plan participants, investment performance monitoring, and ongoing consulting. The actual services provided will vary by client based upon the qualified third-party administrator ("TPA"), plan custodian, and investment selections available under each plan. As our client, you will select the custodian and qualified TPA and complete our ERISA Client Agreement, custodian applications, and any other forms required by the TPA, if one is appointed.

If selected to serve as 3(38) Investment Fiduciary for ERISA purposes, we will select your investments and manage the plan assets on a discretionary basis. Portfolios will be constructed based on the investment lineup available within the company sponsored plan. Portfolios offered to plan participants include asset allocation strategies that invest in mutual funds, ETFs and ETNs. Plan participants may select from the Portfolios provided or create their own custom portfolio from the investment lineup offered. Alphastar may use subadvisers to manage the plan, and in these instances, you will receive a copy of each subadviser's Form ADV Brochure. A description of Alphastar's use and review of subadvisers is provided above.

4. Financial Planning

Alphastar's financial planning services are customizable depending on your needs and may address any or all of the following areas: personal budgeting, cash flow analysis, income tax and spending analysis, asset allocation, investment consulting regarding investments maintained outside of Alphastar, retirement planning, insurance planning, income tax planning, and estate planning. Prior to engaging us to provide planning services, you will be required to enter into a Financial Planning Agreement with us setting forth the terms and conditions of the engagement.

Financial planning is a comprehensive evaluation of your present and future financial state by using current variables to predict estimated future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions and information provided to us are considered as they impact and are impacted by your entire financial and life situation. We typically gather information about your financial status, tax status, future goals, return objectives and attitudes towards risk through in-depth interviews with you. We then review the information and any documents that you provide and prepare a written report, which provides a detailed financial plan designed to assist you in pursuit of your financial goals and objectives. In performing Financial Planning Services, we are not required to verify any information received from you or your other professionals (*e.g.*, attorneys, accountants, etc.) and we are expressly authorized to rely on such information.

You retain absolute discretion over all financial planning decisions and are free to accept or reject any recommendation from us. Should you choose to implement the recommendations contained in the plan, we suggest that you work closely with your attorney, accountant, insurance agent, and other financial professionals. Upon request, we will recommend the services of other professionals for purposes of implementing our financial planning or consulting advice. You are under no obligation to engage the services of any such recommended professional.

5. Solicitor Referral Services for Unaffiliated Investment Advisers

From time to time, Alphastar and its IARs act as referral agents or “solicitors” on behalf of third-party investment advisers pursuant to one or more referral agreements. In such cases, we provide the referred client a disclosure statement regarding the role of Alphastar and the IAR as a referral agent and related referral fees. See Item 10, Other Financial Industry Activities and Affiliations, for additional details.

6. IRA Rollover Considerations

As part of our investment advisory services to you, your Advisor may recommend that you withdraw the assets from your employer’s retirement plan and roll the assets over to an individual retirement account (“IRA”) that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in a Client Agreement with respect to such IRA. This practice presents a conflict of interest because your Advisor has an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by us.

It is important you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions, contact your Advisor or call our main number as listed on the cover page of this brochure. All of our Advisors must act in accordance with their fiduciary duties, and information regarding IRA consideration information will be made available to them by Alphastar. We also encourage clients to consult a financial professional or tax advisor prior to making any decisions regarding your retirement plan, including rollovers to IRAs.

For purposes of compliance with the Department of Labor’s Prohibited Transaction Exemption 2020-02 (“PTE 2020-02”) where applicable, we provide the following acknowledgement to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates a conflict of interest, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule’s provisions, we must:

a. Meet a professional standard of care when making investment recommendations (give prudent advice);
b. Never put our financial interests ahead of yours when making recommendations (give loyal advice);
c. Avoid misleading statements about conflicts of interest, fees, and investments;
d. Follow policies and procedures designed to ensure that we give advice that is in your best interest;
e. Charge no more than is reasonable for our services; and
f. Provide you with basic information about conflicts of interest.

7. Platform Services

Alphastar provides trading and client account management platform services to UIAs pursuant to a written agreement with the UIA detailing the specific services we will provide and fees the UIAs will be charged for such services, among other things. Alphastar does not directly engage or enter into an Investment Management Agreement with any of the UIA firm's clients. Management and service of the UIA client accounts, including resolution of billing related matters, remains the responsibility of the UIA.

C. Client Imposed Restrictions

Alphastar's advisory services are provided based on your individual needs and your Advisor will provide you with the opportunity to impose reasonable restrictions on the management of your Account(s). You are advised to promptly notify your Advisor if there are changes to your financial situation or investment objectives or any such restrictions. Please note, however, that you may not limit our discretionary authority with respect to Model Portfolios (for example, limiting the types of securities that can be purchased or sold for your account).

D. Wrap Fee Programs

Alphastar does not participate in any wrap fee programs.

E. Amounts Under Management

As of December 31, 2021, Alphastar managed $1,567,171,002.70 in client assets on a discretionary basis. Alphastar does not currently manage any non-discretionary assets.

ITEM 5. FEES AND COMPENSATION

A. General Description, Fee Schedules, Methods of Calculation

This section provides information regarding the fees and compensation we receive for our services. We reserve the right to negotiate our fees with clients and charge a higher or lower fee than the fees described below. Our fees may be higher than the fees charged by other investment advisers offering similar services and you may pay more or less than other clients invested in similar strategies with other investment advisers. Your specific fee schedule and related terms will be stated in your Client Agreement.

1. Fee Schedules – Investment Advisory Services

Direct Clients	2.25% per annum (maximum annual rate)
Pension and Profit-Sharing Clients	2.25% per annum (maximum annual rate) * Negotiable - Plan Setup Fee
Subadvisory Services	Negotiable

** Please note that Advisory Fees for our Pension and Profit-Sharing Plan Consulting clients are based on a percentage of the plan level assets, regardless of investment selection by the plan participants.*

2. Methods of Calculation – Investment Advisory Services

Advisory Fees are generally based on the amount of assets under Alphastar's management, including cash and cash equivalents. We rely on the valuations provided by your qualified custodian when calculating your Advisory Fee. Alphastar does not independently value the securities held in your account(s).

Advisory Fees are billed in arrears (at the end of the billing period) on a calendar month or quarter basis. Advisory Fees are typically calculated based on the average daily market value of the assets we manage in your account(s) for the current billing period. This average daily market value is then multiplied by the annual rate stated in your Client Agreement. The resulting amount is divided by the number of days in the given year and multiplied by the number of days invested in the billing period to determine your quarterly fee due. Advisory Fees are pro-rated for partial periods of management if you open your account during the month or quarter; or if you terminate your Client Agreement during the month or quarter. You may terminate your Client Agreement without fees or penalty within five (5) business days of signing the agreement. Thereafter, your Alphastar Advisory Fees will be prorated for the number of elapsed days of the billing period before termination.

Your Advisor is permitted to set fees within ranges provided by Alphastar. Advisory Fees may vary as a result of negotiations, discussions and factors that may include, but are not limited to, the particular circumstances of the client, the size and scope of the overall client relationship, client investment strategy, account servicing requirements, or as may be otherwise agreed with specific clients. If you have multiple advisory accounts, you may be able to aggregate the total value of accounts managed by Alphastar in order to receive a reduced fee schedule. Given the customized nature of our Subadvisory services, we will also negotiate these services directly with each UIA on a case-by-case basis.
Please refer to your Client Agreement, ERISA Agreement or Subadvisory Agreement for the specific Advisory Fee charged to your account(s).

For certain clients, Alphastar manages accounts that are invested in a Delaware Statutory Trust ("DST") structure. If you are invested in a DST, the sponsor charges Advisory Fees to your DST account directly. The sponsor will then pay Alphastar a portion of the Advisory Fee to compensate Alphastar for its advisory services. Advisory Fees are computed initially at account opening and remain fixed during the holding of the investment. Your account assets include any commission add-back when calculating your account value ("Actual Market Value"). The annual Advisory Fee is calculated by multiplying your Actual Market Value by the annual Advisory Fee rate stated in your Client Agreement.

3. Fee Schedules and Methods of Calculation – Financial Planning Services

Fixed Fees	The Alphastar fee for creating a client financial plan will vary based on the complexity of the plan based on specific needs and the sophistication of the individual plan. Fixed fees are payable and due upon signing the Financial Planning Agreement. Payment of fixed fees may also be negotiated to allow for monthly or quarterly payment of the fee over a twelve-month period to allow for consulting. The payment schedule will be stated in your Financial Planning Agreement.
Subscription Fee	Monthly, Quarterly or Annual subscription fees may be negotiated to allow for ongoing financial planning and consulting services. The payment schedule and terms will be stated in your Financial Planning Agreement.

Hourly Fees	Hourly fees are negotiable and based on the complexity of client's needs and in consideration of the services provided. An estimate of the total time/cost will be determined at the start of the relationship and payment for the estimated hourly fees is due upon signing the Financial Planning Agreement. Payment of hourly fees may also be negotiated to allow for monthly or quarterly payment of the fee over a twelve-month period to allow for consulting. The payment schedule will be stated in your Financial Planning Agreement. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you and request that the client approve the additional fee.
Retainer Fees	Retainer based fees will vary depending on the specific services and the complexity of the plans. For payment made on a retainer basis, the full fee as described in the Financial Planning Agreement is due no later than the delivery by Alphastar of a written financial plan. The delivery of the written plan is typically completed within forty five (45) days. Notice of thirty (30) days shall be provided in the event of an increase in fees after signing a Financial Planning Agreement with us.

B. Direct Fee Debit

Clients typically authorize Alphastar to debit the Advisory Fee from the client's account(s), which are held at a qualified custodian. If you authorize Alphastar to debit your Advisory Fee from your account(s), the qualified custodian will send you a statement of your account transactions not less than quarterly. These statements will detail all account transactions, including any amounts paid to Alphastar. Depending on the specific client arrangement, Alphastar will calculate and deduct advisory fees directly through the custodian or via other platforms. From time to time, Alphastar will negotiate with clients who prefer to pay Alphastar Advisory Fees by check, rather than direct debit. In such cases, Alphastar will present an invoice to the client each period for payment.

Alphastar also hires Envestnet, Inc. ("Envestnet") to provide operational services to some client accounts. For those specific clients, Alphastar has delegated fee billing administration to Envestnet when Alphastar is so authorized by its clients. If you have authorized Alphastar to debit fees directly from your account, Envestnet will calculate and deduct the advisory fees from your account. When providing these services, Envestnet is acting as an agent of Alphastar.

C. Additional Fees and Expenses

In addition to the Alphastar Advisory Fees described above, clients are subject to other fees and expenses in connection with our investment management services. Many of these fees and expenses, which are generally paid out of your Account(s), are imposed by your broker-dealer or custodian through whom your account transactions are executed. You should review your broker-dealer or custodian agreement for additional information on other fees and expenses. If the fund or ETF imposes sales charges, you may also pay an initial or deferred sales charge. The offering memorandum, subscription agreement or other governing document of each registered and unregistered investment fund sets forth the applicable fees and expenses.

1. **Transaction Charges.** Your custodian will charge certain brokerage commissions, taxes, charges, and other costs related to the purchase and sale of securities for your account. Alphastar does not receive any portion of these fees. Certain brokerage entities may provide discounted brokerage arrangements to particular IARs. When available and applicable to your account(s), these discounts will be shared with you. See Item 12, Brokerage Practices, for additional information on brokerage practices.

2. **Custody and Other Fees.** Your account will also incur charges imposed by custodians, brokers and other third parties as applicable, including custodial fees on IRA accounts, account opening and closing fees, transfer of asset fee, asset holding fee, 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. If you choose to transfer all of the funds out of your account for any purpose, the account will no longer be managed by Alphastar and will be subject to account closing fees imposed by the custodian. We do not receive any portion of these fees.

3. **Account Administrative Fee.** Each Managed and Unmanaged Account is subject to annual administrative fee of up to $50 per account. This fee is payable to Alphastar either monthly, quarterly or annually in arrears. If your account closes during the billing period, we will debit a pro-rated, unbilled portion of the annual administrative fee prior to account closing. Alphastar reserves the right to waive the Account Administrative Fee in its sole discretion.

As part of our investment advisory services to you, your IAR may recommend that you purchase a Private Placement, such as a Fund of Funds or DST (each a “Private Placement”). Each of these Private Placements consist of underlying holdings. Alphastar does not manage the underlying. The fees you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by the Private Placement (described in each offering memorandum) to the investor. These fees generally include a management fee and other product specific expenses set forth in each offering memorandum. The private placement may include restrictions for early surrender or withdrawal, and the client should review the terms and conditions of the subscription agreement and offering memorandum carefully.

Your IAR may also recommend that you purchase a Fee Based Annuity or “FBA”. Alphastar does not manage the investments within the FBA product. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by the FBA (which are described in each annuity contract). These fees will generally include a management fee and other product specific expenses set forth by the issuing insurance company. The contract may include charges for early surrender or withdrawal, and you should review the terms and conditions of the annuity contract carefully.

D. Advance Payment of Advisory Fees

Alphastar does not charge Advisory Fees in advance.

E. Conflicts of Interest and Outside Compensation for the sale of Securities or Other Investment Products

As noted above, from time to time, Alphastar and its IARs act as referral agents or “solicitors” on behalf of third-party investment advisers pursuant to one or more referral agreements. In such cases, and on a fully disclosed basis, Alphastar will receive a referral fee that is based on a portion of the relevant advisory fee that the third-party investment adviser(s) receive from their clients. The amount of this referral fee is negotiable and varies with each arrangement. This solicitation arrangement presents a conflict of interest because Alphastar and its IARs have an incentive to recommend products and services offered by the third-party investment advisors. We address this conflict of interest by disclosing the relationship and fees to clients, and by adhering to our fiduciary duties and acting in the best interest of those we advise. See Item 10, Other Financial Industry Activities and Affiliations, for additional details.

Alphastar is under common control with Financial Independence Group, Inc. (“FIG”), an insurance wholesaler to a variety of insurance carriers. Many of our IARs are also licensed as insurance agents and certain IARs facilitate their insurance business using FIG. This presents a conflict of interest because the IAR and FIG (to the extent FIG assists the IAR in the facilitation of such insurance business) will receive compensation for selling insurance services in addition to the fees that you pay to Alphastar and the IAR for advisory services. We address the potential for conflicts of interest by disclosing such relationships on individual IAR ADV Part 2B brochures. See Item 10, Other Financial Industry Activities and Affiliations, for additional disclosures related to conflicts of interest.

Alphastar may also receive promotional benefits from certain insurance companies in connection with Alphastar-sponsored events. Such benefits are not contingent on Alphastar client investment in any products or related services offered by such insurance companies. Further, you are not obligated, contractually or otherwise, to use the products or services of any insurance-related company recommended to you by your IAR. Additionally, all IARs receive training regarding the sale of insurance products and services and are subject to a fiduciary duty when recommending insurance products to Investment Advisory clients.

We have established certain internal asset aggregation levels ("thresholds") to provide an opportunity for our IARs to increase their compensation. These thresholds delineate certain levels of assets under management with corresponding percentages of IAR compensation and are based on the aggregate assets under management for all client accounts assigned to the IAR including your assets. Although your IAR at his/her discretion may pass these savings to you, this practice creates a conflict of interest since the IAR has an incentive in meeting and maintaining these internal thresholds in order to receive an increase in their compensation. To mitigate this conflict, we provide this disclosure to each of our clients in this Form ADV Part 2A and require that all IAR Fee Payouts be reviewed quarterly by a member of Alphastar's Finance & Accounting Department.

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

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

ITEM 7. TYPES OF CLIENTS

Alphastar provides services to a variety of clients, which include from time to time: individuals, high net-worth individuals, trusts, estates, corporations and other business entities, state and municipal entities, pension and profit-sharing plans, charitable organizations, and other investment advisers.

We generally require an account minimum of $10,000 for advisory services clients but may, in our sole discretion, accept accounts below this minimum. Additionally, certain Model Portfolios may require a higher minimum account size.

Certain Underlying Funds have initial or subsequent investment minimum investments or investor sophistication criteria. Refer to the prospectus or offering documents for the Underlying Fund for any such minimum requirements.

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

A. Methods of Analysis & Investment Strategies

Regardless of the methods of analysis and investment strategies that we use, it is important for you to know that investing in securities involves risk of loss that you should be prepared to bear.

Alphastar employs the following methods analysis when making investment decisions:

1. **Fundamental Analysis.** Involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to estimate the "true" value of the company's stock compared to the current market value. Fundamental analysis may also be applied to asset classes, industry sectors or economic regions.

2. **Technical Analysis.** Involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific securities.

3. **Quantitative Analysis.** Refers to economic, business or financial analysis that aims to understand or predict behavior or events through the use of mathematical measurements and calculations, statistical modeling and research of the financial markets, by means of complex mathematical and statistical modeling of both the overall market and specific securities.

Alphastar subscribes to and uses third-party investment research for construction of portfolios and may use other sources of information such as, but not limited to, subscription services, financial news and magazines, research materials prepared by others, corporate rating services, annual reports and prospectuses, other filings with the Securities and Exchange Commission, and company press releases.

As discussed in Item 4, Alphastar also engages Subadvisers to provide services with respect to certain Model Portfolios. Please refer to each Subadviser's Brochure for information regarding the investment strategies and methods of analysis employed by the Subadviser. Your account will be invested in accordance with your investment objective. Some investment strategies will focus their investments on a particular asset class, while others will seek to allocate to a mix of equity, fixed income, alternative assets and cash. The investment strategies Alphastar offers to clients through Model Portfolios, Blended Model Strategies and individualized investment strategies include strategic and tactical investment approaches.

1. **Strategic Approach.** For Alphastar strategies using a strategic approach, we will typically set target or fixed asset allocations and then periodically rebalance the portfolio back to those targets as investment returns skew the original asset allocation percentages. Strategic portfolios may be active, in which the buy and sell decisions are based primarily upon fundamental analysis, or they may use a passive approach to security selection commonly known as indexing.

2. **Tactical Approach.** Alphastar's tactical approach to investing is mathematically based and combines trend identification of markets and asset class performance analysis. We employ a range of processes to dynamically adjust the securities and asset class exposure of a portfolio in an attempt to optimize the portfolio by adapting to changing market conditions. Alphastar uses this approach to build a portfolio that includes the best possible positioning at any given moment, based on our proprietary skills, algorithms, research and overall investment philosophy.

3. **Other Types of Investments.** When your Advisor believes it to be suitable for you, your Advisor may recommend other investment strategies or security types for your Account(s). In accordance with the terms of your Client Agreement or ERISA Agreement, Alphastar may provide these strategies to your Account directly or may engage a Subadviser as described in Item 4.

B. Material Risks – Methods of Analysis & Investment Strategies

It is not possible to identify all of the risks associated with investing, and this section does not attempt to discuss all risks that may affect your investments with Alphastar. Rather, this section discusses certain material risks of Alphastar's investment activities. Different risks will impact different investment strategies to different degrees, and the degree to which a particular risk is applicable to you will depend on a variety of factors, including which investment strategy(ies) are employed with respect to your account and your investment guidelines.

As discussed in Item 4, Alphastar has engaged Subadvisers to provide services with respect to certain Model Portfolios. Please refer to the Subadviser Brochures for information regarding the risks applicable to the investment strategies and methods of analysis employed by the Subadvisers. For more information on the risks applicable to a particular Underlying Fund, please consult such Underlying Fund's prospectus.

1. **Asset Class Allocation.** Many Model Portfolios use asset allocation strategies, and such Model Portfolios' performance will be dependent on Alphastar, the Subadviser or the IAR's ability to allocate and reallocate the assets in response to market or other changes. Asset allocation may not achieve its intended results.

2. **Catastrophic Event Risk.** The value of securities may decline as a result of various catastrophic events, such as pandemics, natural disasters, and terrorism. Losses resulting from these catastrophic events can be substantial and could have a material adverse effect on Alphastar's business and client accounts.

3. **Concentration.** Client accounts will be diversified to different degrees. To the extent that a client invests a significant portion of his/her/its assets in a single investment strategy, Underlying Fund or asset class, it will be particularly sensitive to the risks associated with concentration.

4. **Cybersecurity.** With the increasing use of and reliance on technology, cybersecurity risks are increasing. Alphastar, the Subadvisers, the IARs, and the issuers of the securities and other investments in which clients are invested, are subject to risks relating to data breaches, data corruption and other unauthorized access, which may cause an entity to lose operational functionality. Successful cyber-attacks or other cyber-failures or events affecting Alphastar, or its service providers may adversely impact Alphastar and its clients. Additionally, a cybersecurity breach could affect the issuers in which clients invest, which may cause client investments to lose value.

5. **Leverage.** Certain Model Portfolios may employ leverage, which can cause exaggerated losses.

6. **Liquidity Risk.** Strategies will be invested in securities of varying liquidity, which will cause certain strategies to be more liquid than others. Additionally, investments may be illiquid at the time of purchase or liquid at the time of purchase and subsequently become illiquid due to, among other things, events relating to the issuer of the securities, market events, operational issues, economic conditions, investor perceptions or lack of market participants. Liquidity risk also refers to the risk that an Underlying Fund is unable to pay redemption proceeds within the allowable time period because of unusual market conditions, unusually high volume of redemptions, or other reasons. To meet redemption requests or to raise cash to pursue other investment opportunities, an Underlying Fund may be forced to sell securities at an unfavorable time or under unfavorable conditions, which may adversely affect the Underlying Fund.

7. **Market Risk.** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. The value of a portfolio may fluctuate or decline because of changes in the markets in which the portfolio is invested, which could cause the portfolio to underperform other funds with similar objectives. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. For example, political, economic, and social conditions may trigger market events.

8. **Modern Portfolio Theory.** Certain Model Portfolios employ Modern Portfolio Theory ("MPT") in their investment strategies. A primary risk inherent in using MPT metrics is that these measures are necessarily based on historical returns. If a material shift in relationships among the various asset classes or other inputs should occur, historical data will no longer accurately represent what can be expected going forward. Additionally, MPT metrics require accurate data, and will be compromised by any inaccuracies in the input information. Regression analysis and Monte Carlo simulations both use the same historical data as is used in the calculation of MPT metrics and are therefore open to the same issues. Alphastar does not make predictions about future returns and therefore generally does not use "forward-looking" forecasts as inputs for its analyses.

9. **Passive Investment Management.** Certain client accounts will be invested in passively-managed funds. There are inherent risks in passive or "enhanced passive" type funds to implement a strategy. These passive investment management risks include the risk of the manager not capturing the desired asset class, as well as the risk that the client's return will suffer from any market risk. Passive management implies that no attempt is made to "shield" the investor from down markets by selling out of investments.

10. **Quantitative Strategies.** Quantitative strategies largely rely on technology and mathematical modeling. Any errors in the technology or model used may adversely affect an account's performance. Securities identified using quantitative analysis can perform differently from the market as a whole as a result of the factors used and the weight given thereto. The factors used in quantitative analysis and the weights placed on those factors may not predict a security exposure's value, and the effectiveness of the factors can change over time. The implementation of quantitative strategies also requires some level of human discretion and are subject to human error.

11. **Subadvisers**. As stated above, Alphastar may select or recommend certain Subadvisers to manage all or a portion of your account(s). In these situations, Alphastar continues to conduct ongoing due diligence of such Subadvisers, but these selections or recommendations rely to a great extent on the Subadvisers' ability to successfully implement their investment strategies. In addition, Alphastar generally will not have the ability to supervise the Subadvisers on a day-to-day basis. As a result, there can be no assurance that every investment manager will invest on the basis expected by Alphastar or your Advisor. Furthermore, because Alphastar will have no control over any Subadviser's day-to-day operations, clients may experience losses due to the fraud, poor risk management, or recklessness of the Subadvisers.

C. Material Risks – Primary Security Types

This section provides an overview of risks that are applicable to investments in certain securities. The risks of owning Underlying Funds reflect the risks of their underlying securities (*e.g.*, alternative investments, stocks, bonds, etc.). The risks discussed below may also have a negative impact on the securities in which the Underlying Funds are invested, and therefore on your investment in the Underlying Funds. The extent to which your account is subject to the below risks will depend in part on the composition of the investments in your account.

12. **Asset-Backed Securities.** Investments in asset-backed and mortgage-backed securities include additional risks such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments.

13. **Commodities.** Commodity-linked investments are subject to the risks of the underlying commodity, which commodities are often volatile and subject to heightened risks that includes risks market, political, regulatory, and natural condition impacts and may not be suitable for all investors.

14. **Equities.** Common stocks are susceptible to general stock market fluctuations and to volatile increases or decreases in value as market confidence in and perceptions of the company who issued the stock change. If an investor held common stock, or common stock equivalents, of any given company, they would generally be exposed to greater risk than if they held preferred stock or debt obligations of the company.

15. **ETFs and Closed-End Funds.** ETFs and Closed-End Funds are listed on exchanges, and, like exchange-listed stocks, the price of their shares will accordingly fluctuate throughout the day and may trade at prices above or below the value of their underlying portfolios.

16. **ETNs.** Exchange-traded notes ("ETN") are subject to credit risk, counterparty risk, and the risk that the value of the ETN may drop due to a downgrade in the issuer's credit rating. The value of an ETN may also be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in the underlying market, changes in the applicable interest rates, and economic, legal, political, or geographic events that affect the referenced underlying market or assets.

17. **Fixed Income Securities.** Various forms of fixed income instruments, including bonds, are affected by various forms of risk, including, without limitation:

a. Credit Risk. The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as "default risk." Credit risk may also occur when an issuer's ability to make payments of principal and interest when due is interrupted. Bondholders are creditors of an issuer and have priority to assets before equity holders (*i.e.*, stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

b. Duration Risk. Duration is a measure of a bond's volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

c. Interest Rate Risk. As interest rates rise, the price of fixed income securities fall. High Yield bonds are subject to increased risk of default and greater volatility due to the lower credit quality of the issues. The risk is usually greater for longer-term debt securities. Investments in lower rated and non-rated securities present a greater risk of loss to principal and interest than higher rated securities.

18. Foreign and Emerging Markets. Investments in foreign securities involve greater volatility and political, economic, and currency risks as well as differences in accounting methods. Additionally, differences between U.S. and foreign regulatory regimes and securities markets, including less stringent investor protections and disclosure standards of some foreign markets, less liquid trading markets and political and economic developments in foreign countries, may affect the value of an investment in foreign securities. The risks of foreign investments (or exposure to foreign investments) are often greater when they are made in (or result in exposure to) emerging markets. Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop.

19. Insurance Products.

a. Fixed Annuities. Fixed annuities are long-term investment vehicles and include fixed and indexed accounts. Fixed indexed annuities have limited upside growth potential. Fixed indexed annuities may set limits (known as caps) on the maximum amount of interest one can gain or there may be participation rates or other calculations the insurance company employs to set the maximum rate one could achieve. Interest credited to indexed accounts is affected by the value of outside indexes. Values based on the performance of any index are not guaranteed and may increase or decrease. Customers should understand these limitations prior to purchase.

b. Variable Annuities. Variable annuities are long-term investment vehicles, the value of which can vary based on the performance of an underlying portfolio of mutual funds. Unlike fixed annuities which grow at a fixed rate and offer a predictable rate of return, the rate of growth and the benefits of variable annuities vary according to the investment performance. Therefore, annuitants have the opportunity to gain a lot if the stock market conditions are favorable, or they stand the risk of bearing losses.

c. General Annuity Risks. Withdrawals may be subject to federal income taxes, and a 10% IRS early withdrawal tax penalty may also apply for amounts taken prior to age 59½. Early withdrawal may result in penalties and surrender charges. These charges may result in a loss of bonus, indexed interest and fixed interest, and a partial loss of your principal. Bonus Annuities may include annuitization requirements, lower capped returns, or other restrictions that are not included in similar annuities that don't offer a premium bonus feature. Guarantees, if any, are backed by the financial strength and claims-paying ability of the issuing insurance company. Review disclosures of the specific insurance company illustration provided for any insurance product being proposed or recommended.

20. **MLPs and other Natural Resources Investments.** A Master Limited Partnership ("MLP") is a limited partnership that is publicly traded on an exchange qualifying under Section 7704 of the Internal Revenue Code. MLPs are subject to certain risks inherent in the structure of MLPs, including complex tax structure risks, limited ability for election or removal of management, limited voting rights, potential dependence on parent companies or sponsors for revenues to satisfy obligations, and potential conflicts of interest between partners, members and affiliates. Natural resources sector companies, including energy companies and MLPs, are subject to risks, including, but not limited to, fluctuations in the prices of commodities, a significant decrease in the production of or a sustained decline in demand for commodities, and construction risk, development risk, acquisition risk or other risks arising from their specific business strategies.

21. **Options.** An option is a contract which gives the buyer (the owner or holder of the option) the right, but not the obligation, to buy or sell an underlying asset or instrument at a specified strike price prior to or on a specified date, depending on the form of the option. The seller (the writer of the option) has the corresponding obligation to fulfill the transaction – to sell or buy – if the buyer (owner) "exercises" the option. An option that conveys to the owner the right to buy at a specific price is referred to as a call; an option that conveys the right of the owner to sell at a specific price is referred to as a put.

    The following factors, among others, can affect account performance with respect to investing and trading in options: market, sector, and stock-specific volatility, length of time invested, diversification, management and other account fees and charges, taxes, liquidity in options and equity markets, inflation and deflation, and various other economic and political factors. Early assignment of option contracts can also occur, and this may detract from dividends paid by the companies whose stocks are held in the account. The more money disbursed from the account over time, the less will be available for possible reinvestment and growth, which may affect performance, especially in a declining market. Clients with secured puts written in their accounts give up upside potential of the stock above the option price for the option period and bear the risk that the value of the stock declines below the break-even point (strike price minus the premium received), and the loss could be substantial if the decline is significant. Such clients also bear the risk of a decline in the value of the underlying cash collateral (if the cash is invested in a short-term debt instrument such as a treasury bill or note). For this assumption of risk, clients holding secured puts earn cash premiums from selling the secured put and potential interest from a treasury bill or money market fund during the option period. Because the client does not yet own the stock, he/she is not entitled to any dividends paid on the stock during the option period.

    There are other risks of covered calls and secured puts that are more fully explained in the OCC Risk Booklet "Characteristics and Risks of Standardized Options", which can be obtained from any exchange on which options are traded, by calling 1-888-OPTIONS. Such risks include, but are not limited to, tax implications of covered writing, option market liquidity, and market volatility. Clients should be sure to read and ask any questions raised after reading the OCC Risk Booklet, the Supplement and any management agreements they receive to understand the possible costs and risks as well as potential opportunities for an investment in this approach.

22. **Private Placements.** Private placement offerings are speculative, involve unique risks, and are not suitable for all clients. Private placements are intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment. You could lose your entire investment. You will not be able to sell the securities you invest in as easily as you would a publicly traded stock. You may have to hold your investment indefinitely. Important risks of the investment 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 investment and none expected to develop; volatility of returns; restrictions on transferring interests in the investment; potential lack of diversification and resulting higher risk due to concentration of trading authority when a single adviser is used; absence of information regarding valuations and pricing; delays in tax reporting; less regulation and higher fees than mutual funds; risks associated with the operations, personnel, and

processes of the manager of the funds investing in alternative investments. You should read and understand the information provided to you regarding the investment, including any offering memorandum or private placement memorandum that describes the investment. Pay particular attention to any risk factors that are described to you. In addition, you should carefully consider the terms of any subscription agreement or other agreements you have to enter into for the investment.

23. **REITs.** Risks involved in Real Estate Investment Trust ("REIT") investing may include receiving less than the principal invested following the sale or distribution of assets; a lack of a public market in certain issues; limited liquidity and transferability; fluctuations involving the value of the assets within the REIT; a reliance on the investment manager to select and manage assets; changes in interest rates, laws, operating expenses, and insurance costs; tenant turnover; and the impact of current market conditions.

24. **Stock Capitalization.** Investments in securities issued by small, mid, or large-cap companies are subject to the risks associated with securities issued by companies of the applicable market capitalization. Securities of small-cap and mid-cap companies may be subject to greater price volatility, significantly lower trading volumes, cyclical, static or moderate growth prospects and greater spreads between their bid and ask prices than securities of larger companies. Small-cap companies frequently rely on narrower product lines and niche markets and may be more vulnerable to adverse business or market developments. Securities issued by larger companies may have less growth potential and may not be able to attain the high growth rates of successful smaller companies, especially during strong economic periods. In addition, larger companies may be less capable of responding quickly to competitive challenges and industry changes, including those resulting from improvements in technology, and may suffer sharper price declines as a result of earnings disappointments. There is risk the securities issued by companies of a certain market capitalization may underperform the broader market at any given time.

25. **Structured Notes.** Structured notes are securities issued by financial institutions whose returns are based on, among other things, equity indexes, a single equity security, a basket of equity securities, interest rates, commodities, and foreign currencies. Thus, your return is "linked" to the performance of a reference asset or index.

    a. <u>Complexity</u>. Structured notes are complex financial instruments. Clients should understand the reference asset(s) or index(es) and determine how the note's payoff structure incorporates such reference asset(s) or index(es) in calculating the note's performance. This payoff calculation may include leverage multiplied on the performance of the reference asset or index, protection from losses should the reference asset or index produce negative returns, and fees. Structured notes may have complicated payoff structures that can make it difficult for clients to accurately assess their value, risk and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Payoff structures can be leveraged, inverse, or inverse leveraged, which may result in larger returns or losses. Clients should carefully read the prospectus for a structured note to fully understand how the payoff on a note will be calculated and discuss these issues with their Advisor.

    b. <u>Credit risk</u>. Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

    c. <u>Issuance price and note value</u>. The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now generally disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer's estimated value of the note and the issuance price. The estimated value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring and hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.

d. Liquidity. The ability to trade or sell structured notes in a secondary market is often very limited, as structured notes (other than exchange-traded notes known as ETNs) are not listed for trading on securities exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution's broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date, or risk selling the note at a discount to its value at the time of sale.

e. Market risk. Some structured notes provide for the repayment of principal at maturity, which is often referred to as "principal protection." This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, or market volatility.

ITEM 9. DISCIPLINARY INFORMATION

There are no material legal or disciplinary events affecting Alphastar or any of its management persons.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS (CONFLICTS)

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

Neither Alphastar, nor its management persons, are registered or have an application pending to register, as a broker-dealer or a representative of a broker-dealer.

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

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

C. Relationships with Affiliates and Conflicts of Interests

Alphastar is under common control with Barnabas Capital, LLC ("Barnabas"), a wholesale broker-dealer. Barnabas is not a custodian of any Alphastar client assets. None of our IARs are registered brokers with Barnabas. Barnabas may provide wholesaling assistance to Alphastar IARs in connection with the sale of structured notes or variable insurance company products through a third-party provider or issuer. As a wholesale broker-dealer, Barnabas receives an override paid by the third-party provider or issuer in connection with its wholesaling activities. Alphastar IARs have an incentive to recommend these products and services to you, which presents a conflict of interest. We address the potential for conflicts of interest by meeting our fiduciary obligation to you by acting in your best interest when providing investment advice.

Alphastar is under common control with Financial Independence Group, Inc. ("FIG"), an insurance wholesaler to a variety of insurance carriers. Many of our IARs are also licensed as insurance agents, some of which facilitate their insurance business using FIG's services. The IARs and FIG (to the extent FIG assists the IAR in the facilitation of such insurance business) receive compensation for selling insurance products and services to you that is separate and independent of the compensation Alphastar and its IARs receive for providing advisory services. Alphastar IARs and FIG have an incentive to recommend insurance products and services to you, which presents a conflict of interest. We address the potential for conflicts of interest by disclosing such relationships on individual IAR ADV Part 2B Brochure Supplements, and by meeting our fiduciary obligation to you by acting in your best interest when providing investment advice. Alphastar also contracts certain IT services from FIG. In doing so, a segment of FIG' employees have access to Alphastar's books and records and sensitive client information. FIG also maintains Alphastar's books and records on FIG's premises. We have addressed the potential for conflicts of interest arising from this service relationship by entering into a formal agreement with FIG for such services. FIG and its employees are bound by the terms of the agreement, which include maintaining the confidentiality of sensitive information. Alphastar may, from time to time, borrow funds from FIG as an alternative source of growth capital. The existence of this potential lending relationship may present a conflict of interest, which is addressed by carefully reviewing our ongoing relationship and interaction with FIG and maintaining an arms-length distance where necessary.

Alphastar is under common control with RIA Insurance Solutions, LLC ("RIAIS"), a licensed insurance agency that provides insurance sector planning services to financial professionals such as Alphastar IARs. For its part, RIAIS receives compensation directly from the carrier or third party provider of insurance products. Alphastar separately receives management fees from you from any fee-based insurance products that we manage on your behalf. Alphastar IARs and RIAIS have an incentive to recommend products and services to you, which presents a conflict of interest. We address the potential for conflicts of interest by meeting our fiduciary obligation to you by acting in your best interest when providing investment advice.

Alphastar Capital Management Insurance, LLC ("ACMI") is a wholly owned subsidiary of Alphastar Capital Management, LLC. ACMI is a North Carolina insurance agency. We do not believe any material conflicts of interest arise as a result of our affiliation with ACMI.

Alphastar Capital Management Mainstay, LLC ("ACMM") is a subsidiary of Alphastar Capital Management, LLC. ACMM serves as a branch office for Alphastar that employs Alphastar IARs and support staff. Any client business conducted through a wholly owned subsidiary of Alphastar has the potential for conflict of interest. We address this potential conflict by adhering to our fiduciary duties and acting in your best interest when providing investment advice.

Alphastar Capital Management CAG, LLC ("ACM CAG") is a wholly owned subsidiary of Alphastar Capital Management, LLC. ACM CAG serves as a branch office for Alphastar that employs Alphastar IARs and support staff. Any client business conducted through a wholly owned subsidiary of Alphastar has the potential for conflict of interest. We address this potential conflict by adhering to our fiduciary duties and acting in your best interest when providing investment advice.

Alphastar Capital Management SageGuard, LLC ("ACM SageGuard") is a subsidiary of Alphastar Capital Management, LLC. ACM SageGuard serves as a branch office for Alphastar that employs Alphastar IARs and support staff. Any client business conducted through a subsidiary of Alphastar has the potential for conflict of interest. We address this potential conflict by adhering to our fiduciary duties and acting in your best interest when providing investment advice.

D. Relationships with Other Investment Advisers and Conflicts of Interest

From time to time, Alphastar and its IARs may recommend an investment product that is managed by a third-party investment adviser, with whom Alphastar has a solicitation arrangement. In such cases, Alphastar and the IAR do not enter into an investment advisory agreement with the client. Instead, the client engages the third-party investment adviser for management services and a portion of the fees paid by the referred client to the engaged investment adviser is then paid to Alphastar pursuant to the corresponding referral agreement. This solicitation arrangement presents a conflict of interest because

Alphastar and its IARs have an incentive to recommend products and services offered by the third-party investment advisors. We address this conflict of interest by disclosing the relationship and fees to clients, and by adhering to our fiduciary duties and acting in the best interest of those we advise.

ITEM 11. CODE OF ETHICS, CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

Alphastar has adopted a code of ethics (the "Code of Ethics") pursuant to Rule 204A-1 under the Advisers Act of 1940. The Code of Ethics provides for oversight, enforcement and recordkeeping provisions and serves to establish a standard of business conduct as a fiduciary. Alphastar and its IARs act as fiduciaries for clients and have a fundamental obligation to act in the best interest of clients and to provide investment advice in the clients' best interest. All actual or potential conflicts of interest must be disclosed to the Alphastar Compliance Department, including those resulting from an employee's business or personal relationships with customers, suppliers, business associates, or with other Alphastar employees. Alphastar IARs are expected to be honest and ethical, make full and accurate disclosures, remain in compliance with all applicable rules and regulations, and be accountable for what they do. A free copy of the Code of Ethics is available to you upon request.

The Code of Ethics requires employees, including Access Persons (as defined by SEC Rule 204 A-1), to comply with federal securities laws, and contains provisions for reporting of violations of the Code of Ethics to the Chief Compliance Officer. Certain transactions or activities may be restricted by the Code of Ethics or compliance policies. The Code of Ethics contains policies and procedures related to: (1) personal trading, including securities reporting and pre-clearance requirements for Access Persons; (2) confidentiality obligations to clients and compliance and training with respect to securities laws, privacy and related matters; and (3) conflicts of interest, including policies relating to restrictions on trading in securities, gifts and entertainment, political and charitable contributions and outside business activities.

In general, personal trading rules under the Code of Ethics includes policies and procedures for review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the Access Persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (*e.g.*, private placement) or an initial public offering. The Code of Ethics further includes the firm's policy prohibiting the use of material non-public information in a personal or professional capacity.

B. Securities in which Adviser or a Related Person has a Material Financial Interest

Neither Alphastar nor any related person of Alphastar recommends, buys, or sells for client accounts, securities in which Alphastar or any related person of Alphastar has a material financial interest.

C. Investing in Securities that the Adviser or a Related Person Recommends to Clients

Alphastar does not buy securities from, or sell securities to, any investment advisory client. However, related persons of Alphastar from time to time may, directly or indirectly, buy or sell, or hold positions in, securities that are also recommended to our clients. This may create a situation where such related persons have interests that are not aligned with the client with respect to a particular security. As a result, Alphastar or its related persons are in a position to materially benefit from the sale or purchase of those securities, which creates a conflict of interest and incentivizes practices such as "scalping" (*i.e.*, a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation). This practice is prohibited under our Code of Ethics.

Alphastar has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Alphastar Access Persons. Access Persons are required to report their securities holdings, including with respect to any direct or indirect beneficial ownership of securities, and trading activity on a periodic basis, except with respect to securities that are not required to be reported in accordance with the Advisers Act and the rules and guidance thereunder. Transactions in accounts where the Access Person does not have investment discretion over the trading activity in the account, are generally not subject to the pre-clearance or reporting requirements since the Access Person does not make the investment decisions in those accounts.

Alphastar's personal securities transaction policies and other compliance policies are intended to mitigate and prevent the conflicts of interest that may arise in connection with the personal trading activities of its Access Persons and employees. Additionally, these policies are intended to help detect insider trading, "front-running" (*i.e.*, personal trades executed prior to those of Alphastar's clients) and other potentially abusive practices.

D. Conflicts of Interest Created by Contemporaneous Trading

Alphastar does not engage in any proprietary trading or any form of trading for its own account. Alphastar may, however, recommend securities to clients that Access Persons of Alphastar may also buy or sell for their own accounts, at or around the same time as those securities are recommended to clients. This practice creates a conflict of interest where Alphastar or Access Persons of Alphastar are in a position to materially benefit from the sale or purchase of those securities. We have adopted policies and procedures relating to personal securities transactions. These policies and procedures are intended to identify and mitigate actual and perceived conflicts of interest with clients and to resolve such conflicts appropriately if they do occur. In addition, we have implemented monitoring systems for compliance with these policies and procedures.

ITEM 12. BROKERAGE PRACTICES

A. Factors Used to Select Custodians and Broker-Dealers

Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. You must select a custodian from a list of qualified custodians ("Custodian List") and enter into a separate agreement with that firm. We do not have discretionary authority to choose custodians. All custodians do not charge the same commission rates and other fees; you should carefully review the fee schedules prior to selecting a custodian on the Custodian List. The Custodian List maintained by Alphastar is reviewed and revised from time to time depending on a periodic evaluation of the custodians. Factors that Alphastar considers in determining whether a custodian will be added or continued to be included on its Custodian List include our historical relationship with custodian, and the custodian financial strength, reputation, market access and execution capabilities, clearance and settlement capabilities, transaction confirmation and account statement practices, reasonableness of the commission rates charged, ability to negotiate commissions, potential volume discounts, research, and quality and range of services.

The custodians available do not charge for custodial services but instead receive compensation through client account commissions and other transaction-related fees for securities transactions executed or settled into your accounts. In the custodian programs provided to advisers like Alphastar, the custodians establish flat commission charges for various types of securities transactions; we do not negotiate the commissions you pay on a transaction-by-transaction basis. As a result, your accounts established with such custodians will be assessed these transaction charges. Any commissions you pay to the custodian are disclosed on the confirmation of each security transaction placed in your account. These confirmations are sent directly to you by your custodian. In some cases, the mutual funds or ETFs we purchase or sell for your accounts are made available by the custodian on a no-load or load-waived basis. In addition, certain mutual funds and ETFs are made available for no transaction fee. Typically, the custodian or a custodian affiliate (but not Alphastar) earns additional remuneration from such services as recordkeeping, administration, and platform fees, for the funds and ETFs on their no-transaction fee lists. This additional revenue to the custodian or affiliate that will tend to increase the internal expenses of the fund or ETF. Alphastar selects investments based on our assessment of a number of factors, including liquidity, asset exposure, reasonable fees, effective management, and low execution cost.

While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capabilities, commission rates, and responsiveness. Accordingly, although Alphastar will seek custodians who offer competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by designated broker-dealer or custodian are exclusive of, and in addition to, Alphastar's investment management fee.

1. **Research and Other Soft-Dollar Benefits**

Alphastar does not have any "soft dollar" arrangements.

Alphastar participates in custodian offered programs and through custody of client assets with custodians on the Custodian List, Alphastar receives from custodians without cost (or at a discount) support services or products, certain of which assist Alphastar to better monitor, and service your account(s) maintained at such institutions. These support services include software and other technology that provide access to your account data including account statements, access to trading desk and facilitation of trade execution and the allocation of block orders for multiple accounts, research related products and tools, pricing information and other market data, payment of our fees directly from your account-if authorized in your advisory agreement, assistance with back-office functions, recordkeeping and client reporting, compliance and practice management-related publications, discounted and gratis attendance at conferences, meetings, and other educational and social events, and marketing support, all of which is used by the Alphastar in furtherance of its investment advisory business operations.

There is no commitment made by Alphastar to custodians or any other entity to invest any specific amount or percentage of our client assets in any specific mutual funds, securities or other investment products as a result of any of these support services. Additionally, the benefits received by Alphastar in any such custodian program do not depend on the amount of brokerage transactions directed to that custodian. However, the receipt of economic benefits by Alphastar or its related persons creates a conflict of interest and may indirectly influence Alphastar's recommendation of a custodian or broker-dealer to our clients. As part of our fiduciary duties to our clients, we endeavor at all times to put your interests first. We examined this potential conflict of interest when we chose to enter into the relationship with each custodian and have determined that the relationship is in your best interests and satisfies our obligations to you, including our duty to seek best execution for your accounts.

Alphastar participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers certain services to Alphastar including custody of securities, trade execution, clearance and settlement of transactions. Alphastar receives some benefits from TD Ameritrade through its participation in the program. Please see the disclosures under Item 14 below for additional details.

2. **Brokerage for Client Referrals**

Alphastar receives no referrals from a broker-dealer or third-party in exchange for using that broker-dealer or third-party. The factors we use in selecting broker-dealers in order to execute trades are described above in Item 12. A.

3. **Client Directed Brokerage**

As noted previously, you will be asked to select a custodian from the Custodian List, and Alphastar will then use that custodian to execute your transactions, unless and until you select a different custodian from the Custodian List. Not all advisers require clients to select their broker-dealer/custodian from a specific list, and by requiring you to use a specific custodian from our Custodial List, we may be unable to achieve the lowest cost of execution for your transactions, which may cost you money over using a lower-cost custodian.

B. Aggregating (Block) Trading for Multiple Client Accounts

Alphastar will use block trades where possible and when advantageous to our clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading may allow for execution of equity trades in a timely, more equitable manner, at an average share price. Where more than one client account custodied at a particular custodian is participating in a trade, Alphastar may (but is not obligated to) combine or "bunch" such orders to seek best execution or to negotiate more favorable commission rates. In general, we do not favor any account over another when aggregating orders, so long as aggregating is consistent with the Client Agreement and our own policies. Alphastar maintains a trade aggregation and allocation policy, which is intended to ensure that clients participating in aggregated trading are treated fairly and equitably over time.

When a decision is made to aggregate brokerage orders, we will first determine the number of shares or face amount to be traded for all participating clients. We generally trade in liquid securities and partial allocations are not a concern under normal market conditions. If more than one price is paid for securities in an aggregated transaction, each client in the aggregated transaction will typically receive the average price paid for the securities in the same aggregate transaction on that day. If we are unable to fill an aggregated transaction completely, but receive a partial fill of the aggregated transaction, we will normally allocate the partially filled transaction to clients based on an equitable rotational system. Alphastar's Investment Committee and compliance team review records of aggregated trades on a periodic basis and will modify the trade aggregation and allocation policy as needed.

ITEM 13. REVIEW OF ACCOUNTS

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

Alphastar and its IARs review client accounts no less than annually to confirm the current investment strategies are consistent with each client's unique investment objectives, risk tolerance and financial situation. Financial Plans are reviewed at varying stages and frequencies based on the specific terms of your Financial Planning Agreement.

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

In addition to periodic review, Alphastar may perform reviews as appropriate or otherwise required. These reviews may be triggered by specific events, such as a change in your investment objectives, tax status, financial situation, market developments, and client request.

C. Content and Frequency of Regular Reports Provided to Clients

Clients are provided, at least quarterly, with transaction confirmation notices and regular written summary account statements directly from the broker-dealer, custodian, or program sponsor for client accounts. Upon request, Alphastar will provide you with a written periodic report summarizing account activity, performance and advisory fees.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients

As disclosed in Item 12, Alphastar recommends TD Ameritrade as one of multiple broker-dealers/custodians on its Custodian List. Alphastar participates in TD Ameritrade's institutional customer program and recommends TD Ameritrade to clients for custody and brokerage services. There is no direct link between Alphastar's participation in the program and the investment advice it gives to its clients, although Alphastar receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Alphastar participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Alphastar by third-party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Alphastar's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Alphastar but may not benefit its client accounts. These products or services may assist Alphastar in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Alphastar manage and further develop its business enterprise. The benefits received by Alphastar or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Alphastar endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Alphastar or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Alphastar's choice of TD Ameritrade for custody and brokerage services.

Alphastar may receive similar benefits from other broker-dealer/custodians who are on our Custodian List such as access to software and related support, including duplicate statements, access to a trading desk that is exclusive to institutional traders, and access to block trading which allows aggregation of securities transactions. Alphastar may receive these benefits without cost, because we render investment management services to clients that maintain assets at the respective custodian, even though our clients may not directly benefit from the same. These benefits are not provided in connection with securities transactions of clients and are not considered to be "soft dollars". In fulfilling our duties to our clients, we always endeavor to put your interests first. You should be aware, however, that Alphastar's receipt of economic benefits from a broker-dealer/custodian creates a conflict of interest since these benefits may influence our choice of broker-dealer/custodian over another that does not furnish similar benefits.

B. Compensation to Non-Advisory Personnel for Client Referrals

From time to time, Alphastar enters into arrangements with unaffiliated referral sources or "solicitors", in compliance with the requirements of Rule 206(4)-3 under the Advisers Act. A solicitor will typically receive a referral fee, which represents a portion of Alphastar's standard advisory fees paid by each referred client to Alphastar. Any such referral fees paid to the solicitor will not result in any additional charge to a referred client.

ITEM 15. CUSTODY

Alphastar does not maintain physical possession of client cash or securities; however, pursuant to Rule 206(4)-2 of the Advisers Act, Alphastar is deemed to have custody of client funds because we have the authority and ability to debit our fees directly from certain clients' accounts. Alphastar is also deemed to have custody when a client establishes certain types of letters of instruction or other asset transfer authorization arrangement with their qualified custodian, authorizing Alphastar to disburse funds to one or more third parties specifically designated by the client.

Further, on a limited basis, persons associated with our firm may enter into an arrangement under which that person has access to assets or securities in accounts for which we also provide investment advisory services. For example, if a person associated with our firm accepts general power of attorney or appointment as a trustee or executor for a client's account(s). In most cases, these appointments are made as a result of a family or personal relationship with the trust grantor and/or beneficiary and not as a result of employment or association with our firm. In certain limited circumstances; however, certain of these appointments of persons associated with our firm are a result of employment or association with firm. Because we have this authority, we are deemed to have "custody" of certain clients' assets under Rule 206(4)-2 of the Investment Advisers Act of 1940. We have engaged an independent public accounting firm to conduct surprise examinations of these accounts. The accounting firm will conduct these audits each year at a time chosen by the accounting firm without prior notice to us, and that is irregular from year to year.

To mitigate any potential conflicts of interests due to these arrangement, all client account assets are maintained with an independent, non-affiliated qualified custodian. You should receive at least quarterly statements from the qualified custodian that holds and maintains your investment assets. Custodians do not calculate the fees deducted for Alphastar's investment management services; therefore, it is important for you to carefully review your statements to verify the accuracy of the fee calculation, among other things. Contact us if you do not receive statements at least quarterly and in a timely manner or believe there may an error in their statement or fee calculation.

ITEM 16. INVESTMENT DISCRETION

As described in Item 4, Alphastar provides discretionary and non-discretionary investment management services. Discretionary authority must be documented before we act on your behalf, and this authority is typically granted in the form of a limited power of attorney and documented when you sign your Client Agreement. We typically receive full discretionary authority over Investment Advisory accounts, which includes full authority with respect to the type and amount of securities to be bought or sold.

If you enter into a non-discretionary Client Agreement with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

ITEM 17. VOTING CLIENT SECURITIES

Alphastar will not ask for, nor accept, voting authority for securities in your account(s). You will receive proxies or other solicitations directly from the issuer of the security or the custodian. You should direct all proxy questions to the issuer of the security with respect to which the proxy is received.

ITEM 18. FINANCIAL INFORMATION

Alphastar does not require or solicit prepayment of fees six months or more in advance and, as a result, we are not required to include a balance sheet for our most recent fiscal year with this brochure. We have never been the subject of a bankruptcy petition, nor do we have any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.