

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Alliance Advisory & Securities, Inc. If you have any questions about the contents of this brochure, please contact us at 805-371-8020 or jeffg@allianceadvisory.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 Alliance Advisory & Securities, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 18835.

Item 2 Material Changes

This section discusses only material changes since the last annual update of our brochure dated September 25, 2020. The SEC adopted "Amendments to Form ADV" in October, 2011. The firm's Assets Under Management has been updated to reflect the assets under management reported in the firm's last Form ADV Part 1A;

- On April 23, 2020, due to economic uncertainty, the Advisor obtained a loan guaranteed by the U.S. Small Business Administration under its Paycheck Protection Program ("PPP") in an amount of \$308,700. Consistent with PPP guidance, the Advisor is used the proceeds of the loan to pay ongoing expenses of the Advisor, including payroll, rent and utilities. The Advisor applied for and was granted loan forgiveness under the terms of its PPP.
- The Advisor is not currently experiencing, and does not currently anticipate, any financial condition that it believes is reasonably likely to impair its ability to meet contractual commitments to clients.

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Item 4 Advisory Business

Alliance Advisory & Securities, Inc. is an SEC-registered investment adviser with its principal place of business located in California. All references to Alliance Advisory & Securities, Inc. being a registered investment adviser does not imply a certain level of skill, training, or any endorsement by the SEC. Alliance Advisory & Securities, Inc. began conducting business in 1982.

Our firm is wholly owned by our parent company, Alliance Financial Group, Inc.

Alliance Financial Group is owned in equal parts by:

- Randall P. Sanada Sr.,
- Randall P. Sanada, Jr., and
- Jerry V. Sanada

Alliance Advisory & Securities, Inc. offers the following advisory services to our clients:

- Investment Portfolio Services
- Investment Portfolio Model Management
- Affiliated Operating Companies & Pooled Fund Management
- Financial Planning

INVESTMENT PORTFOLIO SERVICES

Our firm provides non-continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment allocation. We create and manage a portfolio based on that ideal allocation. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Once the client's portfolio has been established, we review the portfolio at least annually or more frequently as requested by the client, and if necessary, rebalance the portfolio on an annual basis or more frequently, based on the client's individual needs.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and may include advice regarding the following securities:

- Exchange-listed securities
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships investing in real estate

Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. at least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
2. be reasonably available to consult with the client; and
3. Maintain client suitability information in each client's file.

INVESTMENT MODEL PORTFOLIO MANAGEMENT

Our firm provides portfolio management services to clients using the following model asset allocation portfolios:

- Dimensional: Income, Conservative, Balanced Income, Balanced Growth, Aggressive, Equity, AFG Extended Equity
- Dimensional Socially Responsible: Moderate, Aggressive
- Core: Conservative Income, Balanced Income, Growth & Income, Balanced Growth, Growth
- Core Defensive: Core: Conservative Income, Balanced Income, Growth & Income, Balanced Growth, Growth
- U.S. Large Cap Equity / AFG 50
- Municipal Income

Each model portfolio is designed to meet a particular investment goal.

Control: Your account is, of course, yours. You have the final say and may choose to place reasonable restrictions on the account at any time. Alliance does reserve the right to remove the account from the Model Program if the restrictions are unreasonable or interfere with the operation or effectiveness of the program. You may also remove your account from the Model Program on demand.

All Model Program accounts are discretionary accounts. This means that you have given permission for Alliance Advisory & Securities, Inc. to trade the securities in these accounts without asking you for further permission. However, we have a fiduciary duty to act in your best interests at all times. In addition, the accounts are guided by general principles which help you, your Advisor, and Alliance know the manner in which the account will be handled.

Accounts will be periodically rebalanced to maintain your chosen allocation. Generally, your account will be reviewed on a quarterly basis to make sure the individual investments are within the specific allocation tolerances. When your investments move outside the allowed tolerance, it triggers a rebalancing of your account. Although the tolerances may vary by specific investment, they are generally set at approximately plus or minus 2%. As market conditions change, the specific allocations, investments, and tolerances within your account will be adjusted by Alliance. These adjustments are guided by current and projected market conditions and modern portfolio theory.

Core Accounts

Each Core account has an allocation to fit your financial plan. The purpose of the Core account is to make investment decisions based on your investment objectives using modern portfolio theory to guide the particular allocations in the account. Core accounts generally use funds with active managers rather than passive investment managers.

Defensive Core Accounts

Because Defensive Core accounts anticipate the need to draw cash, Alliance pays particular attention to the cash portion of the account. This strategy typically holds approximately 12-18 months of the anticipated liquidity needs in a cash/money market position. That cash reserve allows Alliance time to make the best decision on when to transition other securities to cash with the goal on not having to sell in unfavorable markets. Defensive Core accounts have all interest, cash dividends and capital gains sent directly to the cash/money market position in the account.

Dimensional Accounts

Each Dimensional account has an allocation to fit your financial plan. The purpose of the Dimensional account is to make investment decisions based on your investment objectives using a long-term strategic allocation using Dimensional Funds (DFA). Dimensional Funds are passively managed funds with low internal costs.

Socially Responsible Dimensional Accounts

Our Socially Responsible Dimensional Accounts take into consideration sustainable and ethical alternatives to traditional investing by selecting a blend of mutual funds that promote environmental stewardship, shareholder advocacy, and community investing.

Individual Securities Accounts (Municipal Income and U.S. Large Cap Equity / AFG 50)

Trades are made on an irregular basis, using proprietary modeling systems to monitor various lagging, coincident, and leading macro and micro economic statistics and to calculate various valuation metrics to project the best response to the market. Data is compiled from numerous independent research firms, such as Applied Finance Group, and the public domain. All interest, cash dividends and capital gains distributions will be sent directly to the cash/money market position in your account.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Through personal discussions with the client in which the client's goals and objectives are established, we determine if the model portfolio is suitable to the client's circumstances. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

AFFILIATED OPERATING COMPANIES AND POOLED FUND MANAGEMENT

Our firm provides private offerings of affiliated operating companies and pooled funds to clients using private, limited partnerships and limited liability companies. Private offerings are generally offered to accredited investors and each has its own private placement memorandum and disclosure documents detailing its objectives, investments, goals, restrictions, risks and costs.

Alternative Investment Portfolio, L.P.:

Alternative Investment Portfolio, L.P. ("AIP"), a Delaware limited partnership, is invested primarily in real estate Alliance Financial Group, Inc., the parent company of Alliance Advisory & Securities, Inc., serves as the general partner of AIP. For detailed information on AIP, please see the Limited Partnership Agreement for AIP. This partnership is closed to new investors and is not accepting additional capital.

Stable Value Portfolio, L.P.:

Stable Value Portfolio, L.P. ("SVP"), a Delaware limited partnership, is invested primarily in short-term fixed income securities such as money market securities and debt instruments. Alliance Financial Group, Inc., the parent company of Alliance Advisory & Securities, Inc., serves as the general partner of SVP. For detailed information on SVP, please see the

Limited Partnership Agreement for SVP. This partnership is closed to new investors and is not accepting additional capital.

COMMUNE RESOP, LLC (formerly Real Estate Special Opportunities Portfolio 1998) and COMMUNE RESOP REIT, LLC:

COMMUNE RESOP, LLC, a California limited liability company and COMMUNE RESOP REIT, LLC, a Delaware limited Liability company, look for opportunities to purchase, improve, and operate real estate properties, primarily self-storage properties. COMMUNE RESOP Management, LLC, an affiliate of Alliance Advisory & Securities, Inc., serves as a Manager of COMMUNE RESOP, LLC & COMMUNE RESOP REIT, LLC. For detailed information on COMMUNE RESOP, LLC & COMMUNE RESOP REIT, LLC, please see the Operating Agreements for COMMUNE RESOP, LLC & COMMUNE RESOP REIT, LLC.

COMMUNE Asset-Backed Lending Partners, LP & COMMUNE ABLP REIT, LLC:

COMMUNE Asset-Backed Lending Partners, LP ("ABLP"), a Delaware Limited Partnership, and COMMUNE ABLP REIT, LLC ("ABLP REIT"), a Delaware Limited Liability Company, offers commercial loans to borrowers. For detailed information on ABLP and ABLP REIT please see the Partnership Agreement for ABLP and Operating Agreement for ABLP REIT. COMMUNE ABLP Management, LLC, an affiliate of Alliance Advisory & Securities, Inc., serves as the General Partner of ABLP and Manager of ABLP REIT.

COMMUNE Multi-Family, LLC (formerly Commune VA 1):

COMMUNE Multi-Family, LLC, a Delaware limited liability company, has the objective to seek income and capital appreciation through purchasing, developing, and holding real estate properties. COMMUNE Multi-Family Management, LLC, an affiliate of Alliance Advisory & Securities, Inc., serves as manager of COMMUNE Multi-Family, LLC. For detailed information on COMMUNE Multi-Family, LLC, please see the Operating Agreements for COMMUNE Multi-Family, LLC.

General Management

Through personal discussions with the client in which the client's goals and objectives are established, we initially determine whether the affiliated operating company or pooled fund is suitable to the client's circumstances. Once we confirm suitability, the operating company or pooled fund is managed based on the respective operating documents, rather than on each client's individual needs.

Because some types of investments involve certain additional degrees of risk, they will only be recommended or implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the financial circumstances and objectives of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist clients to achieve their financial goals and objectives.

The financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **RETIREMENT / FINANCIAL INDEPENDENCE:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **RISK MANAGEMENT:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income. We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile
- **BENEFICIARY & ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, estate tax reviews, powers of attorney, asset protection plans, nursing homes, and Medicaid.
- **EDUCATION:** We review and assist in developing a saving plan and goal for future education costs.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, return objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning, education planning, and business planning.

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

Alliance Entrust

Non-investment related financial planning services, along with business consulting, financial consulting, and accounting services are also offered through the affiliated company, "Alliance Entrust, Inc."

Assets under Management: As noted above, we manage client assets on both a discretionary and non-discretionary basis. As of June 30, 2021, we have a total of \$404,265,192 in assets under management; with \$199,074,690 under discretionary management and \$205,190,503 under non-discretionary management.

Item 5 Fees and Compensation

INVESTMENT PORTFOLIO SERVICES & INVESTMENT MODEL PORTFOLIO MANAGEMENT FEES

Our annual fees for Investment Management Services are based upon a percentage of assets under management and generally range from 0.5% to 2.0%.

Our fees are billed in arrears at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees are generally debited from the client's account in accordance with the client authorization in the Investment Advisory Service Agreement. Clients have the option to have fees billed to them directly or to an alternative account with written authorization.

Generally a minimum of \$100,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Alliance Advisory & Securities, Inc. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

FINANCIAL PLANNING FEES

Alliance Advisory & Securities, Inc.'s Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on an hourly basis, ranging from \$175 to \$650 per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

Alternatively, our Financial Planning fees may be calculated and charged on a fixed fee basis, typically ranging from \$1,250 to \$10,000 per year, charged quarterly, depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$1,200 for work that will not be completed within six months. The balance is due upon completion of the plan.

The client is billed in arrears based on actual hours accrued.

Financial Planning Fee Offset: Alliance Advisory & Securities, Inc. reserves the discretion to reduce or waive the hourly fee and/or the minimum fixed fee if a financial planning client chooses to engage us for our Portfolio Management Services.

Affiliated Services: Alliance Entrust, Inc. is an affiliated company that provides financial planning, consulting and accounting services. The Firm, its affiliates, and representatives will be compensated directly or indirectly from services provided by Alliance Entrust.

GENERAL INFORMATION ABOUT FEES & COMPENSATION

Additional Compensation: an Investment Advisor Representative and other related persons of our firm are licensed as insurance agents. In their separate capacity, these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend an investment which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Limited Negotiability of Advisory Fees: Although Alliance Advisory & Securities, Inc. has established the aforementioned fee schedule(s); we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances, and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reports among other factors. The specific annual fee is identified in the contract between the adviser and each client.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason by giving notice in writing to the Advisor. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid and unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Execution of Investment Account Transactions: When we arrange for the execution of securities transactions for you, through non-affiliated brokers or dealers we will strive to execute the transaction in a manner that we reasonably believe will provide best execution. In selecting a broker or dealer, we may consider, among other things, the broker or dealer's execution capabilities, reputation and access to the markets for the securities being traded. We generally will seek competitive commission rates but will not necessarily attempt to obtain the lowest possible commission for transactions in your account.

Instead of allowing us to select brokers or dealers for your account, you may direct us in writing to use a particular broker or dealer to execute some or all transactions for your account. In that case, you will negotiate terms and arrangements for your account with that broker or dealer, and we will not seek better execution services or prices from other brokers or dealers or be able to "batch" client transactions for execution through other brokers or dealers with orders for other accounts advised or managed by us. As a result, you may pay higher

commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for your account than would otherwise be the case.

Mutual Fund Fees: All fees paid to Alliance Advisory & Securities, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. Distribution fees are also known as 12b-1 fees. The 12b-1 fee is considered to be an operational expense and, as such, is included in a fund's expense ratio. It is generally between 0.25 and 1% (the maximum allowed) of a fund's net assets and can be paid to the broker or dealer. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. Generally, no-load funds will be recommended when consistent with the client's particular circumstances, investment objectives, time horizon, and suitability.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Advisory Fees in General: Clients should note that similar advisory services may be available from other registered investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

Additional Fees: We may receive fees from multiple sources. For example we may receive fees from Clients for both financial planning and investment advisory services.

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

Alliance Advisory & Securities, Inc. does not charge performance-based fees.

Item 7 Types of Clients

Alliance Advisory & Securities, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals (liquid net worth greater than \$1,000,000)
- Pension and profit sharing plans (other than plan participants)
- Other pooled investment vehicles (e.g., hedge funds)
- Charitable organizations

- Corporations or other businesses not listed above
- Trusts

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service. Requirements for opening and maintaining an account, such as minimum account size, are discussed under Item 5- Fees and Compensation.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Asset Allocation: Rather than focusing primarily on securities selection, we attempt to identify an appropriate allocation of asset classes (including: cash, fixed income, equities, and alternative assets) that are suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of asset class allocations will change over time due to market movements and, if not corrected, will no longer be appropriate for the client's goals.

Fundamental Analysis: We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis: In some cases we may analyze past market movements and apply that analysis to the present to recognize recurring patterns of investor behavior and potentially predict future price movements.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Quantitative Analysis: We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis: We subjectively evaluate non-quantifiable factors such as quality of

management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk of using qualitative analysis is that our subjective judgment may prove incorrect.

Mutual Fund and/or ETF Analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis: We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

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

Risks for all forms of analysis: Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- we believe the securities to be currently undervalued, and/or;
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

RISK OF LOSS

Investing in securities does not guarantee returns and involves a risk of loss that clients should be prepared to bear. We ask that you work with us to help us understand your tolerance for risk.

PRICING POLICY

We report and maintain the value of assets based on the following:

1. Actively traded securities are priced as reported by their respective markets;
2. Private investments, such as limited partnerships are priced at their original purchase price unless new pricing or valuation is reported to us by their management; or until we receive reliable information that indicates an adjustment to the value is indicated.
3. Tangible investments, such as real estate, are priced at the original purchase price unless the Client or manager instructs us as to a different valuation, or until we receive reliable information that indicates an adjustment to the value is indicated.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

The following are disciplinary events relating to our firm and/or our management personnel:

Item 10 Other Financial Industry Activities and Affiliations

MANAGEMENT PERSONNEL Registrations:

While Alliance Advisory & Securities, Inc. and its personnel endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Alliance Advisory & Securities, Inc. typically recommends Alliance Entrust, Inc. to their clients in need of consulting and integrated wealth solution services. Conversely, Alliance Entrust, Inc. typically recommends Alliance Advisory & Securities, Inc. to advisory clients in need of such services. The services provided by Alliance Entrust, Inc. are separate and distinct from our investment advisory services, and are provided for separate and typical compensation. No Alliance Advisory & Securities, Inc. client is obligated to use Alliance Entrust, Inc. for any services and conversely, no Alliance Entrust, Inc. client is obligated to use the advisory services we provide.

Alliance Advisory & Securities, Inc. and/or Management personnel of Alliance Advisory & Securities, Inc. are related, through common ownership and control, to Alliance Financial Group, Inc. Alliance Financial Group, Inc. or one or more of our related persons also act as general partner or manager of these entities (described in Item 4). A list of these affiliated entities is specifically disclosed on Item 7.B of our ADV Part 1. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

In addition, our firm serves as the investment adviser to some of these entities. Advisory clients of our firm are solicited to invest in these entities; however, because investment in these types of entities may involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity, and suitability. Clients are under no obligation to invest in any of the above described entities or to implement any advisory recommendations.

Clients should be aware that the receipt of additional compensation by Alliance Advisory & Securities, Inc. and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Alliance Advisory & Securities, Inc. endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment

products from our employees or affiliated companies;

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

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. We will provide a copy of this code of ethics to any client or prospective client upon request.

Alliance Advisory & Securities, Inc. and our personnel owe a duty of loyalty, fairness and, good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's 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. Our code also provides for oversight, enforcement, and recordkeeping provisions.

Alliance Advisory & Securities, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A full copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to jeffg@allianceadvisory.com, or by calling us at 805-371-8020;

Agency Cross-Transactions

Alliance Advisory & Securities, Inc. and individuals associated with our firm are prohibited from engaging in principal transactions.

Alliance Advisory & Securities, Inc. may, at times, effect an agency cross transaction for an advisory client, provided that the transaction is consistent with our firm's fiduciary duty to the

client and that all requirements outlined in Sec. 206(3)-2 of the Investment Advisers Act of 1940 are met.

An agency cross transaction is a transaction where our firm acts as an investment adviser in relation to a transaction in which Alliance Advisory & Securities, Inc., or any person controlled by or under common control with our firm, acts as broker for both the advisory client and for another person on the other side of the transaction.

Other Entities:

The principals of Alliance Advisory & Securities, Inc. are also the principals of Alliance Financial Group, Inc., (the General Partner of Alternative Investment Portfolio, L.P. and; Stable Value Portfolio, L.P.) of COMMUNE ABLP Management, LLC (the General Partner of COMMUNE Asset-Backed Lending Partners, L.P. and COMMUNE ABLP REIT, L.P.) of COMMUNE RESOP Management, LLC (the Manager of RESOP, LLC and RESOP REIT, LLC) and of COMMUNE Multi-Family Management, LLC (the Manager of COMMUNE Multi-Family, LLC) (The "Entity"). The General Partner and/or Manager has designated Alliance Advisory & Securities, Inc. as having primary responsibility for investment management and administrative matters, such as accounting tax and periodic reporting, pertaining to the Entity. Alliance Advisory & Securities, Inc. and our members, officers and employees will devote to the Fund as much time as we deem necessary and appropriate to manage the Entity's business. Alliance Advisory & Securities, Inc. and our affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities may be in competition with the Entity and/or may involve substantial time and resources of our firm and our affiliates. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of our management personnel and employees will not be devoted exclusively to the business of the Entity, but could be allocated between the businesses of the Entity and other of our business activities and those of our affiliates.

Investments in the Entity may be recommended to advisory clients for whom such an investment may be more suitable than would a separate advisory account managed by our firm. Clients who invest in the Entity are not charged any additional advisory fees other than the advisory fee allocated to the limited partners or members of the Entity.

The Entity is not required to register as an investment company under the Investment Company Act of 1940 in reliance upon an exemption available to funds whose securities are not publicly offered. Alliance Advisory & Securities, Inc. and affiliates manage the Entity on a discretionary basis in accordance with the terms and conditions of the Entity's offering and organizational documents.

The principals of Alliance Advisory & Securities, Inc. are also the principals of Alliance Financial Group, Inc. and Alliance Entrust, Inc. and Managing Members of COMMUNE ABLP Management, LLC, COMMUNE RESOP Management, LLC, and COMMUNE Multi-Family Management, LLC.

Personal Transactions:

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing

employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs (when applicable) will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be **included** in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
8. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
9. All of our principals and employees must act in accordance with all applicable Federal and

State regulations governing registered investment advisory practices.

10. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
11. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
12. Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer, and/or licensed as an insurance agent/broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 Brokerage Practices

Alliance Advisory & Securities, Inc. does not have any soft-dollar arrangements.

Alliance Advisory & Securities, Inc. will block trade where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Alliance Advisory & Securities, Inc. will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. Alliance Advisory & Securities, Inc.'s block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Alliance Advisory & Securities, Inc., or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Alliance Advisory & Securities, Inc. to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the

participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in any fees associated with the trades on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) Alliance Advisory & Securities, Inc.'s client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on Alliance Advisory & Securities, Inc.'s records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

Fidelity Investments & Charles Schwab

Alliance Advisory & Securities, Inc. has arrangements with both Fidelity Investments and Charles Schwab Institutional (together with all affiliates, "Fidelity" and "Schwab") through which Fidelity and Schwab provide our firm with their "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support Alliance Advisory & Securities, Inc. in conducting business and in serving the best interests of our clients but that may also benefit us.

Fidelity and Schwab charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity and Schwab enable Alliance Advisory & Securities, Inc. to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Both Fidelity and Schwab's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity and Schwab may be higher or lower than those charged by other custodians and broker-dealers.

Alliance Advisory & Securities, Inc. receives services called Wealthscape from Fidelity and Schwab Advisor Center from Schwab which we use to manage and generate trade orders. Without these arrangements, we might be compelled to purchase the same or similar services at our own expense.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity and Schwab's services. We examined this potential conflict of interest when we chose to enter into these relationships and have determined that these relationships are in the best interests of Alliance Advisory & Securities, Inc.'s clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission or transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the fee is reasonable in relation to the value of the brokerage and research services received. 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 capability, commission rates, and responsiveness. Accordingly, while Alliance Advisory & Securities, Inc. will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission or transaction fee rates for specific client account transactions. Although the services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for services that are not used in managing that specific client's account. Alliance Advisory & Securities, Inc., Fidelity, and Schwab are not affiliated.

National Advisors Trust Company, FSB

Alliance Advisory & Securities, Inc. has an arrangement with National Advisors Trust Company, FSB (together with all affiliates, "NATC") through which NATC provides our firm with their "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like Alliance Advisory & Securities, Inc. in conducting business and in serving the best interests of our clients but that may also benefit us.

NATC charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). NATC's commission rates are in line with other retail commission rates. However, the commissions and transaction fees charged by NATC may be higher or lower than those charged by other custodians and broker-dealers.

Item 13 Review of Accounts

INVESTMENT PORTFOLIO SERVICES & INVESTMENT MODEL PORTFOLIO MANAGEMENT SERVICES

REVIEWS: While the underlying securities within the accounts are continually monitored, these accounts are reviewed at least **annually**. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: The Client's Advisor and the Chief Compliance Officer, Jeff Garagliano or designee.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer or custodian, we provide written reports quarterly, semi-annually or annually, depending on client request and investment advisory agreements, summarizing account performance, balances and holdings. These reports along with the custodial reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

FINANCIAL PLANNING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

Client Advisors include:

Randall P. Sanada, Sr., President
Randall P. Sanada, Jr., Vice President
Jerry V. Sanada, Chief Financial Officer
Sandi Bublitz, Representative
Lee H. Falberg, Representative
Hoby Pearce, Representative
Patrick McIlrath, Representative
Michael J. Michalov, Representative
Jon Rehurek, Representative
Ben Simonds, Representative
Robert Knight, Representative

Item 14 Client Referrals and Other Compensation

CLIENT REFERRALS

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- Whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

It is Alliance Advisory & Securities, Inc.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

In addition to the periodic statements that clients receive directly from their custodians, we may also send account statements directly to our clients on a **quarterly** basis, based on their investment advisory service. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients may give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

Item 18 Financial Information

Alliance Advisory & Securities, Inc. does not require prepayment of more than \$1,200 in fees per client and more than six months in advance.

On April 23, 2020, due to economic uncertainty, the Advisor obtained a loan guaranteed by the U.S. Small Business Administration under its Paycheck Protection Program ("PPP") in an amount of \$308,700. Consistent with PPP guidance, the Advisor is used the proceeds of the loan to pay ongoing expenses of the Advisor, including payroll, rent and utilities. The Advisor

applied for and was granted loan forgiveness under the terms of its PPP.

The Advisor is not currently experiencing, and does not currently anticipate, any financial condition that it believes is reasonably likely to impair its ability to meet contractual commitments to clients.

Part 2B of Form ADV: *Brochure Supplement*

Alliance Advisory & Securities, Inc.

31248 E. Oak Crest Drive, Ste 100
Westlake Village, California 91361

Telephone: 805-371-8020
Email: jeffg@allianceadvisory.com
Web Address: www.allianceadvisory.com

September 28, 2021

This brochure supplement provides information about your representative:

This Brochure supplements the Alliance Advisory & Securities, Inc. brochure. You should have received a copy of that brochure. Please contact our service department at 805-371-8020 if you did not receive Alliance Advisory & Securities, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about the supervised persons below is available on the SEC's website at www.adviserinfo.sec.com

Some of our Representatives hold professional designations. The following is an explanation of those designations and the minimum qualifications required to obtain and maintain them.

Certified Financial Planner (CFP)®:

CFP® Certification Requirements

Education: CFP® professionals must develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study at a college or university offering a financial planning curriculum approved by CFP Board. Other options for satisfying the education component include submitting a transcript review or previous financial planning-related course work to CFP Board for review and credit, or showing the attainment of certain professional designations or academic degrees.

Examination: CFP® practitioners must pass a comprehensive two-day, 10-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format. Based on regular research of what planners do, the exam covers the financial planning process, tax planning, employee benefits and retirement planning, estate planning, investment management and insurance.

Experience: CFP® professionals must have three years minimum experience in the financial planning process prior to earning the right to use the CFP® certification marks. As a result, CFP® practitioners possess financial counseling skills in addition to financial planning knowledge.

Ethics: As a final step to certification, CFP® practitioners agree to abide by a strict code of professional conduct, known as CFP Board's *Code of Ethics and Professional Responsibility* that sets forth their ethical responsibilities to the public, clients and employers. CFP Board also performs a background check during this process, and each individual must disclose any investigations or legal proceedings related to their professional or business conduct.

How does CFP Board's *Code of Ethics* benefit me?

Through the *Code of Ethics*, CFP® practitioners agree to act fairly and diligently when providing you with financial planning advice and services, putting your interests first. The *Code of Ethics* states that CFP® practitioners are to act with integrity, offering you professional services that are objective and based on your needs. They are required to provide you with information about their sources of compensation and conflicts of interest in writing.

Ongoing Certification Requirements

Once certified, CFP® practitioners are required to maintain technical competence and fulfill ethical obligations. Every two years, they must complete a minimum 30 hours of continuing education to stay current with developments in the financial planning profession and better serve clients. Two of these hours are spent studying or discussing CFP Board's *Code of Ethics or Practice Standards*. In addition to the biennial continuing education requirement, all CFP® practitioners voluntarily disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the previous two years as part of the renewal process.

Chartered Financial Analyst (CFA) ®:

To earn the CFA® charter, you must have a minimum of a bachelor's degree or equivalent, and successfully pass through the CFA® Program, a graduate-level self-study program that combines a broad curriculum with professional conduct requirements, culminating in three sequential exams.

The CFA® Program reflects a broad Candidate Body of Knowledge™ (CBOK) developed and continuously updated by active practitioners in countries around the world to ensure that charter holders possess knowledge grounded in the real world of today's global investment industry.

Candidate Body of Knowledge Topical Outline

- Ethical and Professional Standards
- Quantitative Methods
- Economics
- Financial Reporting and Analysis
- Corporate Finance
- Equity Investments
- Fixed Income
- Derivatives
- Alternative Investments
- Portfolio Management and Wealth Planning

Chartered Financial Consultant (ChFC) ®:

Three years of full-time business experience is required for all Huebner School designations. The three-year period must be within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience. Part-time qualifying business experience is credited toward the three-year requirement on an hourly basis, with 2,000 hours representing the equivalent of one year full-time experience

To underscore the importance of ethics standards for Huebner School designations, the Board of Trustees adopted a Code of Ethics in 1984. Embodied in the Code are the Professional Pledge and eight Canons.

Professional Pledge

"In all my professional relationships, I pledge myself to the following rule of ethical conduct: I shall, in light of all conditions surrounding those I serve, which I shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, I would apply to myself."

The Canons

- Conduct yourself at all times with honor and dignity.
- Avoid practices that would bring dishonor upon your profession or The American College.
- Publicize your achievements in ways that enhance the integrity of your profession.
- Continue your studies throughout your working life so as to maintain a high level of professional competence.
- Do your utmost to attain a distinguished record of professional service.
- Support the established institutions and organizations concerned with the integrity of your profession.
- Participate in building your profession by encouraging and providing appropriate assistance to qualified persons pursuing professional studies.
- Comply with all laws and regulations, particularly as they relate to professional and business activities.

All ChFC®s who matriculated after June 30, 1989 are subject to the PACE Recertification Program. If you are a ChFC® who falls into any of the following specified categories, you are required to earn 30 hours of CE credit every two years:

- Licensed insurance agent/broker/consultant
- Licensed security representative/registered investment advisor
- Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public

Chartered Life Underwriter (CLU) ®:

Three years of full-time business experience is required for all Huebner School designations. The three-year period must be within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience. Part-time qualifying business experience is credited toward the three-year requirement on an hourly basis, with 2,000 hours representing the equivalent of one year full-time experience.

To underscore the importance of ethics standards for Huebner School designations, the Board of Trustees adopted a Code of Ethics in 1984. Embodied in the Code are the Professional Pledge and eight Canons.

Professional Pledge

"In all my professional relationships, I pledge myself to the following rule of ethical conduct: I shall, in light of all conditions surrounding those I serve, which I shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, I would apply to myself."

The Canons

- Conduct yourself at all times with honor and dignity.
- Avoid practices that would bring dishonor upon your profession or The American College.
- Publicize your achievements in ways that enhance the integrity of your profession.
- Continue your studies throughout your working life so as to maintain a high level of professional competence.
- Do your utmost to attain a distinguished record of professional service.

- Support the established institutions and organizations concerned with the integrity of your profession.
- Participate in building your profession by encouraging and providing appropriate assistance to qualified persons pursuing professional studies.
- Comply with all laws and regulations, particularly as they relate to professional and business activities.

All CLU®s who matriculated after June 30, 1989 are subject to the PACE Recertification Program. If you are a CLU® who falls into any of the following specified categories, you are required to earn 30 hours of CE credit every two years:

- Licensed insurance agent/broker/consultant
- Licensed security representative/registered investment advisor
- Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public

Chartered Retirement Planning Counselor (CRPC) ®:

The CRPC® Program focuses on the pre- and post-retirement needs of individuals, allowing you to transform the retirement planning process into a positive experience. Enrollment in the program allows you to study a variety of principles in the retirement planning field. The program guides you through the retirement process from start to finish, addressing issues such as estate planning and asset management.

The College for Financial Planning® awards the CHARTERED RETIREMENT PLANNING COUNSELORSM AND CRPC® designation to students who:

- successfully complete the program;
- pass the final examination; and
- Comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning's review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Students must sign and return the Code of Ethics forms within six months of passing the final exam. Failure to complete and submit the forms within this time frame may result in termination of the individual's candidacy. If an individual wishes to apply for authorization to use the Marks in the future, he or she may be required to fulfill the initial designation requirements in place at the time of passing the exam.

Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period.

Continued use of the CRPC® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the CRPC® designation by:

- completing 16 hours of continuing education; and
- reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self-disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct;

Master Financial Planner (MFP)

American Academy of Financial Management® Certification Requirements:

AAFM® Public Requirements for Certification - AAFM is The First to integrate "Double Accredited" Government Sanctioned education and a Path to Earning Professional Designation, Certification and Chartered Status.

We require qualifications such as two of the following:

1. An ABA AACSB, ACBSP, or Equis Accredited Financial, Investment, Accounting, Tax or Economics Related Degree. 3-5 + years of professional experience.
2. Must have a government recognized degree: Licenses, Degree, MBA/MASTERS or Law Degree, PhD, CPA, Recognized Designations, & specialization work, or
3. Complete a related degree and Exams from an AAFM® approved and accredited university program.

Certified Kingdom Advisor (CKA)

Kingdom Advisors, Inc. Certification Requirements:

Prerequisites: All candidates must sign a "Statement of Faith," obtain a letter of reference from pastor or member of pastoral staff, a signed statement of personal stewardship and two client references.

Additional prerequisites vary by discipline:

Accountant: CPA, EA

Attorney: JD

Financial Planner: CFP, ChFC or CPA/PFS designation or have 10 years of full-time financial-planning experience.

Insurance Professional: CLU or 10 years of full-time experience practicing with clients in this discipline

Investment Professional: CFP, ChFC, CPA/PFS, CFA, CIMA, AAMS designation or have 10 years of full time experience practicing with clients in this discipline.

Education Requirements: Complete Kingdom Advisors Core Training

Examination Type: Final certification exam (open book)

Continuing Education Requirements: 10 hours per year

Randall P. Sanada Sr., CFP®, ChFC®, MSFS, CKA®

Year of Birth

- 1951

Education

- Master of Science, Financial Services (MSFS)
- Master of Science, Management (MSM)
- Bachelor of Science, Business Management
- Bachelor of Science, Data Processing

Credentials & Licenses

- Certified Financial Planner (CFP®)
- Chartered Life Underwriter (CLU)
- Chartered Financial Consultant (ChFC®)
- Certified Kingdom Advisor (CKA®)
- Registered Representative – Series 1
- General Securities Principal – Series 24
- Investment Advisor Representative – Series 63

Business Background

- Alliance Financial Group, Inc.: 1987 - present
- Founder and President
- Alliance Advisory & Securities, Inc.: 1991 – present
- Chief Executive Officer
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Randall Sanada is President of the firm and he is not supervised. Randall Sanada's transactions are supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Sanada's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for supervision of Mr. Sanada's transactions and client files.

Randy Sanada Jr., CFP®, CKA®

Year of Birth

- 1974

Education

- Biola University, B.A., Business Administration

Credentials & Licenses

- Certified Financial Planner (CFP®)
- Certified Kingdom Advisor (CKA®)
- Registered Representative – Series 7
- General Securities Principal – Series 24
- Investment Advisor Representative – Series 66

Business Background

- Alliance Financial Group, Inc.: 1994 - present
- Vice President
- Alliance Advisory & Securities, Inc.: 1994 – present
- Vice President
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Randy Sanada is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Sanada's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Sanada's supervision.

Jerry V. Sanada, CFP®, CFA®

Year of Birth

- 1975

Education

- Pepperdine University, B.S., Business

Credentials & Licenses

- Certified Financial Planner (CFP®)
- Chartered Financial Analyst (CFA®)
- Registered Representative – Series 7
- General Securities Principal – Series 24
- Financial and Operations Principal – Series 27
- Investment Advisor Representative – Series 66

Business Background

- Alliance Financial Group, Inc.: 1993 - present
- Chief Financial Officer
- Alliance Advisory & Securities, Inc.: 1993 – present
- Chief Financial Officer
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Jerry Sanada is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Sanada's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Sanada's supervision.

Sandi L. Bublitz, CFP®

Year of Birth

- 1956

Education

- University of California, Santa Barbara, B.A., Communications

Credentials & Licenses

- Certified Financial Planner (CFP®)

Business Background

- Alliance Advisory & Securities, Inc.: 1991 – present
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- Sandi Bublitz is licensed as an insurance agent and is compensated by commissions from the sale of insurance products. Receipt of such compensation creates an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

Supervision

- Sandi Bublitz is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Ms. Bublitz's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Ms. Bublitz's supervision.

Lee H. Falberg, MBA

Year of Birth

- 1938

Education

- Bradley University, Illinois, B.S., Mechanical Engineering
- Loyola University, Illinois, MBA, Business Administration

Credentials & Licenses

- Registered Representative – Series 6
- Investment Advisor Representative – Series 63 & Series 65

Business Background

- Alliance Advisory & Securities, Inc.: 2002 – present
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Lee Falberg is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Falberg's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Falberg's supervision.

Patrick K. McIlrath, MBA, MFP®, CRPC®

Year of Birth

- 1951

Education

- United State Naval Academy, B.S., Oceanography
- Wharton School of Finance, University of Pennsylvania, MBA, Strategic Planning & General Management

Credentials & Licenses

- Master Financial Planner (MFP®)
- Chartered Retirement Planning Consultant (CRPC®)
- Registered Representative – Series 7
- Investment Advisor Representative – Series 63

Business Background

- Alliance Advisory & Securities, Inc.: 2005 – present
 - Investment Advisor Representative
- Aerie Financial Group: 2005 – present
 - Chief Executive Officer

Disciplinary Information

- None

Additional Compensation

- Pat McIlrath is licensed as an insurance agent and is compensated by commissions from the sale of insurance products. Receipt of such compensation creates an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

Supervision

- Pat McIlrath is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. McIlrath's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. McIlrath's supervision.

Hoby Pearce, CFP®, CKA®

Year of Birth

- 1973

Education

- California State University Northridge, B.S., Business & Marketing

Credentials & Licenses

- Certified Financial Planner (CFP®)
- Certified Kingdom Advisor (CKA®)
- Registered Representative – Series 7
- Investment Advisor Representative – Series 63 & Series 65

Business Background

- Alliance Advisory & Securities, Inc.: 2009 – present
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Hoby Pearce is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Pearce's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Pearce's supervision.

Michael J. Michalov, CFP®

Year of Birth

- 1982

Education

- California State University Northridge, B.S., Business Marketing & Economics
- University of California – Los Angeles, Personal Financial Planning Certificate

Credentials & Licenses

- Certified Financial Planner (CFP®)
- Registered Representative – Series 7
- Investment Advisor Representative – Series 66

Business Background

- Alliance Advisory & Securities, Inc.: 2015 – present
- Investment Advisor Representative
- MUFG Union Bank: 2004 – 2015
- Vice President

Disciplinary Information

- None

Additional Compensation

- Michael Michalov is licensed as an insurance agent and is compensated by commissions from the sale of insurance products. Receipt of such compensation creates an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

Supervision

- Michael Michalov is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Michalov's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Michalov's supervision.

Jon Rehurek, CFP®, CKA®, ThM

Year of Birth

- 1971

Education

- Southwest Baptist University, B.S. Business Administration with concentration in Financial & Economics
- The Master's Seminary, Master of Theology (ThM)
- The Master's Seminary, Master of Divinity (MDiv)
- Ron Blue Institute at Indiana Wesleyan University, Executive Certificate in Financial Planning

Credentials & Licenses

- Certified Financial Planner (CFP®)
- Certified Kingdom Advisor (CKA®)
- Registered Representative – Series 7
- Investment Advisor Representative – Series 66

Business Background

- Alliance Advisory & Securities, Inc.: 2015 – present
- Investment Advisor Representative
- Raymond James Financial Services: 2013 – 2015
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Jon Rehurek is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Rehurek's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Rehurek's supervision.

Ben Simonds, CFP®, CKA®

Year of Birth

- 1987

Education

- The Master's College, B.S., Finance & Management

Credentials & Licenses

- Certified Financial Planner (CFP®)
- Certified Kingdom Advisor (CKA®)
- Registered Representative – Series 7
- Investment Advisor Representative – Series 66

Business Background

- Alliance Advisory & Securities, Inc.: 2011 – present
- Investment Advisor Representative

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Ben Simonds is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Simonds' clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Simonds' supervision.

Robert Knight, CRPC®, MBA

Year of Birth

- 1975

Education

- California Lutheran University, Master's in Financial Planning
- California State University Northridge, B.S., Finance

Credentials & Licenses

- Chartered Retirement Planning Counselor (CRPC®)
- Investment Advisor Representative – Series 66

Business Background

- Alliance Advisory & Securities, Inc.: 2019 – present
- Investment Advisor Representative
- Partnervest Advisory Services LLC: 2004-2019
- Waddell & Reed, Inc: 2001-2004

Disciplinary Information

- Settled Customer Dispute in August 2011

Additional Compensation

- Robert Knight is licensed as an insurance agent and is compensated by commissions from the sale of insurance products. Receipt of such compensation creates an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

Supervision

- Robert Knight is supervised by the Compliance Department of Alliance Advisory & Securities Inc. The trades of Mr. Knight's clients are reviewed on a periodic basis and client files are randomly reviewed for compliance with the Firm's policies and procedures. Jeff Garagliano, Chief Compliance Officer; (805) 371-8020 is responsible for Mr. Knight's supervision.

Jeff Garagliano

Year of Birth

- 1975

Education

- Colorado State University, B.A., Economics

Credentials & Licenses

- Registered Representative – Series 7
- General Securities Principal – Series 24
- Investment Advisor Representative – Series 66

Business Background

- Alliance Advisory & Securities, Inc.: 1998 – present
 - Investment Advisor Representative
 - Chief Compliance Officer

Disciplinary Information

- None

Additional Compensation

- n/a

Supervision

- Jeff Garagliano is part of the management team of Alliance Advisory & Securities, Inc. and is not supervised. However, all of Jeff Garagliano's trades are reviewed and supervised by the Compliance Department.