Alden Capital Management, Inc.

Alden Capital Management, Inc.
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Form ADV, Part 2, our "Disclosure Brochure" or "Brochure" as required by the Investment Advisers Act of 1940, is a very important document between Clients (you, your) and Alden Capital Management, Inc (us, we, our). This Brochure provides information about our qualifications and business practices.

> ***This brochure provides information about the qualifications and business practices of Alden Capital, Inc. If you have any questions about the contents of this brochure, please contact us at (215) 572-8700 or ksmith@aldencm.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.***
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> ***Additional information about Alden Capital, Inc also is available at the SEC's website www.adviserinfo.sec.gov (click on the link, select "investment adviser firm" and type in our firm name). Results will provide you both Part 1 and 2 of our Form ADV.***

Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisers) which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

Item 2 – Material Changes

1. This section of the Brochure will address only those "material changes" that have been incorporated since our last delivery or posting of this document on the SEC's public disclosure website (IAPD) www.adviserinfo.sec.gov.

2. There have been no material changes since our last brochure dated January 16, 2020.

Item 3 -Table of Contents

Item 4 – Advisory Business

Description of Advisory Services

Alden Capital Management, Inc. ("Alden", "we" or "us") became registered as an investment adviser with the Securities and Exchange Commission (SEC) on April 2, 2018. On July 20, 2018, we filed with the states of Pennsylvania and New York to become a state registered investment advisor. The firm then registered with the SEC on July 9, 2019 once asset count exceeded $100,000,000. Our total assets under management as this filing is $267,966,576.62. Alden Capital Management is a Pennsylvania S Corporation and is fully owned by Alden Partners, LLC., a Pennsylvania LLC.

We provide a variety of asset management services, including the discretionary management of separate accounts, limited partnership funds, retirement plans and non-discretionary asset management services. We focus on providing a customized allocation for each client using both internally managed strategies as well as offerings from other RIAs, mutual funds and private investment funds. In some cases, we may recommend third party money managers who have an expertise in a particular investment strategy. Prior to introducing any Pennsylvania clients to another investment advisor, we will be responsible for determining if we are properly licensed, notice filed, or exempt from registration with the Pennsylvania Department of Banking and Securities. We also offer customized asset allocation and portfolio management strategies to individual clients.

Alden specializes in evaluating, designing, and implementing retirement programs and executive benefits packages for small and mid-sized companies. Using information such as corporate objectives, industry specific data, competitive dynamics, and budgetary considerations, Alden assists employers to design retirement packages to attract, retain, and motivate employees. Alden may act as a fiduciary to retirement and benefit plans and will have clients that include non-profit entities such as hospitals, churches, schools, credit unions, endowments and others.

We have several Investment Adviser Representatives who do business at a separate registered investment advisor, Bluestone Capital, an RIA that is focused on managing investment strategies and funds. This business name and logo may appear on marketing materials as approved by us. Bluestone Capital provides its own asset management services and when appropriate we may elect it as the investment manager of a client account.

Asset Management Services

The investment management services that we provide to individuals involves determining the risk/return profile of the client, as well as their goals and objectives, then selecting the appropriate strategy. Clients are free to impose restrictions or limitation on our selection of investments in certain securities, or types of securities. Our recommendations are based on information that you provide to us regarding your financial needs, retirement and financial goals, investment objectives, net worth, time horizon, risk profile, tax situation, and liquidity needs.

We generally manage individual client accounts on a fully discretionary basis, which allows us to change your portfolio allocation as we deem prudent without your prior authorization. However, you may choose to have your account managed on a non-discretionary basis. If you chose a non-discretionary account, we will need to discuss any changes to your account before repositioning your assets, which may delay our ability to reallocate your assets in response to market conditions.

Item 5 – Fees and Compensation

Asset Management Services

Our fees for asset management services are negotiable. For certain accounts, we may charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our maximum fees are:

- Customized Management – Up to 2.00% Annual Fee

We may change our fee schedules upon 30-days prior written notice to you. No fee adjustments will be made for additional deposits, partial withdrawals, account appreciation or depreciation. Fee adjustments will be made if accounts are added or closed. We aggregate all your managed accounts together to determine the amount of your quarterly fee. Each of our Investment Advisory Representatives determines the fees that they will charge for their services. As a result, you may be able to obtain advisory services from other Investment Advisory Representatives at a lower cost. There is no correlation between the education and business experience of the Investment Advisory Representative and the fee charged. Depending on your account balance, our fees may be higher than those charged by other investment advisers. Similar advisory services may be obtained elsewhere at a lower cost.

Advisory fees will be charged each calendar quarter in arrears. The quarterly advisory fee will be based on the value of the managed portfolio on the last business day of the just completed calendar quarter. Fees for partial periods will be pro-rated. The initial advisory fees will be calculated based on the value of the account when it is opened.

Fee Payment Options

As indicated in our advisory agreement with you, advisory fees will generally be collected directly from your account, provided you have given us written authorization to do so. At the inception of our relationship with you and each quarter thereafter, we will notify your custodian of the amount of the fee due and payable to us through our fee schedule and contract. The custodian does not validate or check our fee, its calculation on the assets on which the fee is based. They will "deduct" the fee from your Account(s) or, if you have more than one account from the account you have designated to pay our advisory fees. If your account does not contain sufficient cash to pay advisory fees, we have limited authority to sell or redeem securities in amounts sufficient to cover the advisory fees.

Each month, you will receive a statement directly from your custodian showing all transactions, positions and credits / debits into or from your account; the statements after the quarter end will reflect these transactions, including the advisory fee paid by you to us. We will also provide you with periodic reports itemizing the fee, including the formula used to calculate the fee, the time period covered by the fee, and the amount of assets under management on which the fee was based upon your request. This information is also available on each of our custodians' monthly statements and is accessible at any time through the custodians' online systems. If you chose, you may also pay our advisory fees by check. At the inception of your account and each quarter thereafter, we will issue you an invoice for our services and you pay us by check or wire transfer within 15 days of the date of the invoice.

Additional Fees and Expenses

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your account(s). The following list of fees or expenses are what you pay directly to third parties, whether a security is being purchased, sold or held in your account(s) under our management. Fees charged are by the broker dealer / custodian.

We do not receive, directly or indirectly any of these fees charged to you. They are paid to your broker, custodian or the mutual fund or other investment you hold. The fees include:

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF), Exchange Traded Funds (ETFs)
- All or a portion of advisory fees charged by sub-advisers (if any are used for your account);
- Custodial Fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;
- Deferred sales charges (charged by MFs);
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions;
- Among others that may be incurred.

Some Investment Advisory Representatives of Alden are registered representatives of J. Alden Associates, Inc. (“J. Alden”), a registered broker-dealer. Representatives may receive 12b-1 fees, or trail commissions, for a period of time as a result of directing mutual fund transactions in your advisory account through J. Alden. The receipt of 12b-1 fee creates a conflict of interest and could provide an incentive for Investment Advisory Representatives to recommend funds with 12b-1 fees over funds that do not have these fees or have lower fees. We will manage this conflict by regularly reviewing your account to ensure that all mutual fund recommendations are suitable for you.

Termination Provisions

You may terminate your advisory agreement with us, without penalty, upon written or electronic correspondent notice within five (5) business days after entering into the advisory agreement. You will be responsible for any fees and charges incurred from third parties as a result of maintaining your account, including transaction fees and account maintenance or custodial fees. Thereafter, you may terminate your advisory agreement with us upon thirty (30) days prior written notice to us. Should you terminate the advisory agreement during a calendar quarter, you will be issued a pro-rated refund of the advisory fee from the date of termination to the end of the calendar quarter. Termination of third party management agreements must be done in accordance with the terms of the third-party management agreement.

Please refer to Item 12 of this Brochure for more information.

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

For certain accounts, we may charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our performance-based fee calculations include a high-water mark feature where fees are only charged on amounts that represent new highs for your account each month. This may create a conflict of interest which could provide an incentive for us to recommend investments in the strategies with performance-based fees. We manage this conflict of interest by carefully screening the qualifications of the investors in these accounts as well as their risk and return objectives to determine suitability.

The Community Financial Institutions Fund awards performance-based fees to its General Partner, Community Finance Partners, LLC. Community Finance Partners, LLC has two managing members, one of which is R5 Partners, Inc. The other two managing members are not affiliated with us. Generally, at the end of each fiscal year, 20% of the excess of the net capital appreciation of the Community Financial Institutions Fund for such fiscal year over the Management Fee for such fiscal year, will be reallocated to the capital account of the General Partner in its capacity as the General Partner of the Fund, adjusted for fees, trading costs and factoring in a highwater mark based on previous performance. This may create a conflict of interest which could provide an incentive for us to recommend investments in the Community Financial Institutions Fund. We manage this conflict of interest by carefully screening the qualifications of the investors in the Fund as well as their risk and return objectives to determine suitability.

Item 7 – Types of Clients

We provide our services to several types of clients, including individuals, including high net worth individuals, other financial advisors, pooled investment vehicles including private limited partnership funds and mutual funds, and retirement plans, and non-profit entities. We generally require a minimum account size of $25,000. However, under certain circumstances, we may waive this minimum. However, please be aware that account performance may suffer as a result of the difficulty of diversifying smaller accounts or due to trading fees or other costs charged by custodians representing a higher percentage of total account value.

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

Analysis:

We use a wide variety of sources to gather, analyze, and interpret information relating to the securities we recommend. These sources include communicating directly with issuers to gather information on a particular investment opportunity, reviewing public filings and financial information provided by data services, third party research, and analysis of quantitative or qualitative information. Our advisers also follow media sources to keep abreast of news that may affect the markets in general or particular investments held by clients. In additional to standard reference sources for information regarding economic conditions and corporate data, we also rely on pricing data analysis and portfolio research services as well as internally generated research.

Investment Strategies:

We employ various strategies for our asset management services:

Portfolio Management Services

- **Asset Allocation Portfolio ("AAP")**

We have several Asset Allocation Portfolios based on unique risk/return profiles – Conservative, Moderate, Balanced, Growth and Aggressive. Based on your investment objectives and financial needs, we offer separately managed accounts that invest in various securities designed to meet the risk/return profile of the chosen model. These AAP portfolios primarily utilize ETFs and mutual funds. The AAP Portfolios hold publicly traded securities such as equities and ETFs and are subject to fluctuations that vary based on the risk they take. The Conservative strategy is managed to have the least amount of fluctuation and lowest return while the Aggressive strategy has the highest return potential and most fluctuation.

- **Customized Portfolio Management**

  We also offer customized asset allocation and portfolio management strategies to individual clients. A wide variety of securities, including mutual funds, ETFs, stock, bonds, preferred securities, limited partnerships and third-party managed accounts, may be used to customize client portfolios depending on the risk/return criteria of each client.

- **Retirement Plan Advisory Services**

  We act as a 3(21) and a 3(38) fiduciary for retirement plans and will act as advisor on both 401k and 403b plans. We will advise both the plan sponsor as well as plan participants. We provide open architecture 401ks that are able to invest in both mutual funds and ETFs. We also offer more traditional plans.

  Alden specializes in evaluating, designing, and implementing retirement programs and executive benefits packages for small and mid-sized companies. Using information such as corporate objectives, industry specific data, competitive dynamics, and budgetary considerations, Alden assists employers to design retirement packages to attract, retain, and motivate employees.

  Alden also analyzes existing employer-sponsored 401(k) Plans with respect to the Investment Policy Statement, Asset Allocation, Automatic Enrollment, Catch-up Provisions, Company Stock, Eligibility, Employee Participation Rate, Employer Contributions, Hardship Withdrawals, Use of Investment Advice, Investment Choices, Fund Performance, Loans, Non-Qualified Supplements, Roth 401(k), Safe Harbor Plan Design, and Vesting Schedule.

  Additionally, we provide customized employee educational services and will meet one-on-one with employees up to twice per year. We also conduct group meetings with employees to ensure that they understand the plan, are knowledgeable about their investment choices, and recognize the value of participating. On an ongoing basis, our team is available to provide market updates or address other issues relevant to your company in a group setting. In-between scheduled meetings, employees always have access to our Retirement Specialists through website access, emails, and phone support.

- **Community Financial Institutions Fund, LP**

  The Community Financial Institutions Fund, LP, is a Delaware limited partnership formed in January 2015 to operate as a private investment limited partnership for the benefit of U.S. taxable investors. Alden Capital Management has been retained as the Investment Manager for this fund. The Fund is a directional, long-short hedge fund that is focused on investing in the common equity of publicly traded micro, small, and mid-capitalization banks, bank holding companies and financial holding companies based in the U.S. and other financial companies. The Community Financial Institutions Fund is appropriate for investors seeking equity like returns and comfortable will full equity risk. While the fund is generally hedged, both long and short securities, investment returns may be more volatile than the overall market during certain time periods. The Community Financial Institutions Fund is only available for investors who meet the Accredited Investor and Qualified Client standards.

If you select this Fund as an investment option for your account, you will not be billed a separate advisory fee by us. You will only incur the fees charged by the Fund.

Risk of Loss:

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to "lock in" the profit). As you know, stock markets, bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We will do our very best in the management of your assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets. Your participation in any of the management programs offered by us will require you to be prepared to bear the risk of loss and fluctuating performance.

We do not represent, warrant, or imply that the services or analytical methods we employ can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is not an indication of future performance. We cannot guarantee that your goals or objectives will be achieved, or that advisory services offered by us will provide a better return than other investment strategies.

In situations when we employ a shorter-term trading approach which results in more frequent trading, investment performance may be negatively impacted as a result of increased transaction fees and capital gains taxes.

We detailed above, we primarily invest in stocks, bonds, ETFs, and mutual funds and employ a long-term strategy. We also offer investments in options and limited partnerships and the use of third party managers. There are specific risks associated with each type of investment:

- **Stocks:** Investing in stocks involves risks relating to:
    - **Financial risk:** risk that the companies we recommend to you may perform poorly, which will affect the price of your investment.
    - **Market risk:** risk that the stock market will decline, decreasing the value of the securities we recommend.
    - **Inflation risk:** risk that the rate of price increases in the economy will lessen the relative returns associated with the stock.
    - **Political and governmental risk:** risk that the value of your investment may change with the introduction of new laws or regulations.
- **Bonds:** Investing in bonds involves risks relating to:
    - **Interest rate risk:** risk that the value of the bonds we recommend to you will fall if interest rates rise.
    - **Call risk:** risk that your bond will be called or purchase back from you when conditions are favorable to the bond issuer and unfavorable to you.
    - **Default risk:** risk that the bond issuer may be unable to pay you the contractual interest or principal on the bond in a timely manner or at all.

- **Inflation risk:** risk that the price increases in the economy will negatively impact the relative returns associated with the bond.

- **Mutual Funds:** Investing in mutual funds involves risks relating to:
  - **Manager risk:** risk that the investment manager of an actively managed mutual fund will fail to execute the fund's stated investment strategy.
  - **Market risk:** risk that the stock market will decline, decreasing the value of the securities contained in the mutual funds we recommend to you.
  - **Industry risk:** risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry**.**
  - **Inflation risk:** risk that the rate of price increases in the economy lessens the relative rate of return associated with the mutual fund.
- **ETFs:** ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Alden Capital plus any management fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. Alden Capital discloses each ETF's current information, including expenses, on the Site. ETF tracking error and expenses may vary.
- **Options:** The use of put and call options may result in account losses, force the sale or purchase of underlying securities at inopportune times or at unfavorable prices, limit the amount of appreciation an account may realize, or cause an account to hold a security it otherwise might sell. The use of options as a hedging instrument may involve losses that are greater than the value of the assets in the account. Options may not be able to be readily sold, resulting in substantial losses. Although option hedging strategies are used to minimize the risk of loss, they also tend to limit potential gains.
- **Limited Partnerships:** Investments in limited partnership interests are often not registered under the securities laws and may not be able to be readily sold. Redemption options may be limited or may not exist at all. Because of the limited market for these investments, it is difficult to accurately value the investment over time. Generally, you must meet certain criteria in order to be able to invest in limited partnership interests. You may also incur tax liabilities for which you will not receive an associated cash distribution, and you may also be subject to alternative minimum tax (AMT).

- **Third Party Managers:** In instances when we recommend that you use a third-party manager to manage your account, we will provide you with a disclosure brochure for the third-party manager that will detail its investment strategies, methods of analysis, and associated risks.
- **Long-Term Strategy:** A long-term strategy generally assumes that the financial markets will rise over time, which may not occur within your time horizon. Holding investments long-term may involve a lost opportunity costs by tying up assets that may be used for more beneficial short-term investments.

Item 9 – Disciplinary Information

We do not have any legal, financial or other "disciplinary" item to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client /Adviser relationship with us. This statement applies to our Firm, and every employee.

Item 10 – Other Financial Industry Activities and Affiliations

We are affiliated with J. Alden Associates, Inc ("J. Alden"), a broker-dealer registered with the Financial Industry Regulatory Authority ("FINRA"), which was purchased by Lee Calfo and Ken Smith and approved by FINRA on August 10, 2018. We are also affiliated with Bluestone Capital Management ("Bluestone"), an investment adviser registered with the Securities and Exchange Commission, through our common ownership by the principals of Alden Capital. We are also affiliated with MCG Securities, LLC ("MCG"), a broker-dealer registered with the Financial Industry Regulatory Authority ("FINRA").

Our Investment Advisory Representatives are dually registered as Registered Representatives of MCG or J. Alden. You are not obligated to purchase securities through MCG or J. Alden. However, if you chose to do so, your Investment Advisory Representative may receive commissions from MCG or J. Alden in addition to any fees paid by you for advisory services. Commissions charged by MCG or J. Alden may be higher or lower than at other broker-dealers. Investment Advisory Representatives have a conflict of interest that may encourage them to recommend that you purchase securities or insurance products through MCG or J. Alden. We manage this conflict by disclosing it to you and allowing you to choose where your securities transactions are executed.

Under FINRA rules, MCG and J. Alden has certain supervisory obligations relating to the activities of its Registered Representatives that are also registered with us. We may pay MCG or J. Alden a portion of the advisory fees that we receive to compensate them for these supervisory activities.

As discussed in Item 4 – Advisory Business, we may recommend third-party asset managers from whom we will receive a portion of the advisory fees charges to you by the third-party manager. This is a conflict of interest which we manage by selecting only third-party managers that provide services advantageous to our clients based on cost, management styles, past history, ability to meet client needs, and unique services not otherwise available to our clients. The portion of the fee that we receive is based on the performance of your account, so our interests are aligned with yours to work to achieve your performance objectives.

Our Chief Compliance Officer, Ken Smith, is also the founder of Compass Financial Advisors, LLC, a registered investment adviser that is affiliated with us through common control. Mr. Smith only provides investment advisory services through Compass Financial Advisors. He also serves as the Chief Compliance Officer of MCG, J. Alden, Bluestone, Cohen & Company Financial Management, LLC, and Dekania Capital Management, LLC. One of our principal owners, Lee Calfo, is also registered as an investment adviser representative with Bluestone.

Item 11 – Code of Ethics

As required by regulation and because it's good business, we have adopted a Code of Ethics that governs a number of potential conflicts of interest we have when providing our advisory services to you. This Code of Ethics is designed to ensure we meet our fiduciary obligation to you, our Client (or Prospective Client) and to drive home a culture of compliance within our firm.

An additional benefit of our Code is to detect and prevent violations of securities laws, including our obligations we owe to you.

Our Code is comprehensive, is distributed to each employee at the time of hire, and annually thereafter (if there are changes). We also supplement the Code with annual training and on-going monitoring of employee activity.

Our Code includes the following:

- Requirements related to the confidentiality of your information;
- Prohibitions on:
    - Insider trading (if we are in possession of material, non-public information);
    - Rumor mongering;
    - The acceptance of gifts and entertainment that exceed our policy standards;
- Reporting of gifts and business entertainment;
- Pre-clearance of employee and firm transactions;
- Reporting (on an on-going and quarterly basis) all personal securities transactions (what we call "reportable securities" as mandated by regulation); and,
- On an annual basis, we require all employees to re-certify to our Code, identify members of their household and any account to which they have a beneficial ownership (they "own" the account or have "authority" over the account), securities held in certificate form and all securities they own at that time).

Our Code does not prohibit personal trading by employees (or our firm). As you may imagine, as a professional investment adviser, we follow our own advice. As a result, we may purchase or sell the same or similar securities (or securities that are suitable for an employee or related account but not suitable for any client, including you) at the same time that we place transactions for your account and the accounts of our other Clients. We will not put our interests first in doing so by trading ahead of client orders to obtain a better price.

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

Item 12 – Brokerage Practices

General Considerations:

We have established a relationship with Raymond James to provide transaction execution, clearance and settlement, and custodial services for our clients. We may establish other such relationships with additional firms in the future.

You may choose to hold your account assets at other brokerage firms with which we do not maintain relationships. In the event you choose to do so, our advisory services will include advice only. We will not implement our recommendations by instructing these firms to execute securities transactions for you.

The general considerations that we use in selecting the brokerage firms include:

- Ability to provide quality service
- Financial stability and viability
- Industry reputation
- Ability to provide quality reports
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Confidentiality and security of your information
- Responsiveness
- Other factors that may bear on the overall evaluation of best price and execution

Research and Other Soft Dollar Benefits:
We currently do not receive soft dollar benefits.

Brokerage For Client Referrals: We do not select brokerage firms based on client referrals.

Block Trading Procedures: We may aggregate transactions in the same security on behalf of more than one client in an effort to obtain best execution and reduce the average price per share. Participating clients will obtain the average price per share for the security for which trades are bunched but will not necessarily realize reduced trading costs. Our procedures are designed to ensure that all participating clients are treated equally. If an aggregated order is not entirely filled, the shares transacted will be allocated on a random basis. Under certain circumstances, the number of shares may be increased or decreased to avoid odd-lot differentials or a minimal share allocation.

Principal Trading: We do not purchase or sell securities for our clients from accounts in which we have a beneficial interest.

Cross Transactions – Agency Cross Transactions: We do not purchase or sell securities for our clients from other client accounts.

Item 13 – Review of Accounts

We review all accounts at least quarterly. All accounts receive the same level of review. Reviews are conducted by the following individuals:

- Lee A. Calfo, Advisory Representative
- John F. Mulqueen, Advisory Representative
- Kenneth Smith, Compliance Officer

On an ongoing basis, we also monitor all accounts for performance in relation to general market and economic conditions in light of each client's specific objectives and current asset mix. We request that you notify your

Investment Advisory Representative promptly of any changes to your financial goals, investment objectives, or financial situation so that we may adjust our reviews accordingly.

If you participate in Asset Management Services, you will be invited to participate in a review at least annually, either in person or by telephone. You may request more frequent reviews and may set thresholds or triggering events that would generate a review.

You will receive statements at least quarterly directly from the broker-dealer carrying your account, as well as transaction confirmations. We will also provide you with a quarterly report reflecting the performance of your managed portfolio. You should compare our report with the statements you receive from the custodian broker-dealer and notify us promptly of any discrepancies.

Item 14 – Client Referrals and Other Compensation

We may also receive benefits from product vendors. These vendors may provide us with monetary and non-monetary assistance with client events and provide educational tools and resources in connection with retirement educational presentations. We do not select products based on this assistance.

Item 15 – Custody

We directly debit advisory fees from client accounts as discussed in Item 5 of this brochure. Therefore, we are deemed to have limited custody solely because advisory fees are directly deducted from client accounts by the custodian on our behalf.

You will receive account statements directly from the broker-dealer carrying your account. You should carefully review these statements and if you have any questions or concerns you should contact us immediately. If you are receiving separate statements from us, we urge you to compare our statements with the statements that you receive from your broker-dealer.

Item 16 – Investment Discretion

Under our advisory agreement with you, you grant us authorization to manage your account on a discretionary basis. This allows us to buy, sell, exchange and convert securities in your managed accounts without contacting you first. You may terminate discretionary authorization at any time by providing us with prior written notice as explained in your advisory agreement with us.

Additionally, you are advised that:

1) You may set parameters with respect to when your account should be rebalanced;
2) You may set trading restrictions or limitations;
3) Your written consent is required to establish any mutual fund, variable annuity, or brokerage account;
4) With the exception of deduction of our advisory fees from your account, if you have authorized automatic deductions, we will not have the ability to withdraw your funds or securities from the account to satisfy these deductions.

Item 17 – Voting *Client* Securities (i.e., Proxy Voting)

We generally do not have authority to vote client securities. You will receive proxy voting material directly from the brokerage firm carrying your account. You are responsible for voting all proxies. We may prove information or advice regarding proxy issues. If you have any questions regarding a particular proxy solicitation, please call us.

You may request that we vote proxies on your behalf, which request will be honored solely at our discretion. If we agree to vote proxies on your behalf, we will follow our Proxy Voting Policies. We will maintain specific records as to how we voted your proxies, which are available upon request. You may also request to receive a copy of our Proxy Voting Policies by sending us a written request. If you designate us to vote proxies, you are advised of the following:

1. As a generally policy, votes will be cast in the best interest of the client.
2. On certain occasions, we may determine not to vote a proxy in the best interests of the client.
3. Proxies will be voted consistently.
4. Generally, issues related to executive compensation, incentive stock options, executive recruiting or any matter giving the company latitude in compensation matters or similar matters that could potentially be used to act in the company's best interest rather than clients' best interest will typically be voted no.
5. Neutral issues such as the retention or appointment of accounting or audit services are typically voted yes.

Item 18 – Financial Information

We do not require or solicit prepayment of more than $1,200 in fees per client six months or more in advance. There is no financial condition that is reasonably likely to impair our ability to meet our contractual commitments to you. We have not been the subject of a bankruptcy petition and neither have any of our Investment Advisor Representatives.

Item 19 – Requirements for State-Registered Advisers

Information about Lee Calfo, our Chief Executive Officer, his formal education and business background, and other business activities are included in our Form ADV Part 2B. Ken Smith is our Chief Compliance Officer. He received a Bachelor of Science degree in Management from Widener University in 2006. He has been employed as a Chief Compliance Officer for several broker-dealers and investment advisers since 2002. He is currently the Chief Compliance officer of Compass Financial Advisors, LLC, MCG Securities, LLC, Bluestone Capital Management, LLC, Dekania Capital Management, LLC, Cohen & Company Financial Management, LLC and J. Alden Associated, Inc.

We do not receive performance-based fees for our investment advisory services.

Neither Alden Capital Management nor any of its management persons have been found to be liable in an arbitration claim alleging damages in excess of $2,500, a civil action, an action by a self-regulatory organization, or administrative proceeding involving an investment or investment-related business or activity; fraud, false statements or omissions; theft, embezzlement, or other wrongful taking of property; bribery, forgery, counterfeiting, or extortion; or dishonest, unfair or unethical practices.

None of our management persons have any relationship or arrangement with an issuer of securities.