

# Who is Alpha Wealth Funds, LLC

- Alpha wealth funds is the manager for The Insiders fund, a long- short equity fund, sub advisor for theta funds, and an investment advisor registered with the state of Utah .
- The Insiders Fund is amongst the best of breed emerging funds, ranked amongst the best performing fund managers in the world.
- Alpha wealth funds provides fee based separately managed accounts based on the 6-step methodology of the CFP. It's certified financial planning partners complete financial plans and implementation if desired.

As reported by Evestment, Barclay Hedge, and Morningstar

# Emerging Alpha

- Emerging fund managers are considered funds under a certain asset level.
- Alpha is most likely found in emerging fund managers.
- Small funds have many more opportunities to move the needle than giant funds.
- Large asset managers and family offices are seeking out alpha

# General Partner Harvey Sax



Mr. Sax was SVP at Oppenheimer, Paine Webber, and Assoc Director at Bear Stearns prior to Sax Angle Partners

In addition to his financial acumen, Sax is recognized as a pioneer in the technology field. He is responsible for creating one of the first publicly traded Internet companies.

Mr. Sax holds a B.A from Emory University and a Masters of Security Analysis and Portfolio Management (MSAPM) Creighton University.

Stockbroker, Investment banker, CEO, Harvey has sat at most seats at the investment table. Mr. Sax's view is uniquely shaped by his 360 degree perspective.

# General Partner Chase Thomas



Chase is a seasoned financial professional, beginning his career in the financial industry at Fidelity Investments. After three years as a Retirement Relationship Manager, Chase was part of team overseeing a half billion of 401(k) assets.

Chase assists in the management of the Fund and specializes in providing financial planning advice to our partners that request it. He is Certified Financial Planner.

A Utah native from Park City and BYU graduate, Chase enjoys skiing, trail running, rock climbing, and the arts with his wife and son.

# Executive Summary

## The Insiders Fund, LP

- The Insiders Fund, LP is a long-short equity fund and one of the top performing funds in the country as reported by Barclay Hedge, Evestment, and other independent data vendors.
- The Fund was established in February 2010. The founder, Harvey. Sax, has managed money in a substantially identical fashion for over 19 years.
- Partnership prefers to trade securities or sectors that have significant insider purchases/sales
- Low minimum investments of \$250, 000. No lock-ups
- Our risk adjusted performance is superior as measured by industry standard Sharpe & Sortino ratios.

# Net Returns over Multiple Time Periods

Over 30% 2021

14.69% 2020

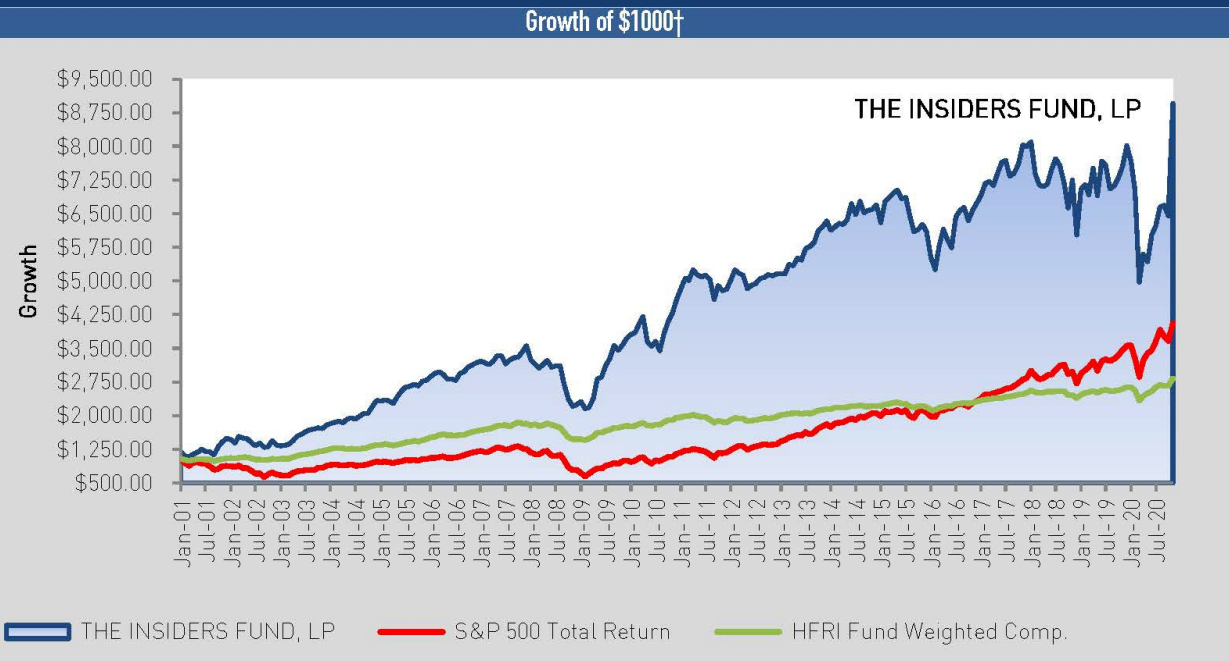
31.49% 2019

12.97% CAGR since inception

1070.20% Cumulative

Over 3X S&P 500

# Strategy has Returned 3x the Market



Annual Returns, Net of Fees†

Annual Returns	INSIDERS FUND	S&P 500	+/-
2020 (YTD)	11.88%	14.02%	-2.14%
2019	32.98%	31.49%	1.49%
2018	-24.62%	-4.38%	-20.24%
2017	18.81%	21.83%	-3.02%
2016	10.20%	11.96%	-1.76%
2015	-8.88%	1.38%	-10.26%
2014	5.60%	10.85%	-5.25%
2013	22.81%	32.39%	-9.58%
2012	7.20%	16.00%	-8.80%
2011	4.93%	2.11%	2.82%
2010	23.47%	15.06%	8.41%
2009	65.95%	26.46%	39.49%
2008	-37.17%	-37.00%	-0.17%
2007	12.34%	5.50%	6.84%
2006	13.92%	15.79%	-1.87%
2005	19.11%	4.89%	14.22%
2004	30.88%	10.87%	20.01%
2003	32.73%	28.69%	4.04%
2002	-9.69%	-22.11%	12.42%
Cumulative Return	796.10%	306.23%	489.87%

\*The performance data prior to Feb 2010 does **NOT** represent the performance of The Insiders Fund, LP (the "Fund") but instead reflects the performance of personal trading accounts of Harvey Sax. The results reflect the deduction of: (i) an annual asset management fee of 2%, accrued monthly; (ii) a performance allocation of 20%, accrued monthly and taken annually, subject to a high water mark; and (iii) transaction fees and other expenses incurred by Harvey Sax. During the time period shown, the manager used only those investment strategies disclosed in the Fund's Private Placement Memorandum and there were no material market or economic conditions that affected the results portrayed. Performance compared to Barclay Hedge data dated February 2012..

# World Class Ranking

The Insiders Fund  
was **ranked #4**  
amongst all long-short  
equity funds in the  
world for 2019  
By BarclayHedge, a  
leading independent  
alternative  
investment database  
vendor.

## Performance Rankings



## Hedge Funds

Equity Long/Short — Fund Assets Greater Than \$10 Million as of Month-end December 2019

Fund Name	2019 CAR	AUM
1 <a href="#">Kinetics Fund, Inc.</a>	44.02%	15.63M
2 <a href="#">PCM Partners L.P.</a>	34.73%	312.39M
3 <a href="#">Portland Hill Master Fund Ltd</a>	34.58%	155.10M
4 <a href="#">The Insiders Fund, LP</a>	33.40%	25.01M
5 <a href="#">MIG Master Fund, LP A</a>	31.45%	1000.00M
6 <a href="#">Old Growth Partners LLC</a>	30.81%	18.00M
7 <a href="#">Invitational Partners Fund, L.P.</a>	30.80%	14.45M
8 <a href="#">Strategos Fund, L.P.</a>	29.12%	153.30M
9 <a href="#">Sector Zen Fund A NOK</a>	29.08%	141.00M
10 <a href="#">TSC Contrarian Fund LP</a>	27.81%	11.00M

\* Number of Eligible Funds in this Ranking: 242




# World Class Ranking

The Insiders Fund was  
was **ranked #4** long-short equity  
fund on trailing 12 month  
returns and positive returns YTD  
in January of 2020.



# World Class Ranking

 <a href="#">Clients</a> ▾ <a href="#">Products</a> ▾ <a href="#">Resources</a> ▾ <a href="#">About</a> ▾ <a href="#">Contact</a> ▾ <a href="#">Careers</a> <a href="#">Submit Data</a>						
	Firm Name	Product Name	RM	Returns - 1 Year (02/2017)	Returns - YTD (02/2017)	Returns - 2016
1	Eagle Global Advisors, LLC	Eagle Income Appreciation II, L.P.	Net	59.90	2.35	34.43
2	Bortel Investment Management	Tiburon Opportunity Fund, L.P.	Net	47.09	9.41	22.38
3	SYW Capital Management LLC	SYW MASTER LP	Net	45.46	26.99	40.77
4	Senvest Management L.L.C.	Senvest Partners, Ltd.	Net	44.43	3.41	23.23
5	Lawndale Capital Management, LLC	Diamond A Partners, L.P.	Net	42.65	-6.40	17.14
6	Elizabeth Park Capital Management	Elizabeth Park Capital, L.P.	Net	40.96	3.56	22.01
7	Stanley Capital Management LLC	Stanley Partners Fund, LP	Net	37.14	3.21	17.77
8	<b>Sax Angle Partners, LP</b>	<b>Sax Angle Partners, LP</b>	<b>Net</b>	<b>36.43</b>	<b>6.55</b>	<b>10.22</b>
9	OpusPoint Partners	Opus Point Healthcare Innovations Fund, L.P.	Net	34.75	18.28	-17.17
10	Rhino Investment Partners	The Rhino Small Cap Financial Fund, L.P.	Net	34.71	0.18	28.49

HSAX PARTNERS (same firm as Sax Angle name change to The Insiders Fund)

was **ranked #2** long-short equity fund on trailing 12 month returns and positive returns YTD February 2017

# Investment Strategy

THE INSIDERS FUND is a long-short equity fund focused on companies with significant insider buying and/or selling.

The same securities are often traded multiple times as opposed to a buy and hold strategy taking advantage of the short swing rule.

The Fund views its capital as inventory, seeking to find the equilibrium between the most efficient inventory turnover and maximum return on investment.

Strict risk management rules are adhered to regarding liquidity, diversification, and leverage.

# Investment Process

- Our process is not to be confused with day trading or momentum trading, as all positions are analyzed from both a *fundamental* and *technical* point of view.
- We start our due diligence with the understanding that no one knows a business as well as the people running it. Therefore the Partnership prefers to trade securities or sectors that have significant insider purchases/sales, buying and selling the securities at prices and points in time determined by our own **proprietary** technical analysis.
- We spend a great deal of effort and time analyzing insider behavior and exploiting the "short swing rule." We also have developed a proprietary calendar and set of trading tools to exploit significant catalysts.

# Exploiting the “short swing rule”

The **short swing** rule restricts officers and insiders of a company from making short-term profits at the expense of the firm. It's part of United States federal securities law, and is a measure intended to guard against so-called insider trading.

The rule mandates that if an officer, director, or any shareholder holding more than 10% of outstanding shares of a publicly traded company makes a profit on a transaction with respect to the company's stock during a given six month period, that officer, director, or shareholder must pay the difference back to the company.

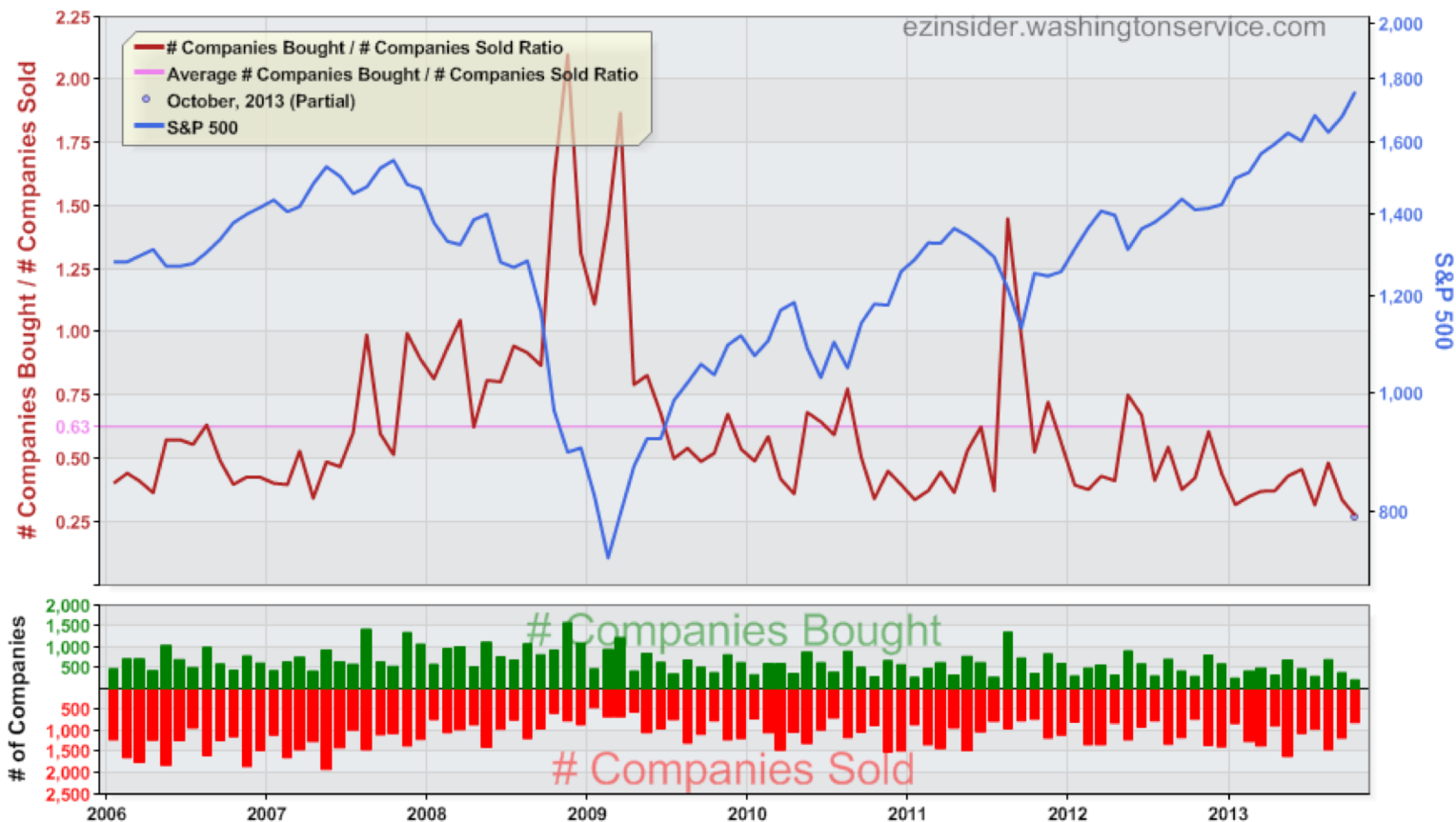
# Insiders have a proven superior investment track record.



**Average Annualized Insider  
Return  
46.5% vs. 19% for S&P 500**

- ◇ Over the last 12 months 2017 we tracked 475 insiders that bought \$100,000 or more of their company's stock.
- ◇ We omitted from this 10% owners as we view them more like hedge funds and not working C-level officers of the Company.
- ◇ We don't look at numbers less than \$200,000 because that can be window dressing, simply execs trying to pump up investor interest.

# Waves of Insider Buying at Historic Market Bottoms



Reflects data as of 10/28/13.

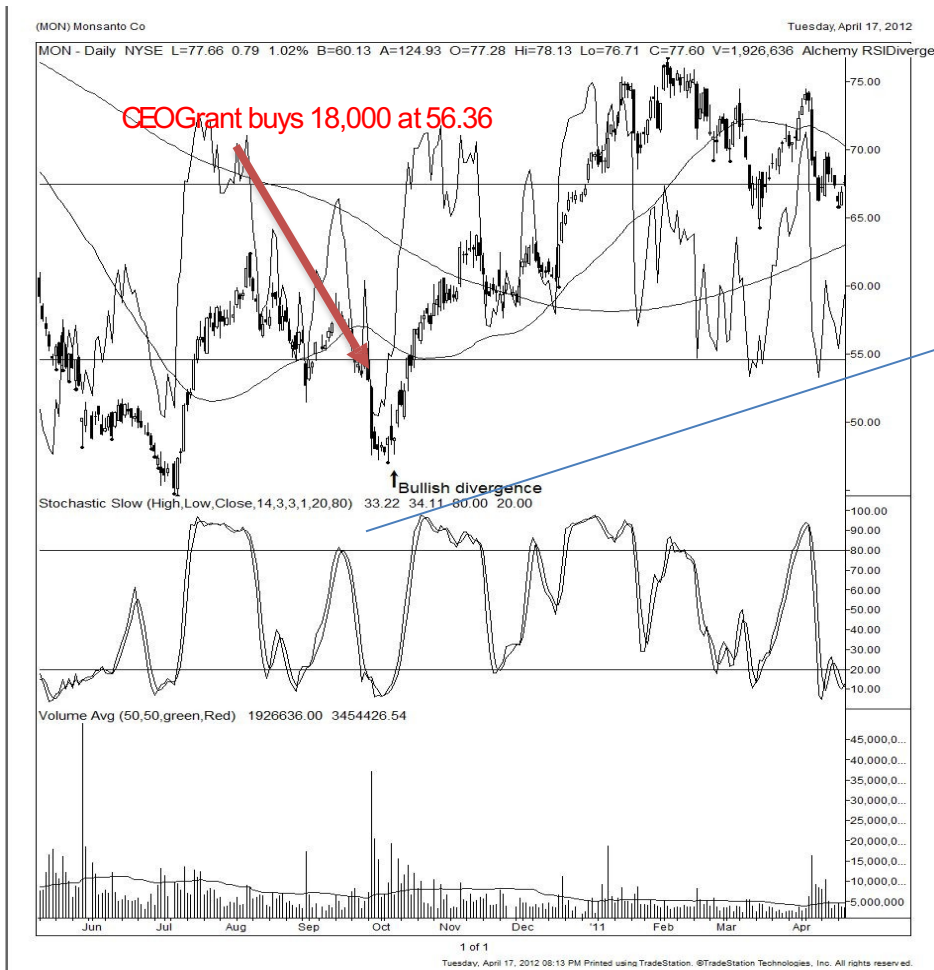
Most recent period reflects ratio for trailing 30 days activity.

# Comprehensive Review

- 1.CHART-** *Technical set-up, favorable chart pattern for buy/sell decision*
- 2.ANALYSTS-** *third party research analysis*
- 3.INSIDERS-** *strong emphasis on insider buying more so than selling*
- 4.MANAGEMENT DISCUSSION 10Q AND 10K-** *review of important SEC filings*
- 5.MARKET DIRECTION-** *80% of stocks follow market direction in the short term*
- 6.SECTOR OUTLOOK-** *buying a good stock in a bad sector can be a humbling experience*
- 7.CASH FLOW-** *cash flow is more accurate than earnings. Earnings can be more easily manipulated.*
- 8.PEG RATIO-** *it's good to find a company growing faster than it's multiple.*
- 9.VALUATION-** *contrary to popular opinion, valuation does matter. Use a discounted cash flow analysis. If the stock is trading for substantially less than its DCF, that's a 1.*
- 10.CATALYST-** *what's going to change the status quo?*



# Technical combined with Fundamental Analysis



Insider buying combined with technical analysis portends immense Monsanto rally 4<sup>th</sup> quarter 2010.



# Portfolio Risk Management

- The Fund invests in Level 1 securities exclusively.
- Strict diversification guidelines avoid concentrations one sector and in any one security, most investments have material insider buying
- Fund may hedge trades with pairs trades, ETF's, futures, and/or derivatives.
- Small agile fund may be entirely in cash or short, can change investment posture quickly to meet changing world

# Tax Advantages

Favorable tax advantaged strategy. We employ market to market accounting as well as harvesting long term capital gains.

Mark to market accounting provides ordinary business income with no capital gain carry-forward loss limitations. Losses can offset most ordinary income as well.

Securities identified at the end of the year allow us to be long term capital gain investors.

Alpha Wealth Funds does not provide tax or legal advice. Investors should rely on their tax experts

# Financial Results

- Monthly performance and shareholder reports supplied by an independent administration firm
- Public Accounting Oversight Board certified firm conducts annual audit and prepares partners K-1's
- No lock ups. Investors can withdraw funds at any time 30 day notice or immediately upon the event of death or incapacitation of Principal(s)
- Outside counsel has experienced and specialized hedge fund practice
- Harvey Sax has a long unblemished background in the securities industry. Harvey Sax was the founder and CEO of a public company.

# Fund Structure and Terms

Name of Fund	The Insiders Fund	Management Fee	2.00% Annually
General Partner	Alpha Wealth Funds	Incentive Allocation	20% of Profits with High Water
Legal Entity	Limited Partnership	Lock-up	No Lock-up
Prime Broker	TradeStation Securities, Inc.	Redemption Period	Monthly with 30 Days Notice
Attorney	The Investment Law Group	Minimum Invest	\$250,000
Fund Admin	NAV Consulting		
Auditor	Berkower LLC		