

Maytal Asset Management LLC

d/b/a

# Downtown Investment Advisory Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Downtown Investment Advisory. If you have any questions about the contents of this brochure, please contact us at (917) 363-4919 or by email at: [salo@downtownllc.com](mailto:salo@downtownllc.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 Downtown Investment Advisory is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Downtown Investment Advisory's CRD number is: 168812.*

360 Hamilton Avenue  
Suite 1110  
White Plains, NY 10601  
(917) 363-4919  
[www.downtownllc.com](http://www.downtownllc.com)  
[salo@downtownllc.com](mailto:salo@downtownllc.com)

*Registration does not imply a certain level of skill or training.*

Version Date: 2/5/2024

## **ITEM 2: MATERIAL CHANGES**

This item discusses specific material changes to the Maytal Asset Management, LLC d/b/a Downtown Investment Advisory (“DIA”) disclosure brochure.

Pursuant to current SEC regulations, DIA will ensure that clients receive a summary of any materials changes to this and subsequent brochures within 120 days of the close of its fiscal year which occurs at the end of the calendar year. DIA may further provide other ongoing disclosure information about material changes as necessary.

DIA will also provide clients with a new brochure as necessary based on changes or new information, at any time, without charge.

DIA has made the following material change to this brochure since the date of DIA’s last annual filing (January 26, 2023):

### **Item 15 – Custody**

DIA has disclosed that DIA may, when agreed to in writing by the client and DIA (or its principal or employees), obtain full power of attorney over a client’s account. In such cases, DIA will be deemed to have custody over the assets in any such account. DIA will retain the services of an independent public accountant to conduct a surprise custody audit.

### ITEM 3: TABLE OF CONTENTS

ITEM 2: MATERIAL CHANGES .....	2
ITEM 3: TABLE OF CONTENTS .....	3
ITEM 4: ADVISORY BUSINESS.....	1
ITEM 5: FEES AND COMPENSATION .....	2
ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....	4
ITEM 7: TYPES OF CLIENTS .....	3
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF INVESTMENT LOSS.....	3
ITEM 9: DISCIPLINARY INFORMATION.....	10
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	9
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	10
ITEM 12: BROKERAGE PRACTICES.....	10
ITEM 13: REVIEW OF ACCOUNTS.....	13
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION .....	13
ITEM 15: CUSTODY.....	14
ITEM 16: INVESTMENT DISCRETION .....	14
ITEM 17: VOTING CLIENT SECURITIES (PROXY VOTING) .....	14
ITEM 18: FINANCIAL INFORMATION.....	14

## **ITEM 4: ADVISORY BUSINESS**

### Description of the Advisory Firm

Downtown Investment Advisory (hereinafter "DIA"), a New York Limited Liability Company, has been registered with the U.S. Securities and Exchange Commission since 2017. The firm was formed in July 2013 and from 2013 to 2017, was registered as an investment adviser in the State of New York. The principal owner of DIA is Salo Aizenberg. DIA is an investment advisory firm that manages investments in separate managed accounts. Separate managed accounts are where the client opens an account and custodies their assets at a third-party custodian (e.g. a brokerage firm) and then utilizes an investment manager to manage a particular portfolio of investments. DIA does not take possession of client assets as all securities and monies are held by the custodian.

### Type of Advisory Services

DIA offers the following services to investment advisory clients:

#### ***Investment Advisory Services***

DIA offers customized investment advisory services to individuals and institutions (as further described in Item 7 below). DIA's investment decisions for each client are made in accordance with the fiduciary duties owed to its accounts and without consideration of DIA's economic, investment or other financial interests. DIA will manage client accounts only on a discretionary basis. Clients provide DIA with full authority to manage the client's assets in accordance with what DIA deems to be in the client's best interest based on the client's investment objectives and guidelines. Clients will retain individual ownership of all securities in their account.

To meet its fiduciary obligations, DIA attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and, accordingly, DIA's policy is to seek fair and equitable allocation of investment opportunities and block trade transactions among its clients to avoid favoring one client over another over time. It is DIA's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

### Client Tailored Services and Client Imposed Restrictions

DIA's investment advisory services are primarily focused on providing fixed income solutions to its clients. DIA has specialized expertise in creating custom fixed income portfolios comprised of a core of individually selected bonds and other fixed income assets. DIA closely follows and evaluates numerous fixed income investments, including bonds, preferred stock and exchange traded debt, fixed income closed end funds and other fixed income investments that are then utilized to diversify an income focused portfolio. Depending on the needs and risk profile of clients, as well as market conditions, fixed income portfolios can typically target yields (based on the stated yield of the fixed income security) ranging from 3% to 9% per annum. For certain clients, DIA may utilize margin borrowings to further invest in fixed income assets to boost the net yield of the account. Prior to developing a fixed income portfolio for a client, DIA seeks to understand the investment goals, income needs, and risk tolerance of the client. The specific selection of fixed income investments for client accounts is based on numerous other factors, such as market conditions and availability of certain investments. DIA also provides clients who request, investment services in the stock market, generally focused on allocating assets to index ETFs.

### Wrap Fee Programs

DIA does not sponsor or participate in any wrap fee programs.

### Assets under Management

DIA has the following assets under management:

Discretionary Amounts: \$126,267,869

Non-Discretionary Amounts: \$0

Date Calculated: 12/31/2023

## **ITEM 5: FEES AND COMPENSATION**

### Investment Advisory Service Fees

DIA charges for its Investment Advisory Services by charging a fee (the "Fee") based on the market value of a client's account. The Fee is generally negotiable and DIA reserves the right to negotiate, reduce or waive the Fee for certain client accounts for any period of time as determined by DIA, or to implement a flat fee arrangement. DIA charges a Fee of 1.00% per annum of client assets under management, for clients that are not charitable organizations. Accounts of this type over \$2,000,000 are charged a 0.90% per annum Fee. DIA charges a Fee of 0.90% per annum of client assets under management, for clients that are charitable organizations. Accounts of this type over \$2,000,000 are charged a 0.80% per annum Fee.

The specific manner in which the Fee is charged by DIA is established in a client's written agreement with DIA and the final fee schedule is attached as an Exhibit to the Investment Advisory Contract. The Fee is withdrawn directly from the client's account with the client's written authorization. Clients may also choose to be invoiced and billed directly. Clients may select the method in which they are billed. DIA's fees are exclusive of all third-party fees, such as custodian fees, brokerage commissions and transaction fees which shall be incurred by the client. Please see Item 12 of this brochure regarding broker-dealer/custodian.

The Fee shall be paid in either monthly or quarterly in arrears (not in advance) with specific payment terms outlined in the Investment Advisory Contract, which DIA will co-execute with each client prior to beginning its advisory services.

### Termination of Agreement

Clients may terminate the Investment Advisory Contract agreement without penalty, for full refund of DIA's fees, within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract at any time (DIA must provide 30 days' written notice), although advance notice is requested as a courtesy. If an account is terminated during a calendar quarter, the Fee will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the advisory agreement was effective. Because DIA's fees are paid in arrears, the client will not be due any refund.

### Outside Compensation for the Sale of Securities to Clients

Neither Salo Aizenberg nor DIA accepts compensation for the sale of securities to clients.

### Additional Fees and Expenses

Clients may incur certain fees or charges imposed by third parties, other than DIA, in connection with investment made on behalf of the client's account[s]. The client is responsible for all custodial and securities execution fees and other expenses charged directly to the client by the custodian and executing broker-dealer. The Investment Advisory Fee charged by DIA is separate and distinct from these custodian and execution fees.

In addition, all fees paid to DIA for investment advisory services are separate and distinct from the expenses charged by mutual funds, closed end funds, and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A client could invest in these products directly, without the services of DIA, but would not receive the services provided by DIA which are designed, among other things, to assist the client in determining which products or services are most appropriate to each client's financial situation and objectives. Accordingly, the client should review both the fees charged by the fund[s] and the fees charged by DIA to fully understand the total fees to be paid.

Fees do not include the services of any co-fiduciaries, accountants, broker dealers or attorneys. Accordingly, the fees of any additional professionals engaged by a client, will be billed directly by such professional(s).

### **IRA Rollover Considerations**

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

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

An employee will typically have four options:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a) Employer retirement plans generally have a more limited investment menu than IRAs.

- b) Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
- 2. Your current plan may have lower fees than our fees.
  - a) If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b) You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
- 3. Our strategy may have higher risk than the option(s) provided to you in your plan.
- 4. Your current plan may also offer financial advice.
- 5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
- 6. Your 401k may offer more liability protection than a rollover IRA; each state may vary. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
- 7. You may be able to take out a loan on your 401k, but not from an IRA.
- 8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
- 9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
- 10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you.

#### **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

DIA does not charge or accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client. DIA's fees are only charged as disclosed in Item 5.

#### **ITEM 7: TYPE OF CLIENTS**

DIA generally provides services to individuals, high net worth individuals, and charitable organizations.

There is an account size minimum of \$1,000,000, which may be waived by DIA in its sole discretion.

DIA also acts as a Registered Investment Advisor and fiduciary to retirement plans, such as 401(k) and 403(b) plans.

#### **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF INVESTMENT LOSS**

Investing in securities involves risk of loss that clients should be prepared to bear. The value of a client's investment may be affected by one or more of the following risks, any of which could cause a client's portfolio return, the price of the portfolio's shares or the portfolio's yield to fluctuate:

- *Market Risk.* The value of portfolio assets will fluctuate as the stock or bond market fluctuates. The value of investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market. Unexpected events such as a pandemic may also cause rapid changes in the value of portfolio assets.
- *Management Risk.* A client's portfolio is subject to management risk because it is actively managed by DIA investment professionals. DIA will apply its investment techniques and risk analysis in making investment decisions for a client's portfolio, but there is no guarantee that these techniques and DIA's judgment will produce the intended results.
- *Quantitative Tools Risk.* Some of DIA's investment techniques may incorporate, or rely upon, quantitative models. There is no guarantee that these models will generate accurate forecasts, reduce risks or otherwise produce the intended results.
- *Interest Rate Risk.* Changes in interest rates will often affect the value of a portfolio's investments in fixed-income securities. When interest rates rise, the value of investments in fixed-income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.
- *Credit Risk.* An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss or partial loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating and other credit factors not reflected in a credit rating. Certain fixed income investments do not have a formal credit rating and the Credit Risk is thus reflected through other factors. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security. Investments in fixed-income securities with lower ratings tend to have a higher probability that an issuer will default or fail to meet its payment obligations.
- *Allocation Risk.* The allocation of investments among different asset classes may have a significant effect on portfolio value when one of these asset classes is performing more poorly than the others. As investments will be periodically reallocated, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, a client's portfolio may incur significant losses.
- *Foreign (Non-U.S.) Risk.* A portfolio's investments in securities of non-U.S. issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.



- *Emerging Markets Risk.* Securities of companies in emerging markets may be more volatile than those of companies in developed markets. By definition, markets, economies and government institutions are generally less developed in emerging market countries. Investment in securities of companies in emerging markets may entail special risks relating to the potential for social instability and the risks of expropriation, nationalization or confiscation. Investors may also face the imposition of restrictions on foreign investment or the repatriation of capital and a lack of hedging instruments.
- *Currency Risk.* Fluctuations in currency exchange rates may negatively affect the value of a portfolio's investments or reduce its returns.
- *Derivatives Risk.* Certain strategies involve the use of derivatives to create market exposure. Derivatives may be illiquid, difficult to price and leveraged so that small changes may produce disproportionate losses for a client's portfolio and may be subject to counterparty risk to a greater degree than more traditional investments. Because of their complex nature, some derivatives may not perform as intended. As a result, a portfolio may not realize the anticipated benefits from a derivative it holds or it may realize losses. Derivative transactions may create investment leverage, which may increase a portfolio's volatility and may require the portfolio to liquidate portfolio securities when it may not be advantageous to do so.
- *Capitalization Risk.* Investments in small- and mid-capitalization companies may be more volatile than investments in large-capitalization companies. Investments in small-capitalization companies may have additional risks because these companies have limited product lines, markets or financial resources.
- *Liquidity Risk.* Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing the Company from selling out of such illiquid securities at an advantageous price. Derivatives and securities involving substantial market and credit risk also tend to involve greater liquidity risk. Prices for securities in illiquid markets can cause rapid and significant changes in the value of an investment portfolio.
- *Issuer Specific Risk.* The value of an equity security or fixed income security may decline in response to developments affecting the specific issuer of the security or obligation, or in the case of certain funds, the underlying securities held by such fund, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including, but not limited to, management issues or other corporate disruption, political factors adversely affecting governmental issuers, unexpected events such as a pandemic, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.
- *Margin Risk.* Portfolios that utilize margin borrowings provided by the custodian may be subject to forced selling by the custodian in the event of a margin call. The custodian may sell securities without contacting the client or the advisor which may cause a decline in the value of the portfolio. The use of portfolio margin may also increase a portfolio's volatility and may require the portfolio to liquidate portfolio securities when it may not be advantageous to do so. Clients that choose to utilize margin borrowings in their accounts will be asked to separately acknowledge that they understand the risks of margin borrowings.
- *Concentrated Portfolios Risk.* Certain investment strategies focus on particular asset classes, countries, regions, industries, sectors or types of investments. Concentrated portfolios are an aggressive and highly volatile approach to trading and investing. Concentrated portfolios hold fewer different investments than a diversified portfolio and are much more likely to experience sudden dramatic price swings. In addition, the rise or drop in price of any given holding is likely to have a larger impact on portfolio performance than a more broadly diversified portfolio.
- *Legal or Legislative Risk.* Legislative changes or court rulings may impact the value of investments or the securities' claim on the issuer's assets and finances.

A brief discussion of the investment process at DIA follows.

#### Methods of Analysis and Investment Strategies

Our overarching investment philosophy rests on several key principles:

- Fixed income investments are an appropriate investment solution for many clients. For some, especially those in or approaching retirement, fixed income can provide for a less volatile portfolio and generate income for living expenses. Other clients simply do not want to invest in the stock market for various reasons and seek fixed income solutions, sometimes to generate high yield returns, and often to generate income that is used to pay for certain daily and other expenses;
- Individually purchased bonds and other individually purchased fixed income investments of all types should form the core of the fixed income portfolio.
- Stocks are volatile and are generally suited to those clients with high risk tolerance, clients who are younger, and those with a 15-20 year minimum investment horizon;

DIA's investment strategy in fixed income is primarily focused on the selection of individually selected fixed income securities which can include a wide range of securities such as corporate and municipal bonds, both high yield and investment grade, exchange traded bonds, and preferred stock. DIA will also generally incorporate additional income producing investments into fixed income portfolios such as Closed End Funds, BDCs, REITs and other fixed income investments that are available in the public markets from time-to-time. DIA will also consider certain options strategies (including covered options, uncovered options, or spreading strategies), although such option strategies will typically be limited to the most conservative strategies, primarily covered calls. DIA's investment strategy in equities is primarily focused on the selection of equity index ETFs for the equity portion of a client's portfolio. DIA typically avoids the selection of individual stocks, although in certain cases DIA will consider investments in high dividend paying stocks.

DIA employs a range of fundamental, technical, and credit analysis methods, which vary by each type of investment and portfolio strategy employed for each client.

DIA employs fundamental credit analysis for fixed income investments which involves, but is not limited to, the analysis of key credit metrics such as leverage ratios and debt/equity ratios, interest coverage and free cash flow analysis, business analysis, valuation analysis, and review of credit analysis by third parties such as Moody's and S&P.

Fundamental analysis is a method of evaluating securities by attempting to measure the intrinsic value of a stock. Fundamental analysts study the overall economy and industry conditions, the financial condition of a company, details regarding the company's product line, and the experience and expertise of the company's management. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Technical analysis involves the examination of past market data rather than specific company data in determining which securities to buy/sell. Technical analysis may involve the use of various quantitative-based calculations, variation metrics and charts to identify market patterns and trends which may be

based on investor sentiment rather than the fundamentals of a company. These trends may include changes in market yields and yield curves, put/call ratios, pricing trends, moving averages, volume, changes in volume, among many others. These trends, both short and long-term, are used for determining specific trade entry and exit points and broad economic analysis.

Equity Index, ETF and closed end fund (“Funds”) analysis involves the assessment of the wide range of Funds to identify the best-of-breed Funds that meet the investment objectives of each client. We examine the composition of each Fund, historical performance and other factors in determining which Funds, to the extent they are a fit for the client’s portfolio, are best suited for each client. DIA may also select certain individual equity securities, with a particular emphasis on dividend paying securities for accounts focused on generating income, such as, but not limited to, REITs, BDCs and MLPs. Our method of analysis for these types of securities include fundamental and technical analysis methods, as well as an assessment of dividend payment history.

### Material Risks Involved

#### *Risks Involved with Methods of Analysis:*

Credit analysis for fixed income investments involves the risk that the assessment of credit risk is incorrect and that the credit risk incurred for a particular fixed income security is not properly reflected in the yield provided by such fixed income security. Information obtained may be incorrect and the analysis may not provide an accurate estimate of credit risk. The data used may be out of date. Credit risk may not accurately assess random events such as acts of god or events such as a pandemic. The market for fixed income investments may not reach the expectations of perceived value in such investments.

Fundamental analysis for equity securities, when used in isolation, has similar risks. Information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock’s value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance. The data used may be out of date. Credit risk may not accurately assess random events such as acts of god or events such as a pandemic. The market for fixed income investments may not reach the expectations of perceived value in such investment.

The primary risk in using technical analysis is that spotting historical trends may not help predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that the analysis will be able to accurately predict such a reoccurrence.

Equity Index fund analysis concentrates on understanding the various equity indexes and corresponding ETFs available for investors. There is a risk that the markets tracked by these indexes will decline due to market conditions and other factors, or that certain indexes will underperform other indexes.

Closed End Fund and non-Index Fund analysis concentrates on understanding the underlying strategy and holdings in such fund. There is a risk that the selection of underlying assets by the fund manager will underperform other similar funds or other investments that offer similar strategies to such funds.

*Risks Involved with Investment Strategies:* The investment strategy implemented for each client can expose a client to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include, but are not limited to, inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political and/or regulatory risk, and risks of random events such as a pandemic

Options writing or trading involves a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value and the possibility of leveraged loss of trading capital due to the leveraged nature of stock options. Margin risk may expose a portfolio to forced selling of assets in a margin call implemented by the custodian, which is more likely to occur in periods of extreme market volatility and lower liquidity.

*Risks of Specific Securities Utilized:* Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

*Mutual Funds, ETFs and Closed End Funds:* Investing in any type of fund carries the risk of capital loss and thus clients may lose money investing in such funds. All funds have costs that lower investment returns.

*Equity Investments* generally refers to buying shares of stocks in return for receiving a future payment of dividends and capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry market conditions and general economic environments, among other factors.

*Fixed Income Investments* generally pay a return on a fixed schedule, though the amount of the payments can vary and include corporate and government debt securities, leveraged loans, high yield, preferred stock both fixed rate and floating rate, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general the fixed income market can at times be volatile, and fixed income securities carry interest rate risk. (As interest rates rise, fixed income prices usually fall, and vice versa, although this is not always the case. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

*Exchange Traded Funds (ETFs):* ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) 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. The price of Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal) may be negatively impacted by several factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

*Real Estate Funds* (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties

offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

*Non-U.S. Securities* present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

*Index funds* present the risk that the markets tracked by these indexes will decline due to market conditions and other factors, or that certain indexes will underperform other indexes.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear. Note that there may be other circumstances not described here that could adversely affect a client's investment and prevent their portfolio from reaching its objective.**

#### **ITEM 9: DISCIPLINARY INFORMATION**

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

- A. Criminal or Civil Actions: There are no criminal or civil actions to report.
- B. Administrative Proceedings: There are no Administrative Proceedings to report.
- C. Self-Regulatory Organization Proceedings: There are no Self-Regulatory Organization Proceedings to report.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Neither DIA nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer. Neither DIA nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

DIA does not receive, directly or indirectly, compensation from other investment advisers that it recommends or selects for its clients.

#### **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

DIA has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

DIA does not recommend that clients buy or sell any security in which DIA, or a person related to DIA, has a material financial interest.

DIA or individuals associated with DIA may, from time to time, buy, sell, or hold in their personal accounts the same securities that DIA recommends to or purchases for its clients and in accordance with the DIA's internal compliance procedures. To minimize conflicts of interest, and to maintain the fiduciary responsibility DIA has for its clients, DIA has established the following policy: An officer, manager, director, member or employee of DIA shall not buy or sell securities for a personal portfolio when the decision to purchase is derived by reason of their association with DIA, unless the information is also available to the investing public as a whole. No person associated with DIA shall prefer his or her own interest to that of any client. Personal trades in securities being purchased or sold for clients may only be made simultaneously with or after trades are made for clients, unless more favorable pricing can be obtained for the client, or if the best interest of the client is served in making a particular trade for a client at a later time in the day due to other factors or circumstances that arise that are in the best interest of the client. DIA's personnel may not anticipate trades to be placed for clients.

From time to time, representatives of DIA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of DIA to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, DIA will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## **ITEM 12: BROKERAGE PRACTICES**

DIA does not have the authority to determine the broker-dealer to be used or the commission rates paid.

### Best Execution

Best execution has been defined by the SEC as the "execution of securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances." The best execution responsibility applies to the circumstances of each particular transaction and an investment adviser must consider the full range and quality of a broker-dealer's services, including, among other things, execution capability, commission rates, the value of any research, financial responsibility and responsiveness.

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 among others, the value of research provided, execution capability, commission rates, capabilities in fixed income, and responsiveness. Consistent with the foregoing, while DIA will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions. DIA will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian. DIA utilizes The Charles Schwab Corporation or Interactive Brokers as its third party custodians for client accounts.

DIA shall systematically review on at least an annual basis its policies and procedures regarding recommending broker-dealers to its clients in light of its duty to obtain best execution.

### Broker Analysis

DIA evaluates a wide range of criteria in seeking the most favorable price and market for the execution of transactions. These include the broker-dealer's trading costs, efficiency of execution and error resolution, financial strength and stability, capability, positioning and distribution capabilities, information in regard to the availability of securities, trading patterns, statistical or factual information, opinion pertaining to trading and prior performance in serving DIA. Given DIA's focus on fixed income, DIA further evaluates criteria for broker-dealers related to their effectiveness in handling fixed income transactions.

Also in consideration is such broker-dealers' provision or payment of the costs of research and other investment management-related services (the provisional payment of such costs by brokers are referred to as payment made by "soft dollars", as further discussed in the "Research/Soft Dollars Benefits" section immediately below). Accordingly, if DIA determines in good faith that the amount of trading costs charged by a broker-dealer is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker, the client may pay trading costs to such broker in an amount greater than the amount another broker might charge.

DIA continuously monitors and evaluates the performance and execution capabilities of brokers that transact orders for client accounts to ensure consistent quality executions. In addition, DIA periodically reviews its transaction costs in light of current market circumstances and other relevant information.

### Soft Dollars

While DIA has no formal soft dollars program in which soft dollars are used to pay for third party services, DIA may receive research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. DIA benefits by not having to produce or pay for the research, products or services, and DIA will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that DIA's acceptance of soft dollar benefits may result in higher commissions charged to the client.

DIA uses Charles Schwab & Co.'s ("Schwab"), Schwab Institutional (Schwab Institutional) service and Interactive Brokers ("IB") advisory services. There is no direct link between DIA's use of Schwab and IB and the investment advice it gives to its clients.

Schwab and IB make available to DIA other products and services that benefit DIA, but may not benefit its clients' accounts. Some of these other products and services assist DIA in managing and administering clients' accounts, including:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk serving Schwab Institutional and IB participants exclusively;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts;
- Ability to have investment advisory fees deducted directly from client account;

- Receipt of compliance publications; and
- Access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Schwab Institutional and IB also make available to DIA other services intended to help DIA manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Schwab Institutional and IB may make available, arrange and/or pay for these types of services rendered to DIA by independent third parties.

DIA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### Directed Brokerage

DIA does not permit Directed Brokerage arrangements. DIA will only manage client accounts to the extent that the client chooses to custody their account at either Charles Schwab or Interactive Brokers.

#### Trade Aggregation and Allocation

DIA may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts. If a block trade 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 in a manner that is consistent with the initial pre-allocation or other written statement. DIA conducts its trade aggregation and allocation in a way that does not consistently advantage or disadvantage particular client accounts.

### **ITEM 13: REVIEW OF ACCOUNTS**

DIA reviews each client investment portfolio on a regular basis to ensure that investments are made in conformity with client's objectives. All client accounts managed under DIA's Investment Advisory Services are reviewed at least quarterly by Salo Aizenberg, Managing Member, with regard to clients' respective investment policies and risk tolerance levels.

Portfolio management reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Each Investment Advisory Services client will receive at least annually a written summary report, typically sent by email, that summarizes the client's account performance. DIA relies on the custodian's monthly and yearly statements to provide details on asset holdings and values and refers client to their detailed custodian provided account statements for additional detailed account information and performance data.

### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

DIA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to DIA clients. DIA may enter into written arrangements with third parties to act as solicitors for the DIA's investment management services. All compensation with respect to the foregoing will be fully disclosed to each Client to the extent required by applicable law. Any solicitor will be properly licensed in New York and any other necessary jurisdictions.



## **ITEM 15: CUSTODY**

Custody of client assets will be maintained with the independent custodian selected by the client. DIA will not have physical custody of any assets in the client's account except as permitted for payment of advisory fees. Clients will be solely responsible for paying all fees or charges of the custodian. Clients will authorize DIA to give the custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the client's account.

DIA may, when agreed to in writing by the client and DIA (or its principal or employees), obtain full power of attorney over a client's account. In such cases, DIA will be deemed to have custody over the assets in any such account. DIA will retain the services of an independent public accountant to conduct a surprise custody audit.

Clients will receive directly from the custodian at least quarterly a statement showing all transactions occurring in the client's account during the period covered by the account statement and the funds, securities and other property in the client's account at the end of the period. All client accounts over which DIA is deemed to have custody are subject to an annual surprise audit by an independent public accounting firm.

## **ITEM 16: INVESTMENT DISCRETION**

DIA provides discretionary investment advisory services to clients. The Investment Advisory Contract established with each client outlines the discretionary authority for trading and clients will execute a limited power of attorney in connection with granting trading authority for the custodian and/or adviser. Where investment discretion has been granted, DIA generally manages the client's account and makes investment decisions without consultation with the client as to what securities to buy or sell, when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, or the price per share.

## **ITEM 17: VOTING CLIENT SECURITIES (PROXY VOTING)**

### Proxy Voting

DIA does not vote proxies on behalf of its clients. Therefore, although DIA may provide discretionary investment advisory services relative to client investment assets, it is the client that maintains exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and (ii) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceeding or other type events pertaining to the client's investment assets. DIA and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. Clients can contact DIA for advice about a particular solicitation by email or phone.

### Legal Proceedings

Although DIA may have discretion over client accounts, DIA will not be responsible for handling client claims in class action lawsuits or similar settlements involving securities owned by the client. Clients will receive the paperwork for such claims directly from their account custodians. Each client should verify with their custodian or other account administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

**ITEM 18: FINANCIAL INFORMATION**

DIA neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure. Neither DIA nor its management has any financial condition that is likely to reasonably impair DIA's ability to meet contractual commitments to clients. DIA has not been the subject of a bankruptcy petition in the last ten years. DIA notes that in 2020 it applied for and received a Paycheck Protection Program loan in accordance with applicable SBA loans. As of the filing of date of this form the loan has been fully discharged & repaid.