

DELTA ASSOCIATES, INC.

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BROCHURE

Item 1 – Cover Page

May 10, 2012

This brochure provides information about the qualifications and business practices of Delta Associates, Inc. If you have any questions about the contents of this brochure, please contact us at (941) 383-0373. 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 Delta Associates, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This May 10, 2012 update to Delta Associates, Inc.’s brochure does not include information on material changes to Delta Associates Inc.’s policies, practices or conflicts of interest since Delta Associates, Inc.’s brochure dated March 11, 2011. However, “Item 19 – Requirements for State-Registered Advisers” has been added since the firm is registering within the states of Florida and Illinois rather than the Securities and Exchange Commission.

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Item 4 – Advisory Business

Delta Associates, Inc. provides investment supervisory services pertaining to marketable securities to clients on a continuous basis. Delta Associates, Inc. provides these services on an individual basis and incorporates investment programs reflecting the specific client's circumstances. Clients may impose restrictions on investing in particular issuers/or industries, such as manufacturers of alcohol or tobacco products.

Delta Associates, Inc. has been in business since 1988. David R. Geis, President, owns 100% of Delta Associates, Inc. As of April 30, 2012, Delta Associates, Inc. manages \$32.8 million in assets on a discretionary basis.

The Firm provides investment advice regarding equity and fixed income securities and investments in mutual funds and exchange-traded funds ("ETFs").

Item 5 – Fees and Compensation

Delta Associates, Inc. charges fees to clients according to the following rate schedule based on the type of account.

Equity and Balanced Accounts

- .75 percent of assets of the first \$2,000,000 of assets managed;
- .50 percent of assets on the next \$3,000,000 of assets managed;
- .35 percent of assets on the next \$5,000,000 of assets managed; and
- .25 percent of assets of the amount of assets managed in excess of \$10,000,000.

Fixed Income Accounts

- .25 percent of assets on the first \$5,000,000 of assets managed;
- .20 percent of assets on the next \$5,000,000 of assets managed; and
- .15 percent of assets on the amount of assets managed in excess of \$10,000,000.

There is a \$3,750 minimum annual fee or \$500,000 minimum account balance. Eleemosynary clients may receive a 25% discount on the fee payable.

Fees are payable quarterly in arrears based on the total market value of the total assets under management at the close of the final day of each calendar quarter. Delta Associates, Inc. deducts fees from client accounts or bills clients for fees incurred, as selected by the client. Clients may terminate their advisory agreement with Delta Associates, Inc. within five business days after entering into the agreement. When a client terminates an advisory agreement, fees are pro rated for any partial quarterly period.

In addition to Delta Associates, Inc.'s advisory fee, client accounts held at a bank will pay custody fees. With respect to any mutual funds or ETFs held in a client's account, fees payable to Delta Associates, Inc. are in addition to expenses and advisory fees borne by such holdings, including sales charges and

transaction fees. Delta Associates, Inc. does not receive any fees or commissions from the mutual funds or ETFs in which its clients invest. Clients will incur brokerage and other transaction costs. For more information on Delta Associates, Inc.'s brokerage practices, see "Brokerage Practices" below.

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

This item is not applicable to Delta Associates, Inc. since it does not charge clients performance-based fees.

Item 7 – Types of Clients

Delta Associates, Inc. generally provides investment advice to high net worth individuals.

Delta Associates, Inc. charges a \$3,750 minimum annual fee or requires a \$500,000 minimum initial investment amount.

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

Delta Associates, Inc. is a long-term investor in common stocks. Some of the common stocks in which Delta Associates, Inc. invests may be of younger companies with smaller capitalizations. Delta Associates, Inc. uses varied methods of analysis which are founded primarily upon certain fundamentals:

- a) balance sheet and income statement ratios and trends,
- b) earnings history and growth prospects,
- c) valuation techniques both absolute and relative, and
- d) visits to companies, trade meetings, conferences, and management presentations.

This fundamental analysis is supplemented by monitoring and analyzing the following:

- 1) Economic outlook – GNP, inflation, interest rates, corporate profits, etc.,
- 2) technological developments,
- 3) demographic changes, and
- 4) socio/political environment.

The above factors are examined to perceive change within a company, industry or economic section and thus aid in selecting where and when to concentrate investments.

Investing in securities involves risk of loss that clients should be prepared to bear.

The material risks involved in investing with Delta Associates, Inc. include:

Market Risk – Market prices of securities held by a client may fall rapidly or unpredictably due to a variety of factors, including changing economic, political or market conditions.

Small-Capitalization Stock Risk – The stocks of small-capitalization companies often have greater price volatility, lower trading volume, and less liquidity than the stocks of larger, more established companies.

Item 9 – Disciplinary Information

Delta Associates, Inc. does not have any material legal or disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

This item is not applicable to Delta Associates, Inc. since it does not have other financial industry activities or affiliations.

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

Delta Associates, Inc. has adopted a Code of Ethics which applies to personal securities transactions by access persons of Delta Associates, Inc. Currently, the only access person of Delta Associates, Inc. is David R. Geis. The Code of Ethics includes recordkeeping requirements and certain trading restrictions to seek to prevent actual or potential conflicts of interest with client transactions. The Code of Ethics applies not only to transactions by the individual, but also to transactions for accounts in which such person has a beneficial interest. A copy of Delta Associates, Inc.'s Code of Ethics is available upon request.

Delta Associates, Inc. may recommend to clients transactions in securities in which it or one of its associates has an interest, however, such recommendations shall be based on market data and other information independent of such interest, direct or indirect, in any such securities. Delta Associates, Inc. associates face a conflict of interest when they buy or sell securities at or about the same time that Delta Associates, Inc. buys or sells the same securities for client accounts, because Delta Associates, Inc. associates could take advantage of the information regarding the client transactions and execute their trades prior to the clients (commonly called “front running”). However, when Delta Associates, Inc. makes a recommendation to clients with respect to a security in which it or one of its associates has an interest, such person(s) may not knowingly buy or sell such securities for its (their) own account before all recommended transactions have been completed for client accounts. Persons associated with Delta Associates, Inc. may not knowingly purchase or sell for their own accounts securities that have been recommended to a client before the client has been given an opportunity to act on such recommendation or before Delta Associates, Inc. has purchased or sold such securities for its clients' accounts.

Item 12 – Brokerage Practices

Securities transactions are placed with the broker/custodian selected by the client. As a result, Delta Associates, Inc. may be unable to achieve most favorable execution of client transactions. This practice known as “directing brokerage” may cost clients more money. For example, in a directed brokerage account, clients may pay higher brokerage commissions because Delta Associates, Inc. may be unable to aggregate orders to reduce transaction costs, or client may receive less favorable prices.

The brokers/custodians selected by clients may provide research data to Delta Associates, Inc. To the extent that Delta Associates, Inc. is able to obtain research from clients' brokers/custodians, it reduces the need to produce the same research internally or through outside providers for hard dollars and thus provides an economic benefit to Delta Associates, Inc. Some research services furnished by clients' brokers/custodians may be used in servicing all accounts and not all of such services may be used in connection with the accounts which paid commissions to the broker/custodian providing such services.

Delta Associates, Inc. does not attempt to allocate the relative costs or benefits of research among client accounts because it believes that, in the aggregate, the research it receives benefits clients and assists Delta Associates, Inc. in fulfilling its overall duty to its clients.

Delta Associates, Inc. aggregates purchase and sale transactions for clients who use the same broker/custodian so that executions of the transactions occur at approximately the same time. However, due to constraints and use of different brokers/custodians for different clients, clients may receive different execution prices for the same securities traded on the same day.

Item 13 – Review of Accounts

David R. Geis, President of Delta Associates, Inc., reviews holdings daily with respect to price changes and other developments. Mr. Geis reviews each client account on a monthly basis to determine how the account is doing given its objectives and in relation to the market.

Clients are provided a written quarterly letter, along with performance comparisons generated by Delta Associates, Inc. and supplemented by third party data. The client's custodian provides trade confirmations, monthly cash statements, asset lists and portfolio valuations to clients.

Item 14 – Client Referrals and Other Compensation

This item is not applicable to Delta Associates, Inc. since it does not compensate third parties for client referrals.

Item 15 – Custody

Delta Associates, Inc. is deemed to have custody of client assets for purposes of the Investment Advisers Act of 1940 when, as directed by the client, it sends invoices to the client's custodian who deducts the advisory fee from client accounts. Clients will receive monthly account statement from the clients' custodian and Delta Associates, Inc. urges clients to carefully review those statements.

Item 16 – Investment Discretion

Delta Associates, Inc. accepts discretionary authority to manage securities accounts on behalf of clients pursuant to an investment advisory agreement in which the client appoints Delta Associates, Inc. as its agent and attorney-in-fact with full investment power and authority on behalf of the client's account. Clients may place limitations on this authority. Clients may impose restrictions on investing in particular issuers/or industries, such as manufacturers of alcohol or tobacco products.

Item 17 – Voting Client Securities

Delta Associates, Inc. does not have authority to vote client securities. Clients receive their proxies directly from their custodian. Clients may contact Delta Associates, Inc. with questions about a particular solicitation; however, Delta Associate, Inc. will not advise clients regarding how they should vote.

Item 18 – Financial Information

Delta Associates, Inc. does not believe there is any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

Item 19 – Requirements for State-Registered Adviser

Daniel R. Geis, President of Delta Associates, Inc., founded the firm in 1988. Mr. Geis's prior investment experience was with Dominick & Dominick (New York) from 1965 to 1970, Gardner & Preston Moss (Boston) from 1970 to 1977 and Northern Trust (Chicago) from 1977 to 1987. Mr. Geis graduated from St. Lawrence University in 1961 with a BA and then from Columbia Business School in 1963 with a MBA.

David R. Geis is not actively engaged in any other business, does not have any disciplinary events to disclose and does not have any relationships or arrangements with any issuer of securities.