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Form ADV Part 2A- Wrap Fee Brochure

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This wrap fee program brochure provides information about the qualifications and business practices of Delphia (USA) Inc. (“**DW Advice**”). If you have any questions about the contents of this Brochure, please contact us via email at support@delphia.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

DW Advice is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information that you may use to determine whether to hire or retain them.

Additional information about DW Advice is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for DW Advice is #304498. The SEC’s website also provides information about any persons affiliated with DW Advice who are registered, or are required to be registered, as investment adviser representatives of DW Advice.

Item 2 – Material Changes

This document is the initial Part 2A of Form ADV: Firm Brochure (the “**Brochure**”) for DW Advice. Pursuant to the SEC’s requirements and rules, you will receive a summary of any material changes to this brochure within one hundred twenty days of the close of DW Advice’s fiscal year.

The Brochure may be requested at any time, without charge, by contacting DW Advice at support@delpia.com or by checking our website at <https://delphia.com>.

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Item 4 – Services, Fees and Compensation

DW Advice was founded on January 8, 2018. Additional information about DW Advice is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by using DW Advice’s CRD number, #304498. The SEC’s website also provides information about any persons affiliated with DW Advice who are registered, or are required to be registered, as investment adviser representatives of DW Advice.

DW Advice is a registered investment adviser which offers a wrap fee program to its advisory clients (each a “**Client**,” and collectively, “**Clients**”) through an online web-based mobile application (the “**Application**”).

DW Advice is a privately held company headquartered in Toronto, Ontario, Canada. Information about DW Advice’s organizational and ownership structure is provided on Part 1 of DW Advice’s Form ADV, which is available online at <http://www.adviserinfo.sec.gov>.

DW Advice provides web-based discretionary advisory services through a wrap fee program that bundles or “wraps” services together and charges a single fee based on the value of assets under management (the “**Program**”).

The Program offers an easy way for individual investors to invest small and large amounts of money. The Program is provided to individual investors via DW Advice’s proprietary Application, which can be downloaded from <https://delphia.com>. The Program and the Application are referred to as the “**Platform**.”

DW Advice’s advice is powered by the insights it makes when individuals (the “**Members**”) connect their social media, banking, and other accounts (the “**Source Accounts**”) to its affiliate, Delphia Inc. (“**Delphia**”) or respond to Delphia’s questionnaires (together with Source Accounts, a “**Member Contribution**”). Member Contributions are made every time a Member connects a Source Account, responds to Delphia’s questionnaires, or refers friends and family to the Platform. As discussed below under *Fees and Compensation*, Delphia Members who are also Clients of DW Advice may also reduce the investment management fees they pay and can earn points that convert into investable funds in the Platform by making Member Contributions, as further detailed in the Delphia Member Agreement. While any Member may make Member Contributions, only DW Advice’s Clients will earn investable funds and fee discounts.

Member Contributions power DW Advice’s Platform. A myriad of components, including company fundamental and technical analysis, as well as traditional news, alternative data, macro events, human behavior, sentiment, social attitudes and data technology goes into DW Advice’s investment decision making. Every time Member Contributions are made, DW Advice’s investment decisions become more robust and accurate. Clients personally benefit when they make Member Contributions and collectively, the quality of DW Advice’s investment advice improves as the number of Members making Member Contributions increases.

Delphia has developed a suite of artificial intelligence (“**AI**”) tools that effectively corroborate and calibrate the plethora of publicly available data that impacts companies, brands, and sectors across the globe.

DW Advice selects equity and fixed-income exchange traded funds (“**ETFs**”) as well as equity securities of companies and in some cases options to build model portfolios (the “**Model Portfolios**”). DW Advice combines different Model Portfolios to match each Client’s investment profile based upon DW Advice’s interactive questionnaire (the “**KYC Questionnaire**”). As Clients select various answers, the KYC Questionnaire will tailor its questions to the individual responses of the Clients and determine which model portfolio is suitable for the Client’s age, the amount they expect to invest, investment time horizon, financial information, financial goals and type of income. Clients may choose a different Model Portfolio than the one recommended by DW Advice. DW Advice only provides investment advice through the Platform and only with respect to these types of investments.

DW Advice’s Model Portfolios will generally be based on the following:

Passive Model Portfolios:

- a passive equity portfolio built from ETFs and select common shares; and
- a passive fixed-income portfolio built from ETFs, select instruments, cash and cash equivalents.

Active Model Portfolios:

- an actively traded equity portfolio built from ETFs and select common shares that reflects DW Advice’s AI-driven investment advice; and
- an actively traded mixed portfolio combining ETFs, select common shares and options for Clients that want access to higher returns with an appetite for increased potential risk.

DW Advice does not provide Clients with financial planning and its investment advice is limited to providing the Model Portfolios.

Additional information about DW Advice’s products and services is provided in DW Advice’s Form ADV Part 1 available at <http://www.adviserinfo.sec.gov>. Please review the Platform for additional information.

Member Contributions are not used by DW Advice to update your investment profile at DW Advice. Clients are obligated to update their information by completing the KYC Questionnaire through the Platform promptly if there are changes to their financial situation, including their goals, objectives, personal circumstances, time horizon or if other relevant information changes or becomes available.

DW Advice manages its Passive Model Portfolios with strategies based on Modern Portfolio Theory. DW Advice constructs, revises, and recommends Model Portfolios with target asset allocations of equity and fixed-income ETFs. Based on each Client’s responses to DW Advice’s KYC Questionnaire about the Client’s personal information, financial situation, financial goals, and risk profile, the Client’s initial allocation to one or more Model Portfolios is determined by DW Advice’s software-based algorithm, which selects among the target asset allocations. Subject to DW Advice’s ability to terminate advisory agreements, Clients will be able to impose reasonable restrictions on the management of their accounts.

When a Client earns money from its Member Contributions or makes a deposit, DW Advice

constructs a combination of ETF and other securities purchases to align the Client's managed account along with the target asset allocation for the selected Model Portfolios.

When a Client withdraws money from its account, the Platform initiates a combination of sales that maintains the corresponding target asset allocation.

Clients may manually select one of the target asset allocations other than the one recommended or currently in effect. As clients deposit or withdraw money, the corresponding transactions will rebalance to pursue the modified target asset allocation.

DW Advice's algorithm is designed to keep the holdings within each client's portfolio within a specified range of the target asset allocation, even when the market prices of the securities in the Client's account fluctuates. Clients' authorize DW Advice to automatically rebalance their account holdings, maintain a minimum cash balance and re-invest dividends. An automatic rebalance will be made whenever the holdings of the account significantly deviate from the target asset allocation for that Client, which generally is a 10% fluctuation above or below the target asset allocation. There is no limit on the number or frequency of rebalances. The rebalancing process is completely automated and not limited to the number or frequency of rebalances. As a result, there is a possibility that DW Advice may sell overrepresented ETFs and use the proceeds to buy underrepresented ETFs to bring portfolios towards its target allocation without taking into account individual tax consequences or market circumstances.

If the holdings of the account significantly deviate from the existing or newly selected target asset allocation, DW Advice will initiate a rebalancing to bring the holdings within an acceptable range of the target asset allocation.

The investments in each Client's account are held in a separate account in the name of the Client at an independent custodian, and not with DW Advice. All accounts managed through the Platform are required to use the custodian selected by DW Advice (the "**Custodian**") as the independent custodian. Your account agreement with the Custodian will grant DW Advice the authority to manage each Client's accounts on a discretionary basis without seeking that Client's authorization for each trade.

The ETF or single stock shares purchased or sold on behalf of a Client and/or held in Client accounts may be either whole shares or fractional shares, depending upon how much a Client invests in the particular security. DW Advice enables dollar-based investing, whereby a Client can buy a fixed dollar amount rather than whole shares. DW Advice, through the Custodian, aggregates all dollar-based purchases and places whole share orders for executions. Thereafter, DW Advice allocates the fractional shares to the individual Client accounts. Fractional shares, however, are typically not transferrable outside of a Client's advisory account because the financial system in the United States currently is structured only to accommodate transfers of full shares. As a result, fractional shares may not be marketable or transferrable to another brokerage account.

In the event of a liquidation or transfer of the assets in a Client's account to another account, DW Advice may convert such fractional shares to cash.

Clients will receive DW Advice's Advisory Agreement and Subscription Agreement, which further details the services Clients will receive, fees charged to Clients, and the conditions of the

DW Advice-Client relationship. Importantly, DW Advice does not provide overall financial planning services, nor does it provide tax advice.

Fees and Compensation

The Program charges a “wrap” fee which allows Clients to pay a single fee for investment advisory services (the “**Fee**”). The Fee is not based upon transactions in a Client account, but rather is a bundled fee which includes the costs for advisory services, execution, clearance, custody and account reporting.

There is no minimum account size requirement and no minimum fee. DW Advice charges a monthly fee of 0.167% of the value of the account during that month. On an annual basis, this represents a 2.00% fee ($0.167\% \times 12$). Fees are charged monthly, in arrears. Fees will be calculated on the average daily balance of the previous 30 days and will be billed on or reasonably after the last business day of the calendar month.

The Fee will be paid from funds in the account or from funds resulting from the sale of investments from the Client’s account. Each time a Client uses DW Advice’s advisory services, they reaffirm their agreement that DW Advice may charge the accounts, as applicable. If DW Advice cannot take the Fee from the Client’s custodial account, it may take it from the bank account used to fund the Client’s account. In the event DW Advice cannot charge the applicable accounts, it reserves the right to terminate a Client’s access to its advisory services. Termination of accounts will be undertaken at DW Advice’s sole discretion. Each Client may also terminate its account at any time. Upon termination of a Client’s account, assets are liquidated as soon as practicable, and money is returned to the Client, if applicable. Once the account termination process is initiated, DW Advice will no longer receive any Fees from the Client with respect to the Client’s account.

DW Advice reserves the right to waive the Fee or any part thereof for any period for any Client in DW Advice’s sole discretion. To this end, DW Advice may, from time to time, elect to launch programs or initiatives whereby fees may be waived, in whole or in part, for certain categories of Clients. Any such program or initiative (i) is entirely discretionary to DW Advice, and may be expanded, narrowed, suspended, cancelled or modified at any time by DW Advice, and (ii) will be subject to any rules, guidelines and/or terms and conditions created by DW Advice in connection therewith (which rules, guidelines and/or terms may be included in the Platform and/or elsewhere). To the extent any such program or initiative is canceled or terminated, Clients will once again be charged the then-current fees on a going-forward basis. DW Advice shall have sole discretion in determining whether or not any existing Client or potential Client meets the requirements to participate in and/or benefit from any such program or initiative, and DW Advice shall not be liable to the Client or any other party in connection with any such decision and/or in connection with the administration of any such program or initiative generally.

Each Client of DW Advice may also be a Member of Delphia’s Member Contributions data collection service. Members will earn points (“**Data Points**”) from Delphia for the Member Contributions they make. Data Points can be exchanged for cash for investment in the Client’s account. Any Data Points exchanged for cash must be held in the Client’s account for a minimum of ninety (90) days. Up to 50% of DW Advice’s Fee will be paid to, and used by, Delphia to compensate Members for Member Contributions. Details on how Data Points are earned and

converted can be found in the Delphia Member Agreement and can be amended in accordance with its terms.

DW Advice believes the Fee is reasonable considering the quality and scope of the services it provides and the fees charged by other investment advisers offering similar services/programs. However, by participating in a wrap fee program, Clients may end up paying more or less than they would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to the Client by the executing broker. In that scenario, Clients would be responsible for any other fees charged by other parties, including the Custodian. Clients could also invest in ETFs, stocks and other securities directly without DW Advice's services. In that case, Clients would not receive the services provided by DW Advice, which are designed, among other things, to assist in determining which investments are appropriate for the Client's account.

Other Account Fees

The Program includes all trade charges applicable to an account. However, DW Advice's fees do not include other related costs and expenses. A Client may incur certain charges imposed by custodians and other third parties. These include transfer fees, administrative fees and other fees and taxes on brokerage accounts and securities transactions. The issuer of some of the securities or products purchased for Clients, such as ETFs or other similar financial products, may charge product fees that affect Clients. DW Advice does not charge these fees to Clients and does not benefit directly or indirectly from any such fees. 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. These fees are in addition to the management fee Clients pay to DW Advice. Clients should review all fees charged to fully understand the total amount of fees they will pay.

Investment advisory fees are based on the assets under management in the Client's account and are calculated daily. As a result, DW Advice's Fees are prorated for partial months.

Item 5 – Account Requirements and Types of Clients

DW Advice's Program is intended for use by individual investors to gain access to customized portfolios built from ETFs, options, and publicly traded equities.

There are no minimum or maximum account size requirements. However, DW Advice reserves the right to impose a minimum or maximum account size or value in the future at its discretion. Fees are not negotiable. DW Advice further reserves the right to require additional disclosure information from Clients with accounts in excess of \$100,000. Eligible clients may be offered to participate in the future in additional products or securities offered by DW Advice or its affiliates. For example, clients who, at the time of their investment, are accredited investors as per Rule 506(c) of Regulation D under the Securities Act, may be able to invest in other financial products which may be created and managed by DW Advice in the future.

Item 6 – Portfolio Manager Selection and Evaluation

Portfolio Managers and Advisory Business

DW Advice's business is the investment advisory services provided through the Program. Please refer to Item 4 for information pertaining to our advisory business.

The Program will utilize a robo-adviser program to match the Client with a Model Portfolio based on the personal information that the Client submitted. Accordingly, Clients should be aware that:

- an algorithm is used to manage Client accounts;
- the algorithm does not recommend a portfolio based on a Client's personal information, outside of what is collected via the KYC Questionnaire;
- The algorithm matches Clients to a suitable Model Portfolio based on the KYC Questionnaire;
- The algorithm makes the initial and ongoing investments and rebalances the investments in the account so that it matches the target asset allocations for the selected Model Portfolio; and
- The algorithm may rely on back-tested information, and, thus, may not operate as expected or intended when events having few or no historical antecedents occur.

Limitations of the algorithm include, without limitation:

- imperfect estimation of the market turning point;
- the expected return and expected correlation among different assets may significantly deviate from real market conditions due to unexpected events or investor panic;
- the algorithm used to manage Client accounts might rebalance Client accounts without regard to market conditions or on a more or less frequent basis than the Client might expect and the algorithm may not address prolonged changes in market conditions;
- DW Advice might halt trading or take other temporary defensive measures in stressed market conditions;
- DW Advice owns and manages the algorithm;
- absent technical issues, there is no human involvement in the oversight and management of Client accounts;
- if and when a Client has a material change to its financial standing or risk tolerance, the Client should promptly update the information he or she has provided to DW Advice; and
- DW Advice will not monitor a Client's Member Contributions to identify and respond to material changes disclosed in a Member Contribution.

One DW Advice employee acts as the portfolio manager for the Program. The ETFs and other securities that comprise Client portfolios are selected via DW Advice's internal selection criteria. The securities included in each Client's portfolio have been researched and approved by DW Advice's portfolio manager. DW Advice's internal selection criteria includes, but is not limited to, assessing an ETF's or other security's exposure to a given asset class or sector, how well the ETF tracks its benchmark, the ETF's management fee, the liquidity prospect of the ETF or other security vis-à-vis DW Advice's portfolios and the management of the ETF. ETFs themselves are managed by the relevant fund manager/sponsor. DW Advice does not manage, control or receive compensation from ETF or other managers.

Rebalancing and initial investments are only performed during specific hours each day. There are inherent risks to the use of algorithms to drive portfolio recommendations, which may result in loss of capital. DW Advice also relies on certain vendors in order to provide portfolio rebalancing. In the event that one of these vendors is unavailable, DW Advice will not have the capability to rebalance the portfolio.

The Program's performance will be calculated through a time-weighted return.

Clients should understand the Program is not a self-directed brokerage service. Unlike self-directed brokerage accounts, a Client does not enter individual buy and sell orders for specific securities to be executed at particular times. Rather, DW Advice places orders to buy and/or sell securities with the Custodian consistent with the discretionary authority granted to it by Clients, which includes, among other things, the authority to select which securities to buy and sell and when to place orders for the execution of securities. If you want to control the specific time during the day that securities are bought and sold in your account (e.g., you want the ability to "time the market"), you should not use DW Advice's service.

Performance-Based Fees and Side-by-Side Management

DW Advice does not charge any performance-based fees. Fees are charged based on the investment assets in the Client's Account.

Methods of Analysis, Investment Strategies and Risk of Loss

Through qualitative and quantitative due diligence, DW Advice selects ETFs, publicly traded equities and options to include in each Model Portfolio. DW Advice chooses ETFs because of their transparency, liquidity, fee models and diversification. DW Advice chooses stocks because of their exposure to specific industries, liquidity, transparency, risk profile, and diversification. DW Advice uses options to increase returns or reduce risk.

The ETFs and stocks selected represent an array of investment options across a broad range of investment strategies such as conservative, modest or aggressive balanced risk funds; asset classes such as small, mid, and large cap U.S. equities, fixed income, real estate, commodities, or international; and industries such as healthcare, defense or consumer.

In DW Advice's due diligence and analysis process, DW Advice utilizes a form of quantitative analysis in which it analyzes the funds' fees and performance using historical market data, risk metrics and other benchmarks. DW Advice will use the data collected through Members' Member Contributions to select stocks, ETFs and options that it believes, based on its predictive software, will outperform or underperform the markets or analyst consensus.

Investment Strategies

DW Advice uses a proprietary formula to help select the securities it buys, sells or holds for each Client. The proprietary formula analyzes the Client supplied data through the KYC Questionnaire and recommends a Model Portfolio based on that supplied data. While an individual Delphia Member's responses do not affect the Model Portfolio DW Advice recommends for its Clients,

DW Advice uses predictions derived from Members' data to build Model Portfolios. All dividends from investments are automatically reinvested unless a Client elects otherwise. The Program is designed to promote diversification and return within the Client-specific risk and suitability limits.

Risk of Loss

DW Advice does not guarantee the future performance of any Client's account. Clients must understand that investments made via the Program involves substantial risk and are subject to various market, currency, economic, political and business risks, and that those investment decisions and actions will not always be profitable. Clients may not get back the amount invested. Subject to the Advisers Act and Advisory Agreement, DW Advice shall have no liability for any losses in a Client's account. The price of any security or the value of an entire asset class can decline for a variety of reasons outside of DW Advice's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. There is no guarantee that DW Advice's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. DW Advice's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives. High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client, or DW Advice on the Client's behalf, from selling his or her securities at all, or at an advantageous time or price because DW Advice and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. The Program, by its automated nature, limits excessive trading risk, although human programming error may result in excessive trading. DW Advice cannot guarantee any level of performance or that any Client will avoid a loss of account assets. Any investment in securities involves the possibility of financial loss that Clients should be prepared to bear.

When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risk items, each of which may affect the probability of adverse consequences and the magnitude of any potential losses. The following risks may not be all-inclusive but should be considered carefully by a prospective Client before entering the Program. These risks should be considered as possibilities, with additional regard to their actual probability of occurring and the effect on a Client if there is, in fact, an occurrence.

Market Risk - The price of any security or the value of an entire asset class can decline for a variety of reasons outside of DW Advice's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If a Client has a high allocation in a particular asset class, it may negatively affect overall performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period will cause that Client account to underperform relative to the overall market.

Investment Risk - There is no guarantee that DW Advice's judgment, models or investment decisions about particular securities or asset classes will necessarily produce the intended results. DW Advice's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives. DW Advice may also make future changes to the investing algorithms and services that it provides. In addition, it is possible that Clients or DW Advice itself may experience

computer equipment failure, loss of internet access, viruses, or other events that may impair access to DW Advice's software-based financial service.

Volatility and Correlation Risk - Clients should be aware that DW Advice's asset selection process is based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client, and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

Liquidity and Valuation Risk - High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling her securities at all, or at an advantageous time or price because DW Advice and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While DW Advice values the securities held in Client's accounts based on reasonably available exchange-traded security data, DW Advice may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting fees paid to DW Advice.

Credit Risk - DW Advice cannot control, and Clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any broker utilized by a Client, notwithstanding asset segregation and insurance requirements that are beneficial to Clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of securities held by Clients. Finally, an issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a Client. DW Advice seeks to limit credit risk through ETFs, which are subject to regulatory limits on asset segregation and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk - Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations (particularly for ETFs dealing in natural resources).

Foreign Investing and Emerging Markets Risk - Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of

securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices, and foreign regulation may be inadequate or irregular.

Frontier Markets Risks - The risks associated with investing in foreign or emerging markets generally are magnified in frontier markets, also known as “next emerging” markets. Some frontier markets may operate in politically unstable regions of the world and may be subject to additional geopolitical/disruption-of-markets risks.

ETF Risks, including Net Asset Valuations and Tracking Error - 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. 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 compensation - fees charged by DW Advice plus any management fees charged by the issuer of the ETF. This scenario may cause a higher 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 adviser 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. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks - Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor’s future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by DW Advice may be affected by the risk that currency devaluations affect Client purchasing power.

Short Positions - DW Advice does not presently but may in the future employ a short trading strategy. With a short position, the potential for loss is unlimited.

Options - DW Advice may use options in certain portfolios. Purchasing put and call options, as well as writing such options, are highly specialized activities and entail greater than ordinary investment risks. Although an option buyer's risk is limited to the amount of the original investment for the purchase of the option, an investment in an option may be subject to greater fluctuation than is an investment in the underlying securities. In theory, an uncovered call writer's loss is potentially unlimited, but in practice, the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying securities may fall below the exercise price. The ability to trade in or exercise options may be restricted in the event that trading in the underlying securities interest becomes restricted.

Algorithmic Trading - Clients are advised that the Program relies on computer models, data inputs and assumptions in generating trade orders or recommendations (as applicable). Statistical investing models, such as those used by DW Advice, rely on back-tested information, and, thus, may not operate as expected or intended when events having few or no historical antecedents occur, and, accordingly, may generate losses another manager could have been able to avoid. The Program, through the analysis of Member Contributions, utilizes a predictive algorithmic model that is dependent on the input from Clients and Members and therefore relies on a current, diverse and large enough pool of data points to achieve anticipated results. This predictive algorithmic model is currently untested and may not produce anticipated results.

Cybersecurity Risks - DW Advice and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to DW Advice's Clients by interfering with the processing of transactions, affecting DW Advice's ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose DW Advice to civil liability as well as regulatory inquiry and/or action. In addition, Clients could be exposed to additional losses as a result of unauthorized use of their personal information. While we have established business continuity plans, incident responses plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber-security risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers, and may cause a Client's investment in such securities to lose value.

Investment Strategy Risks - There are risks associated with the long-term core strategic holdings. The more aggressive the investment strategy, the more likely the portfolio will contain larger weights in riskier asset classes, such as equities.

Equity-Related Risks - The prices of equity securities will rise and fall. These price movements may result from factors affecting individual companies, industries, or the securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.

Large-Cap and Mid-Cap Risks - Large-cap and/or mid-cap segments of the stock market bear the risk that these types of stocks tend to go in and out of favor based on market and economic conditions. However, stocks of mid-cap companies tend to be more volatile than those of large-cap companies because mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies.

During a period when large- and mid-cap U.S. stocks fall behind other types of investments, bonds or small-cap stocks, for instance, the performance of investment strategies focused on large- and/or mid-cap stocks will lag the performance of these other investments.

Small-Cap and International Risks - Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks. During a period when small-cap and/or international stocks fall behind other types of investments, U.S. large- and mid-cap stocks, for instance, the performance of investment strategies focused on small-cap or international stocks may lag the performance of these other investments.

Reliance on Management and Other Third Parties - ETF investments will rely on third-party management and advisers, DW Advice is not expected to have an active role in the day-to-day management of fund investments. Carried interest and other incentive distributions to fund management may create an incentive towards more speculative investments than would otherwise have been made.

Infrastructure Risks - Infrastructure-related investments are subject to a number of unique risks. These investments may be concentrated into a small number of projects, resulting in a high degree of risk with respect to each project. Further, these investments are often subject to foreign and emerging market risks.

Market Volatility - General fluctuations in the economy may affect the value of one or more investments. In the event of economic volatility, the ability to achieve a favorable return on investments may be severely impeded.

Socially Responsible Investing - Investments may focus on “low carbon” or other areas of socially responsible investing. This investment category represents a relatively new area of investment with a relatively limited performance track record. Due to the consideration of non-monetary factors in investment decisions, these investments may experience a lower rate of return. There may be a relatively limited number of investments to consider in this investment category, and available investments may be subject to increased competition.

Large Investment Risks - Clients may collectively account for a large portion of the assets in certain investments. A decision by many investors to buy or sell some or all of a particular investment where Clients hold a significant portion of that investment may negatively impact the value of the investment.

Limitations of Disclosure - The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in investments. As investment strategies develop and change over time, Clients may be subject to additional and different risk factors. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

Voting Client Securities

As a matter of firm policy and practice, DW Advice does not have any authority to and does not vote proxies on behalf of Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in such Client's portfolio. Clients will receive proxies and other solicitations directly from the Custodian.

DW Advice will neither advise nor act on behalf of the Client in legal proceedings involving companies whose securities are held or previously were held in the Client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

Item 7 – Client Information Provided to Portfolio Managers

DW Advice has access to all Client information with respect to the particular Client accounts managed through the Platform. The Platform relies on the information provided by the Client through the KYC Questionnaire in order to provide investment advice and recommendations.

Delphia receives information through the Member Contributions Members make. DW Advice gathers information on the Client's age, income, and other factors to create a Client profile. Information collected by Delphia on a Member who is also a DW Advice Client does not change that Client's profile in the Platform. The Client's profile is only based on the information provided in the KYC Questionnaire.

Clients who have experienced a material change in their circumstances must update their personal information in the Platform by retaking or supplementing the KYC Questionnaire so DW Advice can reflect the change in the Client's account.

Other than a username, password, and contact information, Delphia does not share personal information with DW Advice, which is a separate corporation.

DW Advice will not monitor your Member Contributions to identify material changes.

Item 8 – Client Contact with Portfolio Managers

Clients may contact DW Advice via email at support@delphia.com with respect to technical questions regarding the Platform. DW Advice only provides investment advice online through the Platform.

Item 9 – Additional Information

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of such adviser or the integrity of such adviser's management. DW Advice does not have any legal, financial, regulatory, or other "disciplinary" item to report to any Client. This statement applies to DW Advice and to every employee of DW Advice.

Other Financial Industry Activities and Affiliations

Currently, DW Advice is a wholly owned subsidiary of Delphia. It is anticipated that prior to December 2019, DW Advice and Delphia will become wholly owned by a common parent corporation. DW Advice shares personnel with Delphia. Aside from employees of Delphia that are shared personnel between Delphia and DW Advice, DW Advice does not recommend or select other investment advisers. Delphia is responsible for the management and deployment of the predictive algorithm used by DW Advice. The use of the predictive algorithm by DW Advice for its services is governed by a Services Agreement between DW Advice and Delphia.

Code of Ethics, Participation or Interest in Client Accounts and Personal Trading

DW Advice has adopted a code of ethics (the "**Code of Ethics**") for all supervised persons of DW Advice describing its high standard of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at DW Advice must acknowledge the terms of the Code of Ethics annually, or as amended.

DW Advice anticipates that, in appropriate circumstances, consistent with Clients' investment objectives, it will recommend to accounts advised by DW Advice to effect the purchase or sale of securities in which DW Advice, its management persons and/or Clients, directly or indirectly, have a position or interest. DW Advice's employees and persons associated with DW Advice are required to follow DW Advice's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of DW Advice and its employees may trade for their own accounts in securities which are recommended to and/or purchased for DW Advice's Clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of DW Advice will not interfere with (i) making decisions in the best interest of Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that personal employee transactions in these types of securities would not materially interfere with the best interest of DW Advice's Clients. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between DW Advice and its Clients.

Employees' accounts may trade in the same securities with Client accounts on an aggregated basis when consistent with DW Advice's obligation of best execution. In such circumstances, employee and Client accounts will share commission costs equally and receive securities at a total average price. DW Advice will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro-rata basis. Any exceptions will be explained on the order.

Review of Accounts

DW Advice provides all Clients with continuous access to the Platform regarding information about account status, portfolio allocations, securities, and account balances. Proprietary, as well as commercially available software, is used to review the portfolios quarterly to ensure that they are in line with investment objectives. Additional reviews may be triggered by material changes in variables such as a Client's individual circumstances, or the market, political or economic environment.

Clients have access to current account balances and positions through the Platform. The Custodian prepares account statements showing all transactions and account balances during the prior quarter. All information relating to Client accounts are provided on the Platform. On a quarterly basis, DW Advice may review each Client account and remind them to review and update the profile information previously provided. DW Advice requests that Clients reconfirm their current profile information as needed and on an annual basis. DW Advice, as applicable, conducts reviews when the Client updates their profile in the Platform with a material change or if a material change has occurred in the selected Model Portfolio. Please see *Services, Fees and Compensation* above, for more details on how DW Advice selects securities for the Model Portfolios and how it rebalances Client accounts.

Client Referrals and Other Compensation

DW Advice and its related persons do not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to Clients. However, DW Advice may receive from a broker-dealer or a fund company, without cost and/or at a discount, certain services and/or products, to assist in monitoring and servicing Client accounts. These may include investment-related research, pricing information and market data, software and other technology that provide access to Client account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and other educational or social events, marketing support, computer hardware or software, and other products used by DW Advice to assist DW Advice in its investment advisory business operations.

DW Advice may offer cash payments for Client solicitations in accordance with CFR 275.206(4)-3.

Delphia may pay its Members for making Member Contributions. Some Members are also Clients. DW Advice will pay Delphia for market data and predictions derived from Member Contributions and other sources, as well as for the maintenance of the Platform, personnel and technical support.

Financial Information

DW Advice does not require or solicit the prepayment of any fees and does not have any adverse financial condition that is reasonably likely to impair DW Advice's ability to continuously meet its contractual commitments to its Clients. DW Advice has not been the subject of a bankruptcy proceeding.