

Item 1 - Cover Page  
FORM ADV PART 2A



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This brochure provides information about the qualifications and business practices of Delta Financial Advisors, Inc. If you have any questions about the contents of this Brochure, please contact us at (301) 962-0480 and/or NAngelis@DFA1.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 Delta Financial Advisors, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Delta Financial Advisors, Inc. is 121907.

Any references to Delta Financial Advisors, Inc. as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.

## Item 2-MATERIAL CHANGES

Since the March 22, 2023, Annual Amendment filing, the firm is reporting the following material changes:

- None.

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At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was April 2020.

Pursuant to Investment Adviser Act Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year, which is December 31st. We may further provide other ongoing disclosure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Nicholas Angelis at **(301) 962-0480 and/or NAngelis@DFA1.com**. Additional information about Delta Financial Advisors, Inc. ("Delta") is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The website also provides information about any persons affiliated with Delta who are registered, or are required to be registered, as investment adviser representatives of Delta.

Item **3** - **TABLE OF CONTENTS**

Item 1 -COVER PAGE.....	Cover Page
Item 2 - MATERIAL CHANGES .....	2
Item 3 - TABLE OF CONTENTS .....	3
Item 4 - ADVISORY BUSINESS .....	4
Financial Planning and Consulting Services .....	5
Wealth Management Program.....	5
General Information .....	5
Item 5 -FEES AND COMPENSATION .....	6
Wealth Management Program.....	6
Financial Planning and Consulting Services .....	8
Item 6 -PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT .....	9
Item 7 - TYPES OF CLIENTS.....	9
Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .....	9
Item 9 -DISCIPLINARY INFORMATION .....	11
Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	11
Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	12
Item 12 -BROKERAGE PRACTICES.....	15
Item 13 -REVIEW OF ACCOUNTS .....	14
Item 14 -CLIENT REFERRALS AND OTHER COMPENSATION.....	14
Item 15 - CUSTODY .....	15
Item 16 - INVESTMENT DISCRETION .....	15
Item 17 - VOTING CLIENT SECURITIES.....	15
Item 18 -FINANCIAL INFORMATION .....	15
Item 19 -REQUIREMENTS FOR STATE REGISTERED ADVISERS .....	15

#### **Item 4 - ADVISORY BUSINESS**

Delta Financial Advisors, Inc. (hereinafter referred to as "Delta") is an investment advisory firm offering a variety of advisory services customized to our client's individual needs.

- A. Delta was incorporated in Maryland in November 1992. Delta is primarily owned by Joseph Fischetti.
- B. Delta offers the following advisory services. Each of the services is more fully described below.
  - Wealth Management
  - Financial Planning and Consulting
- C. Delta tailors the wealth management services it offers to the client's individual needs. Client may impose restrictions and/or limitations on the investing in certain securities or types of securities. Delta will ask the client to complete a fact finder or data gathering questionnaire to assist Delta with obtaining information about the client's financial situation and history. Additionally, Delta will confer with the client and conduct an interview and data gathering session to continue the due diligence process. The information gathered by Delta will assist Delta to provide the client with the requested services and customize the services to the client's financial situation. Depending on the services the client has requested, Delta will gather various financial information and history, potentially including topics such as:
  - Retirement and financial goals
  - Investment objectives
  - Investment horizon
  - Financial needs
  - Cash flow analysis
  - Cost of living needs
  - Education needs
  - Savings tendencies
  - Other applicable financial information required by Delta order to provide the investment advisory services requested.
- D. Delta does not participate in any wrap fee programs.
- E. As of March 5, 2024, the firm has assets under management of Discretionary: \$136,122,676 AUM and Non-Discretionary: \$52,683,056 AUM.

#### **Wealth Management Program**

After Delta completes its analysis of the client's situation, Delta will determine an asset allocation strategy tailored to the stated financial goals, objectives and risk tolerance. Periodically, Delta will meet with the client or contact the clients to discuss recommendations for changes within the account and obtain the client's prior authorization before any buy, sell or exchange.

Delta provides continuous and ongoing discretionary and non-discretionary management services

based on clients' individual needs and investment goals and objectives.

Generally, Delta requires minimum aggregate investment by the client or members of the client's household of \$100,000.

### **General Information**

The investment recommendations and advice offered by Delta are generally not legal advice or accounting advice. Delta does provide some accounting/tax services to certain clients for a separate fee. Clients should coordinate and discuss the impact of financial advice with the clients' attorney and/or accountant. Clients must inform Delta promptly with respect to any changes in the client's financial situation and investment goals and objectives. If the client does not notify Delta of changes, Delta's investment recommendations may not meet the client's needs.

### **Financial Planning and Consulting Services**

Delta provides a variety of financial planning and consulting services, principally advisory in nature, to individuals or families regarding the management of their financial resources, based upon analysis of the client's needs. Generally, financial planning services will involve preparing a financial program for a client based on the client's financial circumstances and objectives. Planning services are customized to the client's individual needs and areas where planning is needed. The following advisory services are offered:

- Comprehensive planning
- Cash Flow Analysis
- Retirement planning
- Education planning
- Estate planning
- Tax preparation services and planning strategies
- Insurance and risk analysis
- Divorce planning
- Employee benefits analysis
- Qualified plan analysis and allocation
- Stock options analysis
- Debt management
- Investment planning and risk analysis
- Business owner planning and business transition and succession services
- Elder care planning
- Long term care analysis

The program developed for the client will usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, Delta may recommend that the clients obtain insurance or revise existing coverage, establish an individual retirement account, increase or decrease funds held in savings accounts or invest funds in securities.

Financial plans are based on the client's financial situation at the time and are based on financial information disclosed by the client to Delta using certain assumptions with respect to interest and inflation rates and based on past trends and performance of the market and economy. However, past

performance is in no way an indication of future performance. Delta cannot offer any guarantees or promises that client's financial goals and objectives will be met. Further, clients must continue to review any plan and update the plan based upon changes in the client's financial situation, goals, or objectives or changes in the economy. Should client's financial situation or investment goals or objectives change, clients must notify Delta promptly of the changes. Delta is not in a position to provide advice or guidance on all of clients' possible insurance needs. Therefore, clients should seek other insurance professionals to review all insurance needs.

## Item 5 - FEES AND COMPENSATION

### Wealth Management Program

A. Delta charges an asset-based fee for investment management. Our fee schedule is below.

Fee Breakpoint Levels	Maximum Annual Advisory Fee
Up to \$250,000	2.25%
\$250,000 to \$500,000	2.00%
\$500,001 to \$1,000,000	1.75%
\$1,000,001 to \$3,000,000	1.50%
\$3,000,001 to \$5,000,000	1.00%
\$5,000,001 to \$10,000,000	0.80%
Over \$10,000,000	Negotiable

The different tiers are referred to as breakpoints. The specified fee percentage for the management of a given account under management is determined by the value of that account and is applied to all of the assets in that account. Fees are not determined based on an aggregate of all assets in a client portfolio. Consequently, clients will pay different fees based on the account size for each account. For example, if a client has two accounts, one with assets valued at \$750,000, and the other with assets valued at \$275,000, the client will be charged an advisory fee of 1.75% for management of the \$750,000 account and will be charged an advisory fee of 2.0% for management of the \$275,000 account.

Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds. Further, Delta can change the above fee schedule upon 30-days prior written notice to you or immediately upon your written consent.

- B. Advisory fees are collected directly from the client's account, provided the client has given Delta written authorization. The account custodian will provide the client with an account statement reflecting the deduction of the advisory fee. If the Account does not contain sufficient funds to pay advisory fees, Delta has the authority to sell or redeem securities in sufficient amounts to pay advisory fees.
- C. In addition to the advisory fees above, the client will pay additional fees to separate account managers, and the custodian, including custodial services fees, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. These fees are not charged by Delta and are charged by the issuer, administrator, broker/dealer or account custodian. Delta does not share

in any portion of these third-party fees. Additionally, clients will pay a proportionate share of management and administrative fees charged by any mutual fund the client purchases or holds. Some mutual funds charge sales fees and distribution/ marketing fees (also called 12b-1 fees). These fees are not shared with Delta. They are compensation to the fund or its manager.

- D. Advisory fees are charged in arrears on a quarterly basis based upon the average daily value of the account of the days during the previous quarter.
- E. Some Advisory Representatives of Delta are dually registered representatives of Regulus Advisors, LLC, a registered broker/dealer, member of the Financial Industry Regulatory Authority (FINRA) and SIPC.
- F. If the account is opened with securities previously purchased through Regulus Advisors, LLC Financial Services, Inc. or through a Delta Advisory Representative, the Delta Advisory Representative will have already received commissions on the purchase. If the account is opened with cash proceeds from the sale of securities purchased through Regulus Advisors, LLC or a Delta Advisory Representative, the Delta Advisory Representative will already have received commissions on the sale.
- G. Clients may purchase the securities recommended by Delta directly or through other brokers or agents not affiliated with Delta.

#### Termination Provisions

Clients may terminate investment advisory services obtained from Delta, without penalty, upon delivery of written notice to Delta within five (5) business days after entering into the advisory agreement with Delta. Clients will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, Clients may terminate investment advisory services upon Delta's receipt of written notice. Prorated fees will be charged based on the market value of the account on the date notice of termination is received by Delta.

As discussed in Item 12, below, some associated persons of DFA are separately licensed Registered Representatives of an unaffiliated broker-dealer. If a Client elects to have DFA prepare a financial plan, and does not elect to engage DFA to provide investment management services, the Client must be aware that these individuals, in their separate capacity, are permitted to recommend that Client purchase or sell securities. This usually occurs as part of discussions about implementation of the Client's financial plan. If a Client elects to purchase or sell securities through the DFA associated person, Client must be aware that the associated person will receive commission on each transaction. This practice presents a conflict of interest because these associated persons have a financial incentive to recommend securities products based on the potential to earn commissions rather than on the Client's needs.

In addition, some associated persons of DFA are licensed as independent insurance agents. They are permitted to offer Clients insurance products. If a Client elects to purchase insurance products through the DFA associated person, the Client must be aware that the associated person will be compensated by commissions on that transaction and potentially on an ongoing basis for as long as the policy remains in force. Insurance commissions earned are separate and distinct from DFA. This practice presents a conflict of interest because these persons have a financial incentive to recommend insurance products based on the potential to earn commissions rather than on Client's needs.

No Client is under any obligation, contractually or otherwise, to purchase or sell any securities or insurance products through any person affiliated with DFA.

### **Financial Planning and Consulting Services**

Delta offers planning, consulting, and advisory services on an hourly fee basis. Fees for planning services are strictly for planning services. Therefore, clients will pay fees and/or commissions for additional services obtained such as asset management or products purchased such as securities or insurance.

#### *Hourly Fees*

Hourly fees will range from \$180 - \$400 per hour, depending on the nature and complexity of each client's circumstances and staff resources, travel time, number of meetings, and number of other professionals and contacts required. Delta's maximum hourly rate may be higher than the hourly fees charged by most other financial planners for similar services.

An estimate of the fee approximated for the services will be provided at the start of the advisory relationship. Upon completion of the services, clients will be provided a total of hours spent by Delta and total fees for services provided. Clients will pay an initial fee of one-half of approximated fee upon execution of the advisory agreement. Upon completion of the services clients will pay the balance of fees due which is calculated based on actual time less the deposit paid by the client. Hourly fees are negotiable and will be due to Delta upon completion of the work and recommendations have been presented. Hourly fees will be calculated based on an actual time expended by Delta.

#### Termination Provision

Clients may terminate services within five (5) business days after entering into the advisory agreement without penalty. After five (5) business days of entering into the advisory agreement, clients may terminate upon Delta's receipt of a client's written notice to terminate. The client will be responsible for any time spent by Delta providing the client advisory services or analyzing the client's situation.

Any refunds due to the client for prepaid fees will be calculated based on Delta's hourly fee schedule outlined above.

### **Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

This section is not applicable to Delta since Delta does not charge performance-based fees.

### **Item 7 - TYPES OF CLIENTS**

Delta's services are geared toward individuals, including high net worth individuals (i.e. clients with a net worth of at least \$2,000,000).



Generally, Delta will require a minimum asset size of \$100,000 for participation in Delta's management services. The minimum asset size is determined based on all managed assets in a client household. However, exceptions are made depending on the circumstances of the client's situation and complexity of the client.

## **Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

- A. Delta uses various methods of analysis to determine the securities selected and asset allocations. Delta utilizes reports and analyses by industry professionals that incorporate fundamental, technical, charting and/or cyclical analyses. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns. Charting is a form of technical analysis in which various factors are diagrammed in order to illustrate patterns. Cyclical is attempting to determine the patterns of how the economy and/or the market affect a security and attempt to determine the highs and lows of the security.
- B. Delta's strategies and investments may have tax implications. Regardless of your account size or other factors, Delta strongly recommends that each client continuously consult with a tax professional prior to and throughout the investing of assets.
  - A. All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Regardless of the methods of analysis or strategies suggested for your particular investment goals, you should carefully consider these risks, as they all bear risks.
  - B. Delta generally recommends mutual funds and exchange-traded funds ("ETFs"), and Delta makes recommendations based on the clients' goals and investment objectives. All investments are subject to an inherent risk of loss. The value of securities in the portfolio can increase and decrease in a moment's notice. Accordingly, clients can lose money, including principal. The stock market is subject to significant fluctuations in value as a result of political, economic, and market developments. If the stock market declines in value, the portfolio is likely to decline in value. Additional information regarding some specific risks are identified below:
  - C. Market Risk. The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the client or an underlying fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
  - D. Management Risk. Delta's investment approach may fail to produce the intended results. If Delta's perception of the performance of a specific asset class or underlying fund is not realized in the expected time frame, the overall performance of client's portfolio may suffer.

- E. **Natural and Other Disasters Risk.** Natural disasters can affect the entire economy and markets, including exchanges and service providers like clients' account custodians and clearing firms. This, in turn, can affect clients' ability to transact in securities when they wish. Clients may not be able to liquidate in a timely manner or at a desired price. Clients may not be able to withdraw funds. For its part, Delta has policies in place to ensure that Delta fulfills its responsibility to recover from a natural or man-made disaster in the minimum amount of time, with minimum disruptions. In the event of a disaster resulting in loss of Delta's physical location, Delta will attempt to notify each client via phone, by posting messages to its web site and via third-party email services to provide clients with alternative contact numbers. Delta does not control the exchanges, custodians, clearing firms and other service providers, however, and cannot assure that their services will always be available when desired or needed.
- F. **Inflation Risk.** When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- G. **Currency Risk.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- H. **Reinvestment Risk.** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities that mature at a future time, such as CD's and bonds.
- I. **Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Delta has no control over the risks taken by the underlying funds in which clients invest.

## **Item 9 - DISCIPLINARY INFORMATION**

There is no reportable disciplinary information required for Delta or its management persons that is material to clients' evaluation of Delta, its business or its management persons.

## **Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

- A. As previously stated, some Advisory Representatives of Delta are dually registered as a Registered Representative of Regulus Advisors, LLC, a FINRA member broker-dealer. Clients are under no obligation to purchase or sell securities through their capacity as a Registered

Representative with Regulus Advisors, LLC. If clients choose to implement the plan by opening a brokerage account through Regulus Advisors, LLC, the Advisory Representative of Delta will receive commissions on the client's transactions in that account in their capacity of Registered Representative at Regulus Advisors, LLC. The commissions may be higher or lower at Regulus Advisors, LLC, than at other broker/dealers. Advisory Representatives have a conflict of interest in having clients purchase securities through Regulus Advisors, LLC. First, the representatives are paid a percentage of the commissions that Regulus Advisors, LLC, receives on every transaction they place. Second, the higher their overall production with Regulus Advisors, LLC, the greater opportunity for obtaining a higher percentage pay-out on commissions. Delta mitigates these conflicts by disclosure in this Brochure and in discussions with the client. It is Delta's policy to put the client's interests first. Delta does not generally allow its representatives to recommend that clients implement their financial plans through brokerage accounts unless the representative believes it would be better for the client, on an overall basis, to do so.

- B. Delta or any of its management persons are not registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. Beverly Fischetti is a certified public accountant ("CPA"). Please refer to Beverly Fischetti's Supplement for additional information. Delta offers and provides accounting and tax preparation services to some of its clients for a separate fee. The fees charged for accounting and tax services are separate and distinct from the fees charged for advisory services.
- D. Some Advisory Representatives of Delta may also be independent insurance agents. There is a potential conflict of interest for Delta Advisory Representatives to receive commissions through the sale of insurance products. Delta and its representatives have a fiduciary duty to only act in the best interest of clients. The client is in no way obligated to use a Delta representative for the purchase or sale of insurance products and clients may consult other professionals and implement recommendations through other financial professionals.
- E. Delta and its management persons are not actively engaged in any other investment related business other than what is disclosed above. Please refer to Form ADV Part 2B for information about other businesses engaged in by advisory representatives.
- F. As stated under Item 4, *Advisory Business* above, Delta recommends clients utilize custodians in which Delta has an established relationship. The client will pay Delta a fee based on the fee schedules disclosed above under Item 5, *Fees and Compensation*.

## **Item 11-CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

- A. Delta maintains a Code of Ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, Delta's

Code of Ethics establishes Delta's expectation for business conduct. The Code of Ethics is designed to prevent, as far as reasonably possible, conflicts of interest between Delta and its clients. Delta will provide clients with a copy of its Code of Ethics upon request.

- B. Neither the firm nor an associate is authorized to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a “related person” (e.g., associate, an immediate family member, etc.) has a material financial interest, such as in the capacity as a board member, underwriter or advisor to an issuer of securities, etc.
- C. Delta anticipates that, in appropriate circumstances, consistent with clients’ investment objectives, Delta will cause accounts over which it has authority to effect, or will recommend to clients, the purchase or sale of securities in which Delta’s supervised persons have a position. Delta’s employees and persons associated with Delta are required to follow Delta’s Code of Ethics. Subject to satisfying this policy and applicable laws, Delta’s employees and associated persons are permitted to trade for their own accounts in securities which are recommended to and/or purchased for Delta’s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees will not interfere with making decisions in the best interest of clients, while at the same time, allowing employees to invest for their own accounts. Generally, the Code of Ethics requires prior written approval for personal securities transactions placed for employee and employee-related accounts except in open-end mutual funds, variable insurance products, Treasury securities, and certain other types of securities where the transactions are not likely to have an impact on the prices of the securities in which clients invest. Delta monitors employee trading to ensure compliance with the Code of Ethics.
- D. Delta’s related persons may buy or sell securities that are the same as, similar to, or different from, those recommended to clients for their accounts, and this poses a conflict of interest. We mitigate this conflict by ensuring that we have policies and procedures in place to ensure that the firm or a related person will not receive preferential treatment over a client.

In an effort to reduce or eliminate certain conflicts of interest involving personal trading (i.e., trading ahead of client recommendation, etc.), Delta’s policy may require that we periodically restrict or prohibit related parties’ transactions. Any exceptions must be approved in writing by our Chief Compliance Officer, and personal trading accounts are reviewed on a quarterly or more frequent basis.

## **Item 12 - BROKERAGE PRACTICES**

Delta primarily recommends the custodial services of Charles Schwab & Co., Inc., the custodian(s) for American Funds, and/or SEI Investments. In considering which independent qualified custodian will provide the best execution for client transactions, we evaluate the following factors, which is not an all-inclusive list:

- Ability to service clients
- Staying power as a company
- Industry reputation
- Ability to report to clients and to Delta
- Availability of an efficient trading platform
- Products and services available

- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of clients' information
- Responsiveness
- Other factors that bear on the overall evaluation of best price and execution

There is an incentive for Delta and the Advisory Representatives to recommend a broker/dealer over another based on the products and services that will be received rather than your best interest.

The recommended broker-dealers make available to Delta some products and services that benefit Delta but do not directly benefit you. Some of these other products and services assist Delta with managing and administering your accounts. These include software and other technology that provide access to your account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information and other market data; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally are used to service all or a substantial number of Delta's accounts and do not specifically benefit any given client.

Delta recommends the Custodians to clients for custody and brokerage services. While there is no direct link between Delta's recommendation of Custodian and the investment advice it gives to its clients, through its participation on custodial institutional platforms Delta receives economic benefits that are typically not available to the Custodian's retail investors. These benefits generally include, without limitation, the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to trading desks; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds and exchange traded funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Delta by third party vendors. The Custodians may also pay for business consulting and professional services received by Delta's related persons. Delta benefits by not having to produce or pay for the research, products or services, and Delta will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that Delta's acceptance of these benefits may result in higher commissions charged to the client. These services are not formal soft dollar arrangements but are part of the institutional platforms offered by the Custodians.

Delta may engage in conducting aggregated or block transactional trading. The price of execution of securities, other than open ended mutual funds, could result in more or less favorable pricing. Delta generally provides individual management and does not typically execute the same transaction for a group of accounts at the same time. Delta manages each client's account separately and individually. Further, Delta primarily engages in mutual fund transactions where aggregated or block orders would not impact the price.

### **Item 13 -REVIEW OF ACCOUNTS**

- A. If engaged to perform asset management services, Delta will normally review each client's investment portfolio annually or as agreed. Delta will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which the client's assets are invested, and market shifts and corrections. Clients may request more frequent reviews and set thresholds for triggering events that would cause a review to take place. Financial plans separate from asset management services will be reviewed once, prior to delivery of the plan. If a client would like additional financial planning services subsequent to the delivery of the agreed-upon plan, it will require a new engagement and additional fees.

The following individuals conduct reviews:

Beverly Fischetti, Principal Advisor  
Jacob DeFilippo, Director of Client Services

- B. Clients must notify their Advisory Representative promptly of any changes to the client's financial goals, objectives or financial situation as such changes may require review of the portfolio allocation and recommendations for changes.
- C. Clients will be provided statements at least quarterly directly from the account custodian. Additionally, the custodian will send confirmations of all transactions. At least annually when the client attends the annual review, Delta will provide the client with a consolidated written report of the client's managed account. Clients should compare the written report with statements received directly from the account custodian. Should there be any discrepancy, the account custodian's report will prevail.

### **Item 14 -CLIENT REFERRALS AND OTHER COMPENSATION**

- A. Product vendors recommended by Delta provide monetary and non-monetary assistance with client events, educational tools and resources. This creates a conflict of interest, as Delta has an incentive to recommend products sponsored by vendors who provide the firm with these benefits. Delta does not select products as a result of any monetary or non-monetary assistance, but rather, selects and recommends products in its clients' best interest. Delta's due diligence of a product does not take into consideration any assistance it receives.
- B. Delta does not directly or indirectly compensate any person who is not a supervised person of Delta for referrals. Further, Delta does not receive an economic benefit from a non-client for providing investment advice or advisory services to clients.

### **Item 15 - CUSTODY**

Under government regulations, Delta is deemed to have limited custody of client assets if, for example, clients authorize Delta to instruct the account custodian to deduct Delta's advisory fees directly from the client's account or if the client grants Delta authority to move money to third party's account using a Standing Letter Of Authorization. The client's account custodian maintains actual custody of assets. Delta does not have physical custody of client funds or securities. Clients will receive account



statements directly from the broker/dealer or account custodian at least quarterly. Clients should carefully review statements received by the broker/dealer or account custodian. Further, clients should compare any written report received from Delta with statements received directly from the broker/dealer or account custodian. Should there be any discrepancy the account custodian's report will prevail.

#### Standing Letters of Authorization

Some clients may execute limited powers of attorney or other standing letters of authorization that permit the firm to transfer money from their account with the client's independent qualified Custodian to third-parties. This authorization to direct the Custodian may be deemed to cause our firm to exercise limited custody over your funds or securities and for regulatory reporting purposes, we are required to keep track of the number of clients and accounts for which we may have this ability. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate any transfers that may have taken place within your account(s) each billing period. You should carefully review account statements for accuracy.

#### **Item 16 - INVESTMENT DISCRETION**

Before Delta can buy or sell securities on clients' behalf, the client must first sign a discretionary management agreement, a limited power of attorney, and/or trading authorization forms. By choosing to do so, the client grants the firm discretion over the selection and amount of securities to be purchased or sold for the client's account(s) without obtaining the client's consent or approval prior to each transaction. Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided to the IAR in writing. Please refer to the "Advisory Business" section of this Brochure for more information on Delta's discretionary management services.

#### **Item 17 - VOTING CLIENT SECURITIES**

Delta does not vote clients' securities. Unless clients suppress proxies, securities proxies will be sent directly to the client by the account custodian or transfer agent. Clients may contact Delta about questions relating to voting proxies, but the actual voting, and decisions how to vote, are the clients' responsibility. However, the voting and how you vote proxies is solely the client's decision.

#### **Item 18 - FINANCIAL INFORMATION**

- A. Delta does not require clients to prepay more than \$1,200 and six or more months in advance of receiving services.
- B. Delta is financially stable. There is no financial condition that is likely to impair Delta's ability to meet its contract actual commitment to clients.
- C. Neither Delta nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

**Item 19-REQUIREMENTS FOR STATE REGISTERED ADVISERS**

This section is not applicable, as the firm is registered with the Securities and Exchange Commission.