

# Gold Investment Management Ltd. Firm Brochure

*This brochure provides information about the qualifications and business practices of Gold Investment Management Ltd. If you have any questions about the contents of this brochure, please contact us at (780) 436-9955 or by email at: [invest@gold-im.com](mailto:invest@gold-im.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 Gold Investment Management Ltd. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Gold Investment Management Ltd.'s CRD number is: 152056.*

Suite 502, Fox Tower One  
10226 - 104 Street NW  
Edmonton, AB T5J 1B8 Canada  
(780) 436-9955  
[www.gold-im.com](http://www.gold-im.com)  
[invest@gold-im.com](mailto:invest@gold-im.com)

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

Version Date: 02/24/2021

## **Item 2: Material Changes**

Gold Investment Management Ltd. ("GIM") filed its last annual update to the Brochure on February 18, 2020. GIM continues to conduct its business activities and provide investment advisory services in substantially the same manner as described in the last update to the Brochure. The ensuing is only a list of changes since the last annual update that are or may be considered material. It does not identify every change to the Brochure since the last update. In addition, there have been minor word enhancements and clarifications throughout the Brochure.

Additional changes were made to Item 5 to disclose that advisory fees are charged at an annual rate of no more than 2% of assets under management and that clients with assets held in custody at Credential Qtrade Securities Inc. are generally assessed a separate custody fee of 0.16% that is billed by GIM but remitted to the custodian.

Item 12 was updated to disclose that GIM, on occasion, may effect cross transactions between client accounts if there is a benefit for both clients and best execution can be achieved. Additional disclosure was also made regarding GIM's policy to execute cross trades through a broker-dealer and use the mid-point between the best bid and ask as the execution price. Furthermore, if cross trades are undertaken for groups of accounts, each account will receive the same average price and the trade will be allocated on a pro-rata basis across all accounts.

## Item 3: Table of Contents

### Table of Contents

Item 2: Material Changes .....	i
Item 3: Table of Contents .....	ii
Item 4: Advisory Business .....	1
A. Description of the Advisory Firm.....	1
B. Types of Advisory Services.....	1
Investment Supervisory Services.....	1
Services Limited to Specific Types of Investments.....	1
C. Client Tailored Services and Client Imposed Restrictions.....	2
D. Wrap Fee Programs .....	2
E. Amounts Under Management.....	2
Item 5: Fees and Compensation .....	3
A. Fee Schedule .....	3
Investment Supervisory Services Fees .....	3
B. Payment of Fees.....	3
Payment of Investment Supervisory Fees .....	3
C. Clients Are Responsible For Third Party Fees.....	3
D. Prepayment of Fees.....	4
E. Outside Compensation For the Sale of Securities to Clients.....	4
Item 6: Performance-Based Fees and Side-By-Side Management .....	4
Item 7: Types of Clients.....	4
Minimum Account Size .....	4
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss.....	4
A. Methods of Analysis and Investment Strategies .....	4
Methods of Analysis .....	4
Fundamental analysis.....	4
Investment Strategies .....	4
B. Material Risks Involved.....	5
Methods of Analysis .....	5
Fundamental analysis.....	5

Investment Strategies .....	5
C. Risks of Specific Securities Utilized .....	5
Item 9: Disciplinary Information .....	6
A. Criminal or Civil Actions .....	6
B. Administrative Proceedings.....	6
C. Self-regulatory Organization (SR) Proceedings.....	7
Item 10: Other Financial Industry Activities and Affiliations .....	7
A. Registration as a Broker/Dealer or Broker/Dealer Representative.....	7
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.....	7
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests .....	7
D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections.....	8
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	8
A. Code of Ethics .....	8
B. Recommendations Involving Material Financial Interests .....	8
C. Investing Personal Money in the Same Securities as Clients.....	8
D. Trading Securities At/ Around the Same Time as Clients' Securities.....	8
Item 12: Brokerage Practices.....	9
A. Factors Used to Select Custodians and/or Broker/Dealers .....	9
1. Research and Other Soft-Dollar Benefits .....	9
2. Brokerage for Client Referrals.....	9
3. Clients Directing Which Broker/Dealer/Custodian to Use.....	9
B. Aggregating (Block) Trading for Multiple Client Accounts .....	9
Item 13: Reviews of Accounts .....	10
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews.....	10
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	10
C. Content and Frequency of Regular Reports Provided to Clients.....	10
Item 14: Client Referrals and Other Compensation .....	10
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	10

B. Compensation to Non – Advisory Personnel for Client Referrals .....	11
Item 15: Custody .....	11
Item 16: Investment Discretion .....	11
Item 17: Voting Client Securities (Proxy Voting) .....	11
Item 18: Financial Information .....	12
A. Balance Sheet .....	12
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....	12
C. Bankruptcy Petitions in Previous Ten Years .....	12

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Gold Investment Management Ltd. (hereinafter "GIM") is a Corporation organized in Alberta, Canada.

This firm, which is based in Edmonton, Alberta, has been in business since August 9, 2007, and the principal owner is Gold Investment Holdings Ltd., which is owned by Jonathan Andrew Lewis Goldenstein, CFA and Christine Ruth Gold.

GIM is also registered in Canada with the Alberta, British Columbia, Manitoba, Ontario, Quebec, and Saskatchewan financial regulatory authorities. GIM's activities with respect to non-U.S. clients may differ from those described generally herein and the firm may provide additional or different services to non-U.S. clients.

### B. Types of Advisory Services

GIM offers the following services to advisory clients:

#### *Investment Supervisory Services*

GIM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. GIM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- |                       |                                |
|-----------------------|--------------------------------|
| • Investment strategy | • Personal investment policy   |
| • Asset allocation    | • Asset selection              |
| • Risk tolerance      | • Regular portfolio monitoring |

GIM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. GIM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### *Services Limited to Specific Types of Investments*

GIM generally limits its money management to ETFs, equities, bonds, fixed income, debt securities, REITs, and government securities. GIM may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

GIM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent GIM from properly servicing the client account, or if the restrictions would require GIM to deviate from its standard suite of services, GIM reserves the right to end the relationship.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. GIM DOES NOT participate in any wrap fee programs.

### **E. Amounts Under Management**

GIM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$337,260,466	\$0	12/31/2020

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Investment Supervisory Services Fees***

Advisory fees are charged at an annual rate not exceeding 2% of assets under management. These fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid monthly in arrears, and clients may terminate their contracts with thirty days' written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract.

Advisory fees are withdrawn directly from the client's accounts with client written authorization.

### **B. Payment of Fees**

#### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid monthly in arrears.

### **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Clients with assets held in custody at Credential Qtrade Securities Inc. are generally assessed a custody fee of 0.16% that is billed by GIM but remitted to the custodian. Clients with assets held at other custodians will pay custody fees directly to the respective custodian. All third party fees and expenses are separate and distinct from the advisory fees charged by GIM. Please see Item 12 of this brochure regarding broker/custodian.



## **D. Prepayment of Fees**

GIM collects its fees in arrears. It does not collect fees in advance.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither GIM nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

# **Item 6: Performance-Based Fees and Side-By-Side Management**

GIM does not charge performance-based fees to any client account.

## **Item 7: Types of Clients**

GIM generally provides management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans
- ❖ Trusts, Estates, or Charitable Organizations
- ❖ Corporations or Business Entities

### ***Minimum Account Size***

There is an account minimum, \$100,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

# **Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss**

## **A. Methods of Analysis and Investment Strategies**

### ***Methods of Analysis***

GIM's primary method of analysis includes fundamental analysis.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

## ***Investment Strategies***

GIM uses long term trading, short term trading, margin transactions, and options writing (including covered options, uncovered options, or spreading strategies). Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

### **B. Material Risks Involved**

#### ***Methods of Analysis***

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

#### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

GIM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it will utilize margin transactions and options writing which generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Short term trading** risks include liquidity, economic stability and inflation.

**Margin transactions** use leverage that is borrowed from a brokerage firm as collateral. Trading on margin involves a number of risks, including the possibility of a loss greater than the amount deposited in the margin account and the fact that the brokerage firm can force the sale of securities in the account without contacting that account holder. Additional risks associated with the use of leverage include the magnification of investment risk and the fact that interest costs may exceed any returns received.

**Options writing** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. Options may fluctuate in value at a greater rate than investments in the underlying securities and entail greater than ordinary investment risks.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

Jonathan Andrew Lewis Goldenstein, CFA settled a lawsuit on May 2, 2018 with a former referral agent who alleged a breach of contract and defamation.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SR) Proceedings**

In October 2014, GIM entered into settlement agreements between the firm and the Ontario Securities Commission and the Alberta Securities commission where the firm accepted modified terms and conditions on its registration. The firm's registration as a portfolio manager included an obligation to retain a compliance monitor to review the firm's compliance with its "know your client" and suitability obligations for a period of nine months and to also provide monthly reports to the Ontario and Alberta Securities Commissions. Thereafter, the Ontario and Alberta Securities Commissions required the firm to submit to an annual audit by the compliance monitor for a period of three years. These terms and conditions were removed from GIM's registration effective September 5, 2018.

GIM admitted that it had not discharged all of its obligations in respect of establishing, maintaining and applying a system of controls and supervision to ensure compliance with applicable securities regulatory requirements and to manage the risks associated with its business and that it had not discharged all of its obligations relating to client reviews and suitability.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither GIM nor its representatives are registered as or have pending applications to become a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither GIM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither GIM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

GIM does not utilize nor select other advisors or third party managers. All assets are managed by GIM management.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

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

### **B. Recommendations Involving Material Financial Interests**

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

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of GIM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of GIM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. GIM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of GIM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of GIM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. GIM will always transact client's transactions before its own when similar securities are being bought or sold.

### **Item 12: Brokerage Practices**

#### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians are selected based on their financial strength and wide recognition. GIM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

##### ***1. Research and Other Soft-Dollar Benefits***

GIM does not enter into "soft dollar" arrangements. The first consideration when recommending broker/dealers to clients is best execution. GIM always acts in the best interest of the client.

##### ***2. Brokerage for Client Referrals***

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

##### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

GIM will not allow clients to direct GIM to use a specific broker-dealer to execute transactions. Clients must use GIM recommended custodian (broker-dealer).

#### **B. Aggregating (Block) Trading for Multiple Client Accounts**

GIM maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing GIM the ability to purchase larger blocks resulting in smaller transaction costs to the client. Where orders have been blocked, the respective trade executions will generally be allocated to each respective portfolio based on the average fill price, net of commissions. Where the entire order has not been completed, the executed volume will generally be allocated to each portfolio pro-rata, based on the relative size of their initial order, net of commissions. Notwithstanding the above, odd lot fills may be rounded up or down so that only normal lot amounts are allocated to each portfolio. Declining to block trades can cause more expensive trades for clients.

On occasion, GIM may effect cross transactions between client accounts if there is a benefit for both clients and best execution can be achieved. GIM's policy is to execute cross trades through a broker-dealer and use the mid-point between the best bid and ask as the execution price. If cross trades are undertaken for groups of accounts, each account will receive the same average price and the trade will be allocated on a pro-rata basis across all accounts.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Jonathan Andrew Lewis Goldenstein is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at GIM are assigned to this reviewer. A client's KYC information will be updated as soon as reasonably practicable under three circumstances: (i) when the firm is advised by a client that there has been a material change to the client's KYC information (ii) whenever the client makes a relatively significant contribution to, or withdrawal from, their account, and (iii) when Gold otherwise becomes aware of a material change to the client's KYC information. Absent the update of a client's KYC information under these circumstances, every client's KYC information would be updated no less frequently than annually;

Each KYC information update will be conducted by way of a comprehensive face-to-face meeting or telephone conversation by a registered individual using a KYC information form

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

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

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

## **Item 14: Client Referrals and Other Compensation**

#### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

GIM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to GIM clients.

#### **B. Compensation to Non – Advisory Personnel for Client Referrals**

GIM may compensate referrals with up to a 60% referral fee for directing clients to GIM.

### **Item 15: Custody**

GIM, with client written authority, has limited custody of client's assets through direct fee deduction of GIM's Fees only. If GIM's fees are deducted directly from a client's account, GIM will obtain written authorization from the client. Clients should receive at least quarterly statements from the custodian that indicate the amounts of any funds or securities in the account as of the end of the statement period and any transactions in the account during the statement period. GIM urges clients to carefully review those statements for accuracy and compare such official custodial records to any account statements that GIM may provide.

### **Item 16: Investment Discretion**

For those client accounts where GIM provides ongoing supervision, the client has given GIM written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides GIM discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

### **Item 17: Voting Client Securities (Proxy Voting)**

GIM has a fiduciary obligation to review and vote on corporate actions and proxies in the best interests of the portfolios it manages. The Custodian is generally instructed to forward all proxies to GIM's Chief Investment Officer, who will ensure they are analyzed and voted in accordance with client instructions and internal policies, and that clients' interests are placed ahead of GIM's interests. GIM seeks to vote and submit all proxies in a timely manner.

Due to the nature of GIM's business, it is unlikely that conflicts of interest will arise with respect to the voting of client proxies. If there is a material conflict, GIM will document it in writing, disclose the conflict to the client, and give the client the option of voting the proxy and/or vote the proxy in the best interest of the client.



Clients of GIM may obtain the voting record of GIM on client securities by contacting GIM at phone number or e-mail address listed on the cover page of this brochure. Clients may obtain a copy of GIM's proxy voting policies and procedures upon request.

## **Item 18: Financial Information**

### **A. Balance Sheet**

GIM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither GIM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

GIM has not been the subject of a bankruptcy petition in the last ten years.

\