



MARTELLO
INVESTMENTS

Martello Investments, LLC

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May 11, 2022

Form ADV 2A

Item 1 – Cover Page

This brochure provides information about the qualifications and business practices of Martello Investments, LLC. If you have any questions about the contents of this brochure, please contact us at (757) 337-3599 and/or info@martelloinvestments.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. Additional information about Martello Investments, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Martello Investments, LLC’s registration as an investment adviser does not imply a certain level of skill or training.

Item 2 – Material Changes

Last Annual Update: March 21, 2022

Summary of Material Changes

This section will be updated as required in the event any material changes are made to the Martello Investments, LLC Firm Brochure (the “Brochure”):

- The firm has updated Client Referrals under Item 14.

Delivery Requirements

We will provide a summary of any material changes to this Brochure to our clients at least annually, within 90 days of our fiscal year end. Furthermore, we will provide our clients with other interim disclosures about material changes as necessary.

A complete copy of our current Form ADV Part 2A and/or 2B may be requested free of charge by contacting us by telephone at (757) 337-3599 or by email at info@martelloinvestments.com.

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Item 4 – Advisory Business

FIRM DESCRIPTION

Martello Investments, LLC (hereinafter referred to as “Martello”, “we”, “us”, or “our firm”) is a Virginia limited liability company with its principal office located in Norfolk, VA and has been in business as a registered investment adviser since 2017. Martello is 100% owned by Charles Culver and Arthur Grizzle. We offer fee-only investment management and financial planning services.

As a registered investment adviser and fee-only advisor, we are a fiduciary to you, our client, meaning we have a fundamental and legal obligation to act and provide investment advice that is in your best interest. Should any material conflicts of interest exist that might affect the impartiality of our investment advice, they will be disclosed to you in this Brochure. We urge you to review this Brochure carefully and consider our qualifications, business practices and the nature of our advisory services before becoming our client.

As of December 2021, Martello manages \$4,118,182 of client assets on a discretionary basis and \$21,542,282 of client assets on a non-discretionary basis.

ADVISORY PROGRAMS

Martello offers a wide variety of investment advisory services to corporate and public retirement plans, endowments and foundations, trusts, and individuals.

Our advisory services are offered through certain individuals who have registered with Martello as its investment adviser representatives (“advisors”). Clients should refer to such advisor’s Form ADV Part 2B (the “Brochure Supplement”) for more information about their qualifications.

Martello’s advisory services are tailored to the needs of our clients based on their individual investment objectives, risk tolerance, cash or income needs, and any investment restrictions. Although Martello seeks to accommodate any reasonable investment restrictions or guidelines set by our clients, we may at our discretion decline to accommodate certain investment restrictions that are incompatible with our firm’s investment philosophy or that may have an adverse effect on our ability to manage client accounts.

Our advisors may offer all or any combination of the advisory services described below to our clients:

Investment Management Services

Working closely with an advisor, Martello will interview you to determine your investment objectives, risk tolerance, desired return parameters, and other factors and preferences.

Based on our understanding of your needs, we then invest your portfolio. We do not provide identical advice to every client, though we may employ similar strategies and purchase similar securities in other client accounts. Your preferences, investment criteria, time horizon, and risk tolerance will determine the investments and the investment strategies we select for you.

For example, if you want to focus on:

- **Capital Growth:** We may invest part of your portfolio in internal strategies (described below) that utilize exchange-traded funds (ETFs) or, for qualified clients with assets and/or income sufficient to do so, for whom it is appropriate, we may invest part of your portfolio in private funds that offer risk and return characteristics unique to the publicly available investment universe.

- **Owning individual equity securities:** We may invest in a diversified portfolio of individual equity securities that match your risk and return characteristics and fit your personal investment outlook or investment goals, such as owning companies that have female board members.

Martello generally exercises discretionary authority where we manage investment portfolios without client consultation after the initial establishment of the client's investment objectives and develop an appropriate asset allocation with the client. Martello receives discretionary authority from our clients through our Investment Management Agreement at the outset of our advisory relationship.

In general, a "Qualified Client" is:

(1) a natural person or company who at the time of entering into such agreement has at least \$1,000,000 under the management of the investment adviser;

(2) a natural person or company who the adviser reasonably believes at the time of entering into the contract: (A) has a net worth of jointly with his or her spouse of more than \$2,100,000 excluding the value of the client's primary residence; or (B) is a qualified purchaser as defined in the Investment Company Act of 1940, §2(a)(51)(A) (15 U.S.C. 80a-2(51)(A)); or

(3) a natural person who at the time of entering into the contract is: (A) An executive officer, director, trustee, general partner, or person serving in similar capacity of the investment adviser; or (B) An employee of the investment adviser (other than an employee performing solely clerical, secretarial, or administrative functions with regard to the investment adviser), who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar function or duties for or on behalf of another company for at least 12 months.

Nondiscretionary Portfolio Monitoring Services

Martello provides nondiscretionary advice to clients regarding their portfolios. This advice depends upon the needs of the client. Clients that engage Martello's non-discretionary investment advisory services must understand that Martello cannot transact in a nondiscretionary client account without obtaining prior consent to such transaction(s) from the client or receiving an order from the client to transact in the account. Thus, in the event Martello would like to make a transaction for a client's account (including in the event of an individual holding correction or a general market correction), and the client is unavailable, Martello will be unable to transact in the account without first obtaining the client's consent.

Financial Planning Services

To the extent requested by a client, Martello offers financial planning services to its clients. Services and recommendations provided (if any) are specific to each client engagement, and the cost is typically included in the normal investment advisory fee charged (with any exceptions agreed upon in advance). Planning services may include a customized written financial plan to be reviewed and updated (as agreed to by Martello and the client), ongoing financial planning services offered in conjunction with investment advisory services, or ad hoc planning as needed or requested by the client. Martello can also help with the implementation of planning recommendations as needed or requested by the client. Implementation may include working with a client's other professionals, such as attorneys, CPAs, brokers, and insurance agents. Implementation of recommendations is always at the client's discretion.

Asset Allocation Studies

Martello assists in the development and preparation of asset allocation studies and investment policy statements, typically using the liquidity requirements, performance goals, risk tolerance levels, and asset liability modeling as applicable, as described to Martello by the client to help develop solutions.

Alternative Investment Consulting Services

Martello may recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent managers. Martello will identify appropriate managers based on the stated investment objectives of the client and will perform due diligence on the investment manager, its personnel, and its strategy or strategies as well as the strategy's fit within the portfolio prior to recommending the investment manager to the client. Clients must enter into a separate written agreement with any independent manager. Martello will continue to monitor and review the client's account performance and may recommend the hiring and firing of independent managers. Martello charges an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the independent manager. This fee is the same fee charged for discretionary investment management services, which is detailed in Item 5 of this document. Factors that Martello considers in recommending independent managers include management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by any independent manager (and the broker-dealer/custodian of the client's assets) will generally be in addition to Martello's investment advisory fee set forth below. The independent manager will generally be responsible for selecting the broker-dealer for the client's assets and will retain best-execution responsibility.

Implementation/Reimplementation of Investment Policy Statements

Martello offers discretionary investment management of plans by identifying opportunities to lower costs by replacing higher-cost investment managers/mutual funds with managed portfolios of low-cost ETFs and ETNs. This service is available for both taxable and non-taxable clients. Martello will manage the investment of client assets in their account (the "Account") in ETFs, ETNs, and cash or cash equivalents and will monitor allocations to ensure they remain within the boundaries of the Investment Policy Statement.

Exchange Traded Notes (ETNs) are unsecured, unsubordinated debt securities that were first issued by Barclays Bank PLC. This type of debt security differs from other types of bonds and notes because ETN returns are based upon the performance of a market index minus applicable fees, no period coupon payments are distributed and no principal protections exists. The purpose of ETNs is to create a type of security that combines both the aspects of bonds and exchange traded funds (ETF). Similar to ETFs, ETNs are traded on a major exchange, such as the NYSE during normal trading hours. However, investors can also hold the debt security until maturity. At that time the issuer will give the investor a cash amount that would be equal to principal amount (subject to the day's index factor). One factor that affects the ETN's value is the credit rating of the issuer. The value of the ETN may drop despite no change in the underlying index, instead due to a downgrade in the issuer's credit rating

Signal Provider Services

We provide propriety investment recommendations ("signals") to clients on a periodic basis. The signals indicate the model asset mix among various investment categories and the recommended trades to achieve that mix. Clients may use the signals provided by our firm to manage their accounts. Clients using these services retain exclusive responsibility for making the determination of whether to implement any of the signals in their accounts. Martello does not manage or exercise investment discretion or trading authority over these accounts.

DISCLAIMERS REGARDING ADVISORY PROGRAMS

Limited Consulting Services

Martello provides limited consulting services regarding investment related matters (such as analysis of specific securities, types of securities and markets) or non-investment related matters (such as estate, tax, or insurance planning). Neither Martello, nor any of its representatives, serves as an attorney, accountant, or licensed insurance agent, and no portion of Martello's services should be construed as legal, accounting, or insurance sales activity. To the extent requested by a client, Martello may recommend the services of other professionals for certain non-investment implementation purposes (e.g. attorneys, accountants, insurance agents). The client is under no obligation to engage the services of any recommended professional. The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation from Martello. If the client engages any recommended professional and a dispute arises, the client agrees to seek recourse exclusively from and against the engaged professional. It remains the client's responsibility to promptly notify Martello if there is ever any change in their financial situation or investment objectives so Martello can review, and if necessary, revise its previous recommendations.

Limitations of Activities and Liability

Clients that determine to engage Martello for retirement plan services must acknowledge that Martello does not generally provide personalized investment advice to any plan participant. In addition, plan participants are responsible for implementing any transactions that may be necessary or appropriate in their own individual account. Martello does not act as an agent in connection with: (a) establishing or terminating client accounts with independent managers, (b) providing purchase or sale instructions to custodians, (c) providing investment or withdrawal instructions to investment management companies, (d) providing or relaying wire transfer instructions relating to the settlement of transactions, or (e) advising on or voting proxies. Martello will not be liable for any failure relating to the issuance, delivery, accuracy, or completeness of such instructions in effecting any such securities transactions.

Retirement Rollovers

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Martello recommends that a client roll over their retirement plan assets into an account to be managed by Martello, such a recommendation creates a conflict of interest if Martello will earn an advisory fee on the rolled over assets. No client is under any obligation to roll over retirement plan assets to an account managed by Martello. Martello's Chief Compliance Officer, Charles Culver, remains available to address any questions that a client or prospective client may have regarding the conflict of interest presented by such rollover recommendation.

Unaffiliated Private Investment Funds

Martello may also provide investment advice regarding unaffiliated private investment funds. Martello, on a non-discretionary basis, may recommend that certain qualified clients consider an investment in unaffiliated private investment funds. Martello's role relative to the private investment funds is limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the funds may be included as part of "assets under management" for purposes of Martello calculating its investment advisory fee. Martello's clients are under absolutely no obligation to consider or make an investment in any private investment fund. Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of

transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments, private investment funds do not provide daily liquidity or pricing. Each client will be required to complete a Subscription Agreement, pursuant to which the client shall establish that it is qualified for investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

Valuation

In valuing the assets of any private investment fund, Martello relies on the most recent valuations provided by the fund sponsors. When a fund sponsor or underlying investment has not provided any updated valuations, Martello will use the purchase price as the value of the investment. If the fund provides an updated valuation after its purchase, then the statement will reflect that updated value. Martello will continue to use the updated value until the fund provides a further updated value. The current value of a private investment fund could be significantly more or less than the original purchase price or the price reflected in any client report.

Wrap Fee Programs

Martello does not participate in any wrap fee programs.

Important Note

It is the client's responsibility to ensure that Martello is promptly notified if there are ever any significant changes to their financial situation, goals, objectives or needs so we can review our previous recommendations and make any necessary adjustments.

Item 5 – Fees and Compensation

ADVISORY FEES

The following information describes how Martello is compensated for the advisory services we provide to our clients. The specific manner in which fees are charged and the compensation we receive may differ between clients depending upon the individual Engagement Agreement with each client. Martello reserves the right to negotiate our compensation with clients depending on the scope of our advisory relationship, and we may charge higher or lower fees than may be available from other firms for comparable services. Martello has the general discretion to waive all or a portion of our fees, but typically only exercises this discretion for our employees or family.

Fees for Investment Management Services

In consideration for providing investment management services, Martello charges an annual asset-based fee. This table describes the fees that we customarily apply to your account.

Dollar Amount	Percentage Charged Annually
\$500,000 and less	1.25%
\$500,001 - \$2,000,000	1.00%
\$2,000,001 - \$5,000,000	0.80%
\$5,000,001 - \$10,000,000	0.60%
\$10,000,000 and over	0.40%

These fees are based on the client’s assets under management (“AUM”) as valued by the custodian.

Martello generally withdraws fees directly from the client’s brokerage accounts with client’s written authorization on a quarterly basis in arrears.

Fees for Nondiscretionary Portfolio Management Services

Martello charges an annual asset-based fee of up to 0.40% based upon the market value of the clients’ assets under management (“AUM”) as valued by the custodian. Martello generally withdraws fees directly from the client’s brokerage accounts with client’s written authorization or otherwise bills clients directly on a quarterly basis in arrears.

Fees for Financial Planning Services

Our normal practice is to offer financial planning services as an add-on service to our discretionary or nondiscretionary investment management services. Thus, the fee you pay for investment management includes financial planning, to the extent requested by the client and subject to a minimum annual fee. This minimum annual fee is between \$2,000 and \$10,000, depending on the scope, scale, and complexity of the financial planning services requested by the client. If the minimum annual fee requires additional payment by the investment management client, Martello will discuss and agree upon any additional fees with the client prior to the commencement of the financial planning engagement. In the case where Martello is asked to provide financial planning services for one for whom Martello does not provide investment management services, Martello may decline to provide financial planning services. If Martello does proceed with a financial planning engagement without providing investment management services, the financial planning fee will be between \$2,000 and \$10,000, depending on the scope, scale, and complexity of the financial planning services requested by the client. Such fees will similarly be discussed and agreed upon prior to the commencement of the financial

planning engagement. Fees for financial planning services are charged in arrears upon completion.

Fees for Asset Allocation Studies

Martello charges a flat fee ranging from \$500 - \$2,500 based upon the complexity of the situation. Martello bills this fee to clients directly upon completion of services. Fees may be waived or reduced if this service is provided alongside other services.

Fees for Alternative Investment Consulting Services

Martello charges an annual asset-based fee of up to 0.40% based upon the market value of the clients' assets under management ("AUM") as valued by the lower of the investment managers' valuations or their custodians' valuations, whichever is lower. Martello bills this fee to clients directly on a quarterly basis in arrears.

Fees for Implementation/Reimplementation of Investment Policy Statements

Martello charges an annual asset-based fee of up to 0.40% based upon the market value of the clients' assets under management ("AUM") as valued by the custodian. Martello generally withdraws fees directly from the client's brokerage accounts with client's written authorization or otherwise bills clients directly on a quarterly basis in arrears.

Fees for Signal Provider Services

Martello charges an annual asset-based fee of up to 0.50% based upon the market value of the clients' assets (designated to Martello in writing) determined as of the last day of the previous billable month. As an example, the quarterly fee for an institutional money manager who desires to use our signals to manage a portion of their client accounts valued at \$1,000,000 on March 31st would be calculated as no more than \$1,250 for $[(1,000,000 * .005) / 4]$ for that quarter. Clients will be billed directly on a quarterly basis in arrears and payment is due to our firm within thirty (30) days of the end of each billing quarter.

Fees for Limited Consulting Services

Martello charges based on the complexity of the project either an hourly fee of between \$250 and \$1,000 per hour or a project-based fee that is negotiated with the client. Clients are billed quarterly in arrears, or upon completion of services. The scope of the project, fees, and terms of payment will be agreed upon in advance and in writing.

Negotiability of Fees

Fees are negotiated with each client based on a variety of factors, such as the number of accounts being managed, our ability to be competitive with fees charged by other investment advisory firms, anticipated future deposits or new accounts, pre-existing relationships, the level and type of services required by the client and/or the nature of the relationship with the client.

Additional Fees and Expenses

Clients may incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or qualified custodian through which account transactions are executed. Martello does not share in any portion of the brokerage fees or transaction charges charged to clients.

The fees that clients pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds to their shareholders. The fees charged by mutual

funds and exchange traded funds will generally include a management fee and other fund expenses. To fully understand the total costs associated with their investment portfolio, clients should review all the fees charged by mutual funds, exchange traded funds, our firm, and others.

Clients are responsible for the payment of all third party fees (i.e., custodian fees, commissions, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Martello. Please see Item 12 of this brochure regarding broker-dealer/custodian.

Termination

Martello enters into formal written agreements with our clients setting forth the terms and conditions under which we will provide our advisory services (the “Engagement Agreement”). The Engagement Agreement sets forth the scope of the services to be provided and the compensation we receive from the client for such services. The Engagement Agreement with our clients may be terminated by either party at any time upon thirty (30) days prior written notice.

For clients subscribed to our investment management services, upon termination of our status as the client’s investment adviser our firm will not take any further action with respect to the client’s account(s) unless specifically notified by the client in writing. Clients will be responsible for instructing their custodian and monitoring their account for the final disposition of assets.

Prepayment of Fees and Refunds

Upon receipt of a proper notice of termination from the client, as described in the Engagement Agreement, any earned unpaid fees will be billed on a pro-rata basis based on the amount of work performed by us up to the point of termination.

Brokerage Commissions

Martello does not receive brokerage commissions from the sale of securities or other investment products. Our compensation for recommending securities and investment products is limited to the advisory fees described above.

Any material conflicts of interest between clients and Martello or our employees are disclosed in this Brochure. If at any time, additional material conflicts of interest develop, Martello will provide our clients with written notification of those material conflicts of interest or an updated Brochure.

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

Martello and its advisors do not accept performance-based fees, which are fees based on a share of capital gains or capital appreciation of the client, and do not conduct side-by-side management.

Item 7 – Types of Clients

TYPES OF CLIENTS

Martello offers investment advisory services to a diverse group of clients including individuals, high net worth individuals, trusts, investment advisers, endowments and foundations, pension and profit-sharing plans (other than plan participants), charitable organizations and non-profit organizations. Client relationships may vary in scope and length of service.

ACCOUNT REQUIREMENTS

Martello generally requires a minimum account balance of \$500,000 for our investment management services. However, Martello in its sole discretion may waive or lower our minimum account balance requirement based on various criteria (i.e., anticipated future additional assets to be managed, related accounts, account composition, negotiations with the client, etc.).

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

METHODS OF ANALYSIS & INVESTMENT STRATEGIES

In general, Martello utilizes the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting

We perform technical analysis of charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when and how long the trend may last, and when the trend may reverse. We analyze past market movements and apply the analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

Fundamental analysis

We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Cyclical Analysis

We measure and analyze the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Quantitative Analysis

We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of the company's share price or the company's earnings per share and predict changes to that data. A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis

We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement and predict changes to share price based on that data. The risk associated with using qualitative analysis is subjective judgment and may prove incorrect.

Asset Allocation

Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Third-Party Money Manager Analysis

We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations, and leverage, to the extent possible, as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with a third-party manager who has been successful in the past is that the manager may not be able to replicate the success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio. There is also a risk the manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputation deficiencies.

DISCRETIONARY AND NONDISCRETIONARY ASSET MANAGEMENT SERVICES

Martello uses the aforementioned methods of analysis to form our recommendations to clients about investment strategies and to manage assets you entrust to us. Our investment advice begins with gathering information from you to determine your financial goals, needs, and risk tolerance. This information is obtained from documents you share with us and from conversations with you.

For most clients, we seek to develop a recommendation for an investment policy statement, a written document that is agreed upon prior to investing assets, that we believe should govern the management of your investments. For other clients, investments in specific Martello strategies that target a particular risk tolerance are deemed appropriate by both the advisor and the client for the management of the client's assets. In some cases, a mix of Martello strategies and an investment policy statement is used.

An investment policy statement will identify the major asset classes of investments we believe you should own and the proportions that should be held for each class. Examples of major asset classes include stocks, bonds, real estate, and private investments, among others. An investment policy will consider your risk tolerance, return goals, liquidity needs, and any special factors that apply to your situation.

As mentioned above, some clients may take advantage of our strategies, which are rules-based, quantitative, and powered by data and signals from Martello's extensive proprietary database. The rules mostly differ for each investment strategy established by Martello, and address the objective of the investment strategy, type, and universe of securities to buy or sell, the frequency and timing of rebalancing, the percentage or amount of a security to hold, the specific securities to buy or sell, and other such considerations. Martello's technology is utilized in investment strategy construction, and to provide data for allocation recommendations for Martello's clients. For these strategies, Martello primarily invests in ETFs and ETNs to gain market exposure across major global asset classes with the expectation of delivering positive long-term returns with low structural volatility.

In managing your portfolio assets, we may use a variety of securities and strategies to implement your investment policy statement. In general, we try to implement portfolio recommendations and investment policy statements

with ETFs, individual securities, or private funds. Our goal is to select the most effective investment option that fulfills the requirements with the lowest fees.

Some investment policy statements may include pooled investment vehicles (e.g. hedge funds, private equity funds, limited partnerships, commodity pools), depending on the needs, qualifications, and risk tolerance of the client. We base our advice to such private investments on the investment objective and restrictions (if any) set forth in the applicable offering memorandum, organizational documents, investment management agreement, and/or subscription agreements.

INVESTMENT STRATEGIES & SIGNAL PROVIDER SERVICES

Martello offers certain investment strategies, described below, to both discretionary asset management clients, for whom we make recommendations and trade, as well as signal provider clients, to whom we only deliver in a timely manner the allocations of the investment strategies.

Martello SIPs (Structured Investment Portfolios)

Martello SIPs are identified by number, 1 through 5, indicating the level of risk the client is willing to take on. The strategies aim to provide individual and high-net-worth clients with a whole-portfolio solution using ETFs as an investment vehicle. The investment strategy invests in ETFs with underlying assets including domestic and international stocks; corporate and government bonds, both domestic and international; US Treasury Inflation Protected securities; convertible bonds; REITs; commodities including gold and oil; the US Dollar; and the volatility asset class. The strategy can invest in certain “short” ETFs to protect capital during declining market environments.

Martello Volatility

Martello Volatility is offered in three levels of risk tolerance: low, medium, and high. Each strategy aims to take advantage of structural efficiencies found in the VIX futures market by using ETNs that track these futures. In times where the strategy determines there is an inadequate opportunity in the VIX futures market, the strategy will invest in a basket of safe-haven assets to protect capital.

The Cboe Volatility Index (VIX) is a real-time index that represents the market's expectations for the relative strength of near-term price changes of the S&P 500 index (SPX). Because it is derived from the prices of SPX index options with near-term expiration dates, it generates a 30-day forward projection of volatility. Volatility, or how fast prices change, is often seen as a way to gauge market sentiment, and in particular the degree of fear among market participants. Introduced in 2004 on Cboe Futures ExchangeSM (CFE[®]), VIX futures provide market participants with the ability to trade a liquid volatility product based on the VIX Index methodology. VIX futures reflect the market's estimate of the value of the VIX Index on various expiration dates in the future.

Martello ESG Equity

Martello ESG Equity is an all-equity program that provides ESG exposure to the investor through ETFs that target market segments such as, but not limited to, clean energy, battery technology, water resources and clean technology, smart grid infrastructure, gender diversity, medical breakthroughs, and other elements of ESG investing. Martello has identified that provide diversification to the portfolio. The strategy uses a trend-following approach to weight assets.

Environmental, social, and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive

pay, audits, internal controls, and shareholder rights.

Martello ESG Bond

Martello ESG Bond is an all-bond program that provides ESG exposure to the investor through ETFs that invest in the bonds of companies that have been categorized as ESG investments by the ETF manager. The bond ETFs are weighted using a technique called risk parity, where the investments are weighted inversely proportional to the amount of volatility they have experienced.

Martello Advantage

Martello Advantage is a hedge fund replication multi-strategy that employs various methods and signals to diversify and allocate across a wide range of asset classes including, but not limited to, domestic market sectors; domestic and international stocks; domestic, international, high yield, investment grade corporate, and government bonds; REITs; and commodities including crude oil and gold. The strategy can short certain ETFs to protect capital during declining market environments.

Martello Aurora

Martello Aurora is a multi-strategy model that incorporates elements of the Volatility strategy described above with other sub-strategies (trend, macro, etc.) in global asset classes including domestic and international stocks, government bonds, credit, REITs, and gold.

REITs, or real estate investment trusts, are companies that own or finance income-producing real estate across a range of property sectors. These real estate companies have to meet a number of requirements to qualify as REITs. Most REITs trade on major stock exchanges, and they offer a number of benefits to investors.

Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

IMPLEMENTATION/REIMPLEMENTATION OF INVESTMENT POLICY STATEMENTS, ALTERNATIVE INVESTMENT CONSULTING, AND ASSET ALLOCATION STUDIES

Martello uses proprietary in-house developed software to model potential portfolio allocations. Our software employs various proprietary methods of analysis including mean-variance optimization (MVO), a common and widely known method used to provide asset allocation decisions. Based on the Nobel Prize winning work of Prof. Harry Markowitz, MVO relies on optimization of average returns and standard deviation of returns to produce an “optimal” portfolio composition. Inputs include Martello’s capital market assumptions and input from clients regarding expected cash flows and various other financial aspects of the plan. Martello provides a final report outlining several allocations with differing risk/return profiles and assists in the selection of the allocation that best meets the needs of the client. Martello typically conducts asset allocation studies utilizing a broad array of asset classes including domestic large and small cap equities, international equities, fixed income, real estate, hedge funds, and cash/short-term assignments. In addition to the more traditional equity and fixed income asset classes, Martello utilizes asset allocation funds, private equity, structured notes, hedge fund of funds, long/short hedge funds, absolute return strategies, emerging market equity, REITs, private real estate, portable alpha

mandates, and commodity strategies.

The portable alpha strategy focuses on investing in stocks or other assets that have demonstrated little or no correlation with the markets. To do this, investors separate alpha from beta by investing in securities that are not in the market index from which their beta is derived. Portable alpha strategies may experience greater losses or lesser gains than would be the case if they invested directly in a market portfolio – the S&P 500, for example – if the alpha strategy underperforms the money market-based cost. They also may not be perfectly correlated to their underlying benchmarks and/ or market exposures over time, and the degree of variation could be substantial. It is possible for these strategies to experience a negative return.

RISK OF LOSS

Every method of analysis has its own inherent risks. To perform an accurate market analysis Martello must have access to current/new market information. Martello has no control over the dissemination rate of market information; therefore, unbeknownst to Martello, certain analyses may contain outdated market information, severely limiting the value of Martello's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The risks below are summaries of the material risks of Martello's primary investment strategies. 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. Although we manage the assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the risk of loss.

INVESTMENT AND TRADING RISKS IN GENERAL

Inherent in any investment in securities is the risk of losing the invested capital. We believe that Martello's investment program and research techniques moderate this risk through a careful selection of securities and investment opportunities, as well as through the application of our ongoing qualitative and quantitative risk assessment and management program. However, no guarantee or representation is made that the Martello investment program will be successful or profitable, and investment results may vary substantially over time. Specifically, we may choose not, or may determine that it is economically unattractive, to hedge certain risks, instead relying on diversification to mitigate the risks. As discussed below, Martello is not limited to any specific policies or requirements for diversification or risk mitigation.

ETF Risks

A client's account will invest in ETFs that track an index, such as the S&P 500. ETFs are baskets of securities designed to generally track an index of securities and are traded like stocks on an exchange. Unlike mutual funds, ETFs may potentially trade above or below the value of their underlying portfolios. While most ordinary mutual funds can only be bought or sold at the end of the day at the calculated net asset value of the fund, ETFs may be purchased or sold throughout the day at prices that are not guaranteed to match the underlying value of the stocks in the portfolio. In addition, the returns of an ETF cannot reproduce or track exactly to the underlying portfolio. A disparity between an ETF and the underlying portfolio may occur due to changes in the cash inflows and outflows of the ETF, re-weightings of the relevant index, and other operating expenses or inefficiencies which may adversely impact an ETF's tracking of the performance of an index. Accordingly, an account could be exposed to corrective forces if, for example, it inadvertently purchases an ETF at a premium to the underlying value of the stocks in the ETF.

Foreign Securities

Investments in securities of foreign issuers may involve risks including adverse fluctuations in currency exchange rates, political instability, confiscations, taxes or restrictions on currency exchange, difficulty in selling foreign investments, and reduced legal protection. These risks may be more pronounced for investments in developing countries.

Leverage

To increase the profit potential, an ETF purchased by Martello may at times purchase stock on margin or take on other borrowing measures to leverage the equity asset base of the ETF. This leverage results in proportionately greater risk of loss (and opportunity for gain).

Market Risk

Market risk is the risk that the price of securities will fall over short or extended periods of time. Historically, the prices of equity securities have moved in cycle, and the value of a client's investment may fluctuate from day to day. Individual companies may report poor results or be negatively affected by industry or economic trends or developments. The price of securities issued by these companies may decline in response. These factors contribute to price volatility.

Allocation Risk

A client account is subject to the risk that asset allocation decisions will not anticipate market trends correctly. For example, weighting an account too heavily in equities during a stock market decline may cause a loss of value. Conversely, investing too heavily in fixed income securities during a period of stock market appreciation may result in lower total returns.

Concentration of Investments

Martello has broad discretion over its investment programs and may choose to allocate substantial portions of account assets to a market sector or to a particular security. It is the intention of Martello to allocate the capital of each account(s) in a manner that will provide for diversification among investment strategies, managers, and securities. There can be no assurance, however, that the third-party managers of investment vehicles and/or Martello will not take substantial positions in the same security at the same time. Such an occurrence may tend to result in more rapid changes in Martello's portfolios, upward or downward, than would be the case with greater diversification, with the result that a loss in any such position could have a material adverse impact on each account(s) capital. Martello may also make similar market timing decisions and asset allocation decisions between equity securities and cash equivalents or some combination of these and other strategies.

Pandemic Risks

Disease outbreaks that affect local economies or the global economy may materially and adversely impact our investment funds and portfolios and/or our business. For example, uncertainties regarding the novel Coronavirus (COVID-19) outbreak have resulted in serious economic disruptions across the globe. These types of outbreaks can be expected to cause severe decreases in core business activities such as manufacturing, purchasing, business conferences and workplace participation, among others. These disruptions lead to instability in the marketplace, including stock market losses and overall volatility, as has occurred in connection with COVID-19. In the face of such instability, governments may take extreme and unpredictable measures to combat the spread of disease and mitigate the resulting market disruptions and losses. We have in place business continuity plans reasonably designed to ensure that we maintain normal business operations, and that our investment portfolios and client assets are protected, and we periodically test those plans. However, in the event of a pandemic or an outbreak, there can be no assurance that we or our and our investment funds' and portfolios' service providers will be able

to maintain normal business operations for an extended period or will not lose the services of key personnel on a temporary or long-term basis due to illness or other reasons. The full impacts of a pandemic or disease outbreaks are unknown, resulting in a high degree of uncertainty for potentially extended periods of time.

Decisions Based on Quantitative Analysis

Martello's trading decisions are based primarily on investment strategies that utilize quantitative analysis of underlying market forces. Quantitative analysis attempts to systematically examine factors external to the trading market that affect the supply and demand for an instrument in order to predict future prices. Such analysis may not result in profitable trading because Martello may not have knowledge of all factors affecting supply and demand, prices may often be affected by unrelated factors, and purely quantitative analysis may not enable Martello to determine quickly that its previous trading decisions were incorrect.

Private Funds

Martello bases its advice regarding unaffiliated private investment funds on the investment objective and restrictions (if any) set forth in the applicable offering memorandum, organizational documents, investment management agreement, and/or subscription agreements. Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each client will be required to complete a Subscription Agreement, pursuant to which the client shall establish that the client is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

In all cases, investors should be aware their investment is not guaranteed and understand that there is a risk of loss of value in their investment.

In general, a "Qualified Client" is:

- (1) a natural person or company who at the time of entering into such agreement has at least \$1,000,000 under the management of the investment adviser;
- (2) a natural person or company who the adviser reasonably believes at the time of entering into the contract: (A) has a net worth of jointly with his or her spouse of more than \$2,100,000 excluding the value of the client's primary residence; or (B) is a qualified purchaser as defined in the Investment Company Act of 1940, §2(a)(51)(A) (15 U.S.C. 80a-2(51)(A)); or
- (3) a natural person who at the time of entering into the contract is: (A) An executive officer, director, trustee, general partner, or person serving in similar capacity of the investment adviser; or (B) An employee of the investment adviser (other than an employee performing solely clerical, secretarial, or administrative functions with regard to the investment adviser), who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar function or duties for or on behalf of another company for at least 12 months.

Item 9 – Disciplinary Information

REQUIRED DISCLOSURES

Our firm and our management persons have not been involved in any legal or disciplinary events that would have

a material adverse effect on the management or other services we provide to our clients.

Item 10 – Other Financial Industry Activities and Affiliations

OUTSIDE BUSINESS ACTIVITIES

Neither Martello nor any of its employees are registered, or have an application pending to register, as a broker-dealer or registered representative of a broker dealer, futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Mr. Grizzle does not act in the capacity of an investment adviser representative because of his employment at Vantage. The investing activities of Vantage are separate and distinct from the advisory services provided by Martello Investments. Mr. Grizzle performs work on various funds managed by Vantage, including but not limited to preparing draft marketing documentation, financial analysis, portfolio modeling, delivering portfolio updates to general partners, and executing trades ordered by Vantage representatives. Where appropriate, Mr. Grizzle, or other representatives of the Martello, may recommend funds managed by Vantage. Neither Mr. Grizzle, nor any other person affiliated with Martello receives any profit or commissions from these recommendations. Clients will receive and sign a disclosure acknowledgement form highlighting any potential conflicts of interest upon recommendation of any Vantage-related fund.

AFFILIATED ENTITIES

Martello does not have relationships or arrangements with any affiliated entities that create a potential conflict of interest for our clients.

OTHER INVESTMENT ADVISERS

Martello does not utilize nor select third party investment advisers.

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

CODE OF ETHICS

Martello has adopted a Code of Ethics (the “Code”) that sets forth a standard of business conduct for our firm and all our associated persons. The purpose of the Code is to set out ideals for integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence for our firm and our associated persons to espouse in the interest of our clients and investor protection. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, 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 employees of Martello are required to handle their personal securities transactions in such a manner as to avoid any actual or potential conflicts of interest or any abuse of position of trust and responsibility. Annually, we require all employees to certify that they have read, understand and will comply with the Code.

Clients and prospective clients may request a full copy of our firm’s Code of Ethics by contacting our firm in writing at Martello Investments, LLC, 201 E. City Hall Ave. Suite 700, Norfolk, VA 23510 or by email at info@martelloinvestments.com.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Martello and/or our advisors may invest in the same securities that are recommended to and/or purchased for our clients. Martello has adopted procedures designed to assure that the personal securities transactions, activities and interests of Martello and/or our advisors will not interfere with our ability to make investment decisions in the best interest of our clients. Our policies and procedures require that all employees of Martello submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis to ensure that there is no apparent misuse of material, non-public information about our clients or their account holdings. All employees of our firm are also required to report any violations of our Code of Ethics.

PERSONAL TRADING

Martello maintains and enforces written policies and procedures reasonably designed to prevent the misuse of material non-public information by our firm or any access persons of our firm with regards to their personal securities transactions. Personal trading activities are continually monitored to reasonably prevent conflicts of interest between our firm and our clients.

From time to time, representatives of Martello may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Martello 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. While Martello will not discuss with clients each specific instance of trading at or around the same time as clients, the firm will document internally any transactions that would be construed as conflicts of interest. Moreover, Martello will, consistent with its fiduciary duty, act in the clients' best interest and will never engage in trading that operates to the client's disadvantage when representatives of Martello buy or sell securities at or around the same time as clients.

Item 12 – Brokerage Practices

FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER-DEALERS

Custodians/broker-dealers will be recommended based on Martello's duty to seek "best execution," which is the obligation to seek to execute securities transactions for a client on terms that are the most favorable to the client under the circumstances. The client will not necessarily pay the lowest commission or commission equivalent, and Martello may also consider the market expertise and research access provided by the payment of commissions, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers to aid in the research efforts of Martello. Martello will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian. Martello recommends Charles Schwab & Co., Inc. Advisor Services, and Interactive Brokers.

In the event the client requests that Martello recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Martello to use a specific broker-dealer/custodian), Martello generally recommends that investment management accounts be maintained at Charles Schwab.

Prior to engaging Martello to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Martello setting forth the terms and conditions under which Martello shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

RESEARCH AND OTHER SOFT DOLLAR BENEFITS

Martello has access to research, products, or other services from its broker/dealer in connection with client securities transactions (“soft dollar benefits”) consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. Martello benefits by not having to produce or pay for the research, products or services, and Martello will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that Martello’s acceptance of soft dollar benefits may result in higher commissions charged to the client. Martello may enter into soft dollar arrangements through which it may receive research, products, or other services from its broker/dealer or another third-party in connection with client securities transactions (“soft dollar benefits”) within (but not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client’s transactions paid for it, and Martello does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. Martello benefits by not having to produce or pay for the research, products or services, and Martello will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that Martello’s acceptance of soft dollar benefits may result in higher commissions charged to the client.

BROKERAGE FOR CLIENT REFERRALS & DIRECTED BROKERAGE

Brokerage for Client Referrals

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

Directed Brokerage

While Martello generally recommends that clients direct transactions through their respective custodian, we do not have discretionary authority to determine the broker-dealer to be used for the purchase or sale of securities for client accounts or the commission rates paid to a broker-dealer for client securities transactions.

In rare cases, Martello may utilize other broker-dealers when requested by the client. Clients of Martello must be aware that if they direct us to use a particular broker-dealer that it may limit our ability to achieve best execution or limit their participation in block trading. As a result, clients may pay higher commissions, have higher transaction costs, or receive less favorable prices. In situations where the client directs us to effect their transactions through a particular broker-dealer, we require such directions to be in writing.

By directing brokerage, Martello may be unable to achieve most favorable execution of client transactions which could cost clients’ money in trade execution. Not all advisers require or allow their clients to direct brokerage.

TRADE AGGREGATION

Trade orders for the same security entered on behalf of more than one client will generally be aggregated pursuant to our firm’s trade aggregation procedures. Investment decisions deemed appropriate for one client may also be deemed appropriate for other clients so that the same security may be purchased or sold at or about the same time for more than one client. When this is the case our firm may, but is not obligated to, aggregate similar trades for multiple clients and execute the trade as a single block.

When transactions are so aggregated, the securities purchased or sold will be allocated in a fair and equitable manner. Our trade allocation procedures seek to allocate investment opportunities among our clients in the fairest possible way taking into account their best interests. These procedures ensure that allocations do not

involve a practice of favoring or discriminating against any client or group of clients. Transactions are usually aggregated to seek a more advantageous net price and/or to obtain better execution for all clients. Nevertheless, there is no assurance that the aggregation of transactions will benefit all clients equally, and in some instances combined orders could adversely affect the price or volume of a security. Also, it is possible that we may not aggregate trades in circumstances where it would be beneficial to do so.

In situations where our firm may not be able to aggregate trades, this may result in clients paying higher brokerage commissions because we did not aggregate orders to reduce transaction costs, or may result in some clients receiving less favorable prices because they did not participate in an aggregated order.

TRADE ERRORS

From time to time, our firm may make a trade error when servicing a client's account. When this occurs, we will correct the trade as soon as we discover the error. Trading errors will be corrected at no cost to clients. In most cases, we will correct trade errors via our executing broker-dealer's trade error desk. If there is a cost associated with this correction, such cost is borne by Martello and not the client. Note that we do not credit accounts for market losses unrelated to our error.

Item 13 – Review of Accounts

ACCOUNT REVIEWS

Arthur Grizzle, Jr., CFA, managing partner and/or Charles Culver, managing partner and Chief Compliance Officer conduct account reviews on at least a quarterly basis for clients subscribed to our investment management services. The frequency of the review depends upon a variety of factors such as: the client's risk profile, activity in the account, economic and market conditions, and the client's preferences, if any. Additional reviews may be triggered by changes in the investment objectives or guidelines of a particular client or specific arrangements with the client.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Arthur Grizzle, Jr., CFA, managing partner and/or Charles Culver, managing partner and Chief Compliance Officer. There is only one level of review for financial plans, and that is the total review conducted to create the financial plan.

All clients are advised that it remains their responsibility to advise Martello of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review investment objectives, account performance, previous recommendations, and make any necessary adjustments with Martello on an annual basis.

ACCOUNT REPORTS

Those clients to whom Martello provides investment management services receive at least quarterly reports from our firm summarizing their account(s) and investment results. Reports may be furnished in writing or electronically as requested by the client. Clients are urged to compare the account statements they receive from their custodian to any written reports received from our firm and inform us promptly of any discrepancies they observe.

Item 14 – Client Referrals and Other Compensation

CLIENT REFERRALS

Martello will, via written arrangement, compensate third parties (“solicitors”), specifically CMG Capital Management Group and SmartAsset, for referring clients to Martello. All compensation with respect to the foregoing will be fully disclosed to each client to the extent required by applicable law, and all compensation is paid out of Martello’s investment management fees. Specifically, Martello may pay the referring third party a one-time upfront fee, or Martello may pay the referring third party an ongoing fee in perpetuity. Martello will ensure each solicitor is properly registered in all appropriate jurisdictions. Our policy is to fully comply with the requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended, and similar state rules, as applicable. The solicitor will provide each prospective client with a copy of the current version of this Brochure and a separate written disclosure statement disclosing the terms of the arrangement between Martello and the solicitor, including the compensation to be paid by Martello to the solicitor.

Martello may receive client referrals from Zoe Financial, Inc through its participation in Zoe Advisor Network (ZAN). Zoe Financial, Inc is independent of and unaffiliated with Martello and there is no employee relationship between them. Zoe Financial established the Zoe Advisor Network as a means of referring individuals and other investors seeking fiduciary personal investment management services or financial planning services to independent investment advisors. Zoe Financial does not supervise Martello and has no responsibility for the Martello’s management of client portfolios or Martello’s other advice or services. Martello pays Zoe Financial an on-going fee for each successful client referral. This fee is usually a percentage of the advisory fee that the client pays to Martello (“Solicitation Fee”). Martello will not charge clients referred through Zoe Advisor Network any fees or costs higher than its standard fee schedule offered to its clients. For information regarding additional or other fees paid directly or indirectly to Zoe Financial Inc, please refer to the Zoe Financial Disclosure and Acknowledgement Form.

Charles Schwab & Co., Inc. Advisor Services provides Martello with access to Charles Schwab & Co., Inc. Advisor Services’ institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser’s clients’ assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For Martello client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts

Charles Schwab & Co., Inc. Advisor Services also makes available to Martello other products and services that benefit Martello but may not benefit its clients’ accounts. These benefits may include national, regional or Martello specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Martello by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Martello in managing and administering clients’ accounts. These include software and other technology (and related technological training) that provide access to client account

data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of Martello's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Martello's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to Martello other services intended to help Martello manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to Martello by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Martello. Martello is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

OTHER COMPENSATION

As referenced in Item 12 above under the sub-heading "Research and Soft Dollar Benefits," Martello receives indirect economic benefits from certain broker-dealer/custodians in the form of support services and/or products.

Martello's clients do not pay more for investment transactions effected and/or assets maintained at these broker-dealers/custodians because of this arrangement. There is no corresponding commitment made by Martello to these broker-dealers/custodians or any other entity to invest any specific amount or percentage of client assets in any specific securities or other investment products because of the above arrangement.

Item 15 – Custody

CUSTODY OF CLIENT FUNDS AND SECURITIES

When it deducts fees directly from client accounts at a selected custodian, Martello will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy

Martello does not maintain physical custody of its clients' assets. Client assets are typically held by a qualified custodian pursuant to a separate custody agreement.

Interactive Brokers, LLC (Interactive Brokers) and Charles Schwab & Co., Inc. Advisor Services (Charles Schwab) are the qualified custodians and maintain custody of client funds in separate brokerage account(s) for each client under the client's name.

With respect to Interactive Brokers, clients that take part in Interactive Brokers' automatic advisor fee billing function agree to quarterly fee schedules in advance and Interactive Brokers deducts fees automatically and remits funds to Martello. Martello does not submit bills to Interactive Brokers; rather, Interactive Brokers pays Martello on behalf of the client. Clients will be sent an invoice each time a fee is charged to their account(s). This invoice reflects the fee charged, the fee calculation methodology, and the period covered by the fee.

With respect to Charles Schwab & Co., Advisor Services (Charles Schwab), Martello shall have the ability to have its investment advisory fees for each client debited by the custodian on a quarterly basis. Clients are provided

with regular summary account statements directly from the broker-dealer/custodian for the client accounts. Clients will also receive a report from the custodian summarizing account activity no less than quarterly.

Martello personnel may assist the client in preparing paperwork to open a new brokerage account at any broker-dealer/custodian, but only the client is permitted to authorize, by their signature, the opening of the account.

To the extent that Martello provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Martello with the account statements received from the account custodian. Charles Schwab does not verify the accuracy of Martello's advisory fee calculation.

Clients can access information concerning their account(s) and access (and generally change) the settings for their brokerage account online at the following websites for the respective custodians:

Interactive Brokers: <https://www.interactivebrokers.com>

Charles Schwab: <https://www.schwaballiance.com>

Item 16 – Investment Discretion

DISCRETIONARY AUTHORITY

When Martello manages client securities portfolios on a discretionary basis, Martello is granted limited discretionary authority in writing by the client at the outset of the advisory relationship. This limited discretionary authorization, also known as an Investment Advisory Agreement, gives Martello the authority to manage the client's investment assets at our firm's sole discretion and without consulting with the client in advance, subject to the investment objectives, guidelines and restrictions set by the client. This authorization will remain in full force and effect until we receive a written termination notice from the client. Clients can, at any time, impose restrictions, in writing, on Martello's discretionary authority (e.g., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe Martello's use of margin, etc.). Martello will also have discretionary authority to determine the securities to be bought or sold for a client's account and the amount of the securities to be bought or sold for a client's account.

In some instances, Martello's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to Martello). Clients with discretionary accounts will execute a limited power of attorney to evidence discretionary authority. Clients may, but typically do not, impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

Clients who have engaged Martello for non-discretionary investment management services may limit our discretion to the price at which, or the time when, an order for the purchase or sale of a specified security shall be executed.

Martello does not have discretionary authority to determine what broker-dealer to use or the amount of commissions that are charged by the broker-dealer or custodian.

Item 17 – Voting Client Securities

AUTHORITY TO VOTE CLIENT PROXIES

Martello does not accept authority from clients with respect to voting of proxies solicited by, or with respect to,

the issuers of any securities held in client portfolios. The qualified custodian holding the client's assets will send all such proxy documents it receives to the client so that the client may take whatever action the client deems appropriate. Martello does not offer any consulting assistance regarding proxy issues to clients.

Item 18 – Financial Information

REQUIRED DISCLOSURES

Martello neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

As previously discussed in this brochure, Martello may accept limited discretionary authority when providing investment management services if agreed upon in writing with the client.

Martello has no financial commitments that would impair our firm's ability to meet our contractual and fiduciary commitments to our clients. Martello has not been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

EXECUTIVE OFFICERS AND MANAGEMENT PERSONS

Charles Culver: Co-Founder

Charles Culver is Co-Founder and Head of Operations for Martello Investments. He is responsible for leading the firm's overall management and strategy and is involved in all aspects of the firm's portfolio management and advisory services.

Prior to co-founding Martello, Charles began his career at Vantage Consulting Group and over 14 years with the firm, ultimately held the position of Director of Technology. He was responsible for all technology related aspects of Vantage's operations and played key roles in asset management ventures and client relationships including institutional asset managers, a fund-of-emerging hedge funds, and a first-loss capital pool.

- Clemson University: B.S. in Computer Sciences with Minor in Business
- Certificate in Investment Performance Measurement CIPM® holder

Arthur Grizzle: Co-Founder

Arthur Grizzle is Co-Founder and Chief Investment Officer of Martello Investments. Arthur guides the firm's overall investment strategy, develops and implements Martello's asset allocation models, supervises the firm's research efforts, and leads due diligence of alternative strategies.

Prior to co-founding Martello, Arthur served as an Associate Consultant and senior member of the investment team for Vantage Consulting Group, servicing institutional and ultra-high net worth clients. For Vantage's consulting clients, Arthur's responsibilities included portfolio analysis, risk monitoring, strategy recommendations, and leading the firm's research in alternative investments. He also served as Portfolio Manager for the Vantage Multi-Strat Fund and Tactical Fixed Income strategy.

- College of William & Mary's Mason School of Business: M.B.A.
- Rollins College: B.A. in International Relations
- Chartered Financial Analyst charter holder

OUTSIDE BUSINESS ACTIVITIES

Mr. Grizzle consults with Vantage Consulting Group (“Vantage”), an unaffiliated registered investment adviser, and spends approximately 50% of his time performing this activity.

Mr. Culver is a Software Engineer for Bankers Healthcare Group, a direct lender that provides financing to licensed healthcare professionals. Bankers Healthcare Group accounts for 75% of Mr. Culver’s income and time.

PERFORMANCE-BASED FEES

As described in Item 6, Martello does not accept performance-based fees, fees based on a share of capital gains on or capital appreciation of the assets of a client.

LEGAL OR DISCIPLINARY EVENTS

Neither Martello nor our management persons have been involved or been found liable in any arbitration claims alleging damages in excess of \$2,500 or been involved or been found liable in any civil, self-regulatory organization, or administration proceeding.

ISSUERS OF SECURITIES

Neither Martello nor our management persons have any relationships or arrangements with any issuers of securities.



MARTELLO
INVESTMENTS

Martello Investments, LLC

201 E. City Hall Ave, Suite 700
Norfolk VA 23510
(757) 337-3599

www.martelloinvestments.com

info@martelloinvestments.com

May 11, 2022

Form ADV Part 2B: Brochure Supplement

This brochure supplement provides information about our supervised persons that supplements the Martello Investments, LLC Firm Brochure. You should have received a copy of that Brochure. Please contact our firm if you did not receive Martello Investments, LLC's Firm Brochure or if you have any questions about the contents of this supplement.

Additional information about the supervised persons mentioned in this brochure supplement is available on the SEC's website at www.adviserinfo.sec.gov.

SUPERVISED PERSONS: Charles Culver
05/11/2022

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Charles Frederick Culver
Date of Birth: 9/5/1981
Education: B.S. Computer Sciences/Minor in Business, 2004 Clemson University

Experience:

Managing Member; Martello Investments, LLC, 2017 – Present
Software Engineer; Bankers Healthcare Group, 2021 – Present
Software Engineer; StratusLIVE, 2018 – 2021
IT Director; Vantage Consulting Group, 2004 – 2017

CFP® - Certified Financial Planner

The individual has been certified for financial planning services in the United States by the Certified Financial Planner Board of Standards, Inc. (“CFP Board”). Therefore, the individual may be referred to as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional and may use these and CFP Board’s other certification marks (the “CFP Board Certification Marks”). The CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold the CFP® certification. You may find more information about the CFP® certification at www.cfp.net.

CFP® professionals have met CFP Board’s high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- Education – Earn a bachelor’s degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirement through other qualifying credentials.
- Examination – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual’s ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- Experience – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.
- Ethics – Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board’s Code of Ethics and Standards of Conduct (“Code and Standards”), which sets forth the ethical and practice standards for CFP® professionals. Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- Ethics – Commit to complying with CFP Board’s Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional's services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.
- Continuing Education – Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

DISCIPLINARY INFORMATION

Mr. Culver has not been involved in any legal or disciplinary events that would-be material to a client’s or prospective client’s evaluation of the integrity of our management.

OTHER BUSINESS ACTIVITIES

Mr. Culver is a Software Engineer for Bankers Healthcare Group, a direct lender that provides financing to licensed healthcare professionals. Bankers Healthcare Group accounts for 75% of Mr. Culver’s income and time. The conflict created by the amount of time Mr. Culver spends on this activity is mitigated by the flexible-nature of his work schedule allowing for work to be completed after-hours when and if necessary. As a result, Mr. Culver can accommodate advisory clients’ needs as they arise during and outside trading hours.

ADDITIONAL COMPENSATION

Mr. Culver does not receive any additional compensation, apart from his regular salary and bonuses, that is based, all or in part, on the number or amount of sales, client referrals, or new accounts. Mr. Culver does not receive any economic benefit from anyone who is not a client for providing advisory services.

SUPERVISION

Charles Culver is the Chief Compliance Officer (“CCO”) of our firm and as such has no internal supervision placed over him. He is, however, bound by our firm’s Code of Ethics. Arthur Grizzle, Managing Member, shall be responsible for monitoring the advisory and personal trading activities of Mr. Culver. The CCO may be contacted at (757) 337-3599 or by email at cculver@martelloinvestments.com.

Mr. Culver and Mr. Grizzle are both directly involved in all client activities. As such, any advice Mr. Grizzle provides is discussed internally and agreed upon in advance. Likewise, any advice Mr. Culver provides is discussed internally and agreed upon in advance with Mr. Grizzle. Additionally, Mr. Culver and Mr. Grizzle both have access to and use e-mail monitoring tools to ensure the advice each provides over e-mail complies with all applicable laws and regulations.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Mr. Culver not been involved or been found liable in any arbitration claims alleging damages in excess of \$2,500, in any civil, self-regulatory organization, or administration proceeding, or been subject of any bankruptcy petition.



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May 11, 2022

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SUPERVISED PERSONS: Arthur Grizzle
05/11/2022

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Arthur Judson Grizzle, Jr., CFA®

Date of Birth: 6/7/1989

Education: Chartered Financial Analyst®, 2016
CFA Institute

Master of Business Administration (M.B.A.), 2012 College of William & Mary's Mason School of Business

B.A. International Relations, 2011 Rollins College

Experience:

Managing Member; Martello Investments, LLC, 2017 – Present

Consultant; Vantage Consulting Group, 2017 – Present

Analyst; Vantage Consulting Group, 2012 - 2017

Chartered Financial Analyst® (CFA®). The CFA® charter is a globally respected, graduate-level investment credential established in 1962 and awarded by the CFA Institute — the largest global association of investment professionals. To earn the CFA® charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA® charterholders to place their clients' interests ahead of their own; maintain independence and objectivity; act with integrity, maintain and improve their professional competence; and disclose conflicts of interest and legal matters. Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA® charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry.

The CFA® Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA® Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. The CFA® Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

DISCIPLINARY INFORMATION

Mr. Grizzle has not been involved in any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the integrity of our management.

OTHER BUSINESS ACTIVITIES

Mr. Grizzle consults with Vantage Consulting Group (“Vantage”), an unaffiliated registered investment adviser. Both Martello and Vantage offer investment advisory services, but Mr. Grizzle does not act in the capacity of an investment adviser representative as a result of his employment at Vantage. The investing activities of Vantage are separate and distinct from the advisory services provided by our firm. Mr. Grizzle spends 50% of his time on these activities and 75% of his yearly income is derived from this activity. The conflict created by the amount of time Mr. Grizzle spends on this activity is mitigated by the flexible-nature of his work schedule allowing for work to be completed after-hours when and if necessary. As a result, Mr. Grizzle can accommodate clients’ needs as they arise during and outside of trading hours.

ADDITIONAL COMPENSATION

Mr. Grizzle does not receive any additional compensation, apart from his regular salary and bonuses, that is based, all or in part, on the number or amount of sales, client referrals, or new accounts. Mr. Grizzle does not receive any economic benefit from anyone who is not a client for providing advisory services.

SUPERVISION

The Chief Compliance Officer (“CCO”), Charles Culver, supervises and monitors the advisory and personal trading activities of all supervised persons for compliance with federal and/or state securities laws. The CCO may be contacted at (757) 337-3599 or by email at cculver@martelloinvestments.com.

Mr. Culver and Mr. Grizzle are both directly involved in all client activities. As such, any advice Mr. Grizzle provides is discussed internally and agreed upon in advance. Likewise, any advice Mr. Culver provides is discussed internally and agreed upon in advance with Mr. Grizzle. Additionally, Mr. Culver and Mr. Grizzle both have access to and use e-mail monitoring tools to ensure the advice each provides over e-mail complies with all applicable laws and regulations.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Mr. Grizzle has not been involved or been found liable in any arbitration claims alleging damages in excess of \$2,500, in any civil, self-regulatory organization, or administration proceeding, or been subject of any bankruptcy petition.