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Alinea Invest, Inc.  
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[www.alinea-invest.com](http://www.alinea-invest.com)

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This wrap fee program brochure provides information about the qualifications and business practices of Alinea Invest, Inc. (“Alinea”). If you have any questions about the contents of this brochure, please contact us at [info@alinea-invest.com](mailto:info@alinea-invest.com) or (516) 469-9482. 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.

Alinea Invest is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information with which you determine to hire or retain an adviser.

Additional information about Alinea Invest, Inc is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Alinea Invest may be searched by name or using our CRD #311782.

## Item 2: Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the last amendment to Alinea Invests's Form ADV Part 2 brochure on March 6, 2023, we note the following material changes to this Brochure:

- Changes to Item 4 for Assets under management, Services & Advisor Business
- Changes to Item 5 for Fees

Generally, Alinea will notify clients of material changes on an annual basis in Alinea's annual Brochure update. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

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## Item 4: Advisory Business

### Firm Description

Alinea Invest, Inc. (hereinafter referred to as “Alinea”, the “Firm”, “we”, “us”, “our”) is a Delaware corporation with its principal office located in New York City, NY and is registered with the Securities and Exchange Commission (the “SEC”) as an investment advisor. The Firm was formed in November 2020 and is owned by Anam Lakhani, and Eve Halimi. Each owns 36% of the company and are control persons.

### Services

Alinea provides web-based discretionary investment advisory services to separately managed accounts of individuals (each a “Client,” and collectively, “Clients”) in a program that bundles or “wraps” services together and charges a single fee based on the value of assets under management (the “Program”). The services included in the wrap are advisory, trade execution, clearance, settlement, and custody and reporting. Alinea offers these services to individual taxable accounts.

The Program seeks to provide personalized, long-term oriented investment portfolios that are primarily invested in what Alinea considers high-quality stocks while seeking to provide personalized protection against market downturns, enabled via a mobile application.

The Program does not provide comprehensive financial or tax planning or legal advice, and Clients are advised and afforded the opportunity to seek the advice and counsel of the Client’s own tax, financial, and legal advisers.

Neither Alinea nor any of its affiliates is responsible for establishing or maintaining any Client’s compliance with the requirements of the Internal Revenue Code for a Traditional IRA or Roth IRA, or any other type of account that may be offered through the Program or determining any Client’s individual tax treatment regarding such account. Furthermore, neither Alinea nor any of its affiliates is responsible for withholding any tax penalties that may apply to Clients’ Alinea accounts or for any state or federal income tax withholding, except as may otherwise be required by applicable law.

The Program seeks to provide personalized, long-term oriented investment portfolios  
Each equity strategy is comprised primarily of a concentrated basket of stocks (long)

### Advisory Business – Program Description

Alinea’s Program interacts with its Clients predominantly through a software application that is available through mobile platforms (the “Alinea App”). The advisory services are delivered solely through the Alinea App. Alinea does not provide investment advice in person or over the phone or in any manner other than through the Alinea App. Alinea’s Program maintains an online presence through the Firm’s website, [www.alinea-invest.com](http://www.alinea-invest.com), primarily for informational purposes.

Alinea utilizes the information from the questionnaire to create an investment portfolio that is customized to Clients’ risk tolerance, financial parameters, and investment objectives. For each Client’s portfolio plan, Alinea considers the Client’s employment status, income, investment goals and reasons to invest, time horizon and net assets. Alinea evaluates each Client’s responses and proposes a portfolio plan from among conservative, moderate, and aggressive growth portfolios.

A Client is required to enter into an investment advisory agreement with Alinea (“Advisory Account Management Agreement”), which discusses the services the Client will receive, the fees charged to the Client, and the conditions of the Client’s relationship with Alinea. Our advisory relationship begins upon the effective date of the Advisory Account Management Agreement with a Client. Any preliminary information provided to a Client before we accept the Advisory Account Management Agreement does not constitute investment advice under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and should not be relied on as such.

Alinea offers discretionary and non-discretionary investment recommendations and advisory services to individual investors. Alinea interacts with investment advisory clients, as well as prospective clients, solely through the App Platform. Alinea does not offer financial planning services, tax, accounting, or legal advice.

Alinea utilizes the App Platform to collect information with respect to each client and prospective clients and to deliver account notifications and content, and to provide Alinea’s investment recommendations.

Upon account opening (“Client Onboarding”), the client will be prompted to complete a series of questions that will be used, in combination with other available client information collected through the App Platform prior to and/or after account opening including banking information. These questions are important to the development of any investment recommendations.

Client Onboarding is only complete once a client (i) has linked the client’s bank account (“Funding Account”) to the Firm’s custodian via the App Platform. No staff at the Firm will have access to a client’s bank account information nor will staff at the Firm have access to a client’s login credentials; and (ii) has accepted and countersigned Alinea’s investment advisory agreement electronically. Only when Client Onboarding is complete will a client have the availability to purchase stocks via the App Platform.

Clients should consider that Alinea primarily uses electronic (not telephonic) means to provide customer support. To receive customer support, clients may contact us using email or through the App Platform. Clients and prospective clients should be comfortable communicating through those channels. Further, clients should understand that clients will not interact directly with investment advisory personnel.

Alinea reserves the right to deny any prospective clients access to the Alinea App Platform and to terminate client accounts for reasons related, but not limited, to unsuitability and/or if clients fail to timely maintain financial and other information previously provided by the client on the App Platform or update this information on at least an annual basis.

A client’s failure to timely update their information in the App Platform could materially impact the quality and applicability of Alinea’s investment recommendations.

During the Client Onboarding process, the client will also be prompted to simultaneously open a brokerage account held by the designated custodian in order to execute any trades. The independent custodian will hold client funds and securities.

At any time, clients may terminate an account, or withdraw all or part of an account. See below (Fees and Compensation) for more information regarding fees, including withdrawal/administrative charges.

## Item 5: Fees and Compensation

Alinea charges customers a wrap program fee based on the total net deposits in their account.

Alinea charges a flat subscription fee of \$120.00 per year for accounts with assets under management. Alinea charges fee of \$5.00 per month for accounts with assets under management between \$100 and \$6,000. There is no charge for accounts with less than \$100.

The asset-based fee is assessed based on the daily average market value of a customer's portfolio over the previous month. Alinea may from time to time, in its sole discretion, offer lower fees through promotions, referrals and other discounts to some accounts that differ from the fees stated above.

Alinea imposes a mandatory cash reserve of part of each investment strategy. Alinea customers are required to maintain 150 basis points (1.50%) of the value of their account (prorated in each strategy) in cash. The cash will be used to pay Alinea fees and other expenses, as set forth herein. If a Alinea customer wishes to withdraw cash, Alinea will sell other assets in the customer's account to maintain the cash reserve. If a customer is invested completely in an illiquid strategy, such that cash cannot be replenished immediately, the customer will not be able to immediately withdraw the cash portion.

A customer may incur certain charges imposed by other third parties (e.g., transfer fees, administrative fees, and other fees).

Due to the nature of the fees assessed under the Program, the more assets there are in a customer's account, the more a customer will pay in fees. Alinea therefore has an incentive to encourage customers to increase the assets in their accounts.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Wrap fee programs may cost clients more or less than purchasing such services separately. A wrap fee program allows clients to pay a specified fee for investment advisory services and the execution of transactions. Fees are combined with the costs for executing transactions in clients' account(s). This may result in a higher advisory fee. Alinea does not charge clients higher advisory fees based on their trading activity, but clients should be aware that Alinea may have an incentive to limit its trading activities in clients' account(s) because Alinea is charged for executed trades. By participating in a wrap fee program, clients may end up paying more or less than through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to the client by the executing broker.

### Additional Client Fees

There are no sales loads, brokerage fees, mark-ups, mark-downs, spreads paid to market makers, or brokerage termination or account surrender fees associated with our program. A client may, however, incur certain separate charges imposed by the custodian such as: wire transfer and electronic fund fees,

retirement account custodial or account termination fees, in addition to certain taxes on non-retirement brokerage accounts.

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

Alinea does not accept performance-based fees and does not engage in side-by-side management.

## Item 7: Types of Clients

Alinea provides investment advice to individuals. There is no account size minimum.

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

**Clients are advised that investing in securities involves risk of loss that they should be prepared to bear.**

### INVESTMENT STRATEGIES

Alinea actively manages client accounts. Investors will only be provided with an investing strategy recommendation that they either accept or reject. Clients can also choose to search for other companies within the App Platform to invest in. Some client accounts are self-directed, some are managed by Alinea. Alinea's investment advisory services are only offered through electronic means, e.g., via the App Platform. Alinea does not interact with clients in person, over the phone, in live chat or in any other manner.

In order to meet its objective of providing clients a user-friendly access to investing, Alinea's recommendations will be based on information collected by Alinea through the App Platform such as a client's answers to the Alinea personal financial summary questionnaire which is part of the sign-up process.

Clients are requested to provide information, which in combination with other available client information collected through the App Platform, guides Alinea in making a recommendation for that particular investor. Alinea makes use of an algorithm to process a client's answers to a series of questions and to make an investment recommendation. The accuracy of the data provided by the client is important to their investment recommendation. Alinea does not verify the information received from the client. Alinea is expressly authorized to rely on information provided by the client when making investment recommendations.

Investment recommendation(s) is/are limited to account(s) of clients maintained on the Alinea App Platform and do not take into consideration client accounts held outside of Alinea. Alinea does not consider a client's personal tax situation when making investing recommendations. Clients should consult with their own tax advisor when considering investing for their own account.

We currently offer discretionary and non-discretionary investment management services. Clients can retain full investment discretion over the implementation of investment decisions of each investing recommendation. Clients are also free to purchase other stock offered by Alinea that have not been

recommended or offered based on a client's interests. Clients are free to accept or reject any recommendation from Alinea.

Following are some of the risks associated with Alinea's investment strategy:

### Market Risk

The value of a client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad.

### Domestic Equity Market Risks

Under strategies utilizing equity securities, clients are subject to the risk that stock prices may fall over short or extended periods of time. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. These factors contribute to price volatility, which is the principal risk of investing in equity securities.

### Dollar-Based Transactions and Fractional Shares

A Fractional share program allows clients to purchase securities in dollar amounts rather than share quantities. Trading in fractional shares has unique risks and limitations that clients should understand prior to participation. Fractional shares may not be liquid. Fractional shares are not transferable. In the event of an account closing or transfer to another firm, the fractional shares will likely need to be liquidated, resulting in potential fees. Fractional shares cannot be put into certificate form and mailed. Holders of fractional shares will not have voting rights for the fraction of a share owned, even if more than .50 shares are in their account.

### Investment Strategy and Method of Analysis Material Risks

We cannot guarantee that an investment objective or planning goal will be achieved. As an investor, each client must be able to bear the risk of loss that is associated with their account, which may include the loss of some, or all principal invested.

### Company Risk

When investing in securities, there is always a certain level of company or industry specific risk that is inherent in each company or issuer. For example, there is the risk that a company will perform poorly or have its value reduced based on factors specific to the company or its industry. This is also referred to as unsystematic risk and can be reduced or mitigated through diversification.

### Inflation Risk

When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

### Use of Algorithms



Alinea incorporates computer-based technology to make investment recommendations primarily through the use of algorithms. Changes to the algorithmic code could have material effects on a client's stock recommendations. Alinea's algorithms may not perform as intended for a variety of reasons, including but not limited to incorrect assumptions, changes in the market, and/or changes to data inputs. Alinea may modify periodically these algorithms, or a computer system's code or underlying assumptions, and these changes may have unintended consequences. Additional information regarding relevant considerations for clients considering an automated digital investment advisory program (sometimes referred to as a "robo advisor") is contained in the Investor Bulletin from the Securities and Exchange Commission available at [https://www.sec.gov/oiea/investor-alertsbulletins/ib\\_robo-advisers.html](https://www.sec.gov/oiea/investor-alertsbulletins/ib_robo-advisers.html).

### Cybersecurity Risk

The information and technology systems of Alinea, as well as of key service providers, including third-party vendors, central agents, exchanges, clearing houses, and other financial institutions (including the custodian), are vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Alinea and client accounts could be adversely impacted if any of the aforementioned parties is the subject of a cyber- attack or other information security event. Although Alinea has implemented various measures designed to seek to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for Alinea or a service provider to make a significant investment to fix or replace them and to seek to remedy the effect of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Alinea's ability to transact business on behalf of its clients and could result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information. While many investment advisers are subject to the same or similar risks in respect of their operations, these risks are particularly acute with respect to Alinea due to Alinea's fundamental dependence on technology.

### Research Data

When research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, a firm is relying on the accuracy and validity of the information or capabilities provided by selected vendors, rating services, market data, and the issuers themselves. Therefore, while our firm makes efforts to determine the accuracy of the information received, we cannot predict the outcome of events or actions taken or not taken, or the validity of all information researched or provided which may or may not affect the advice regarding or investment management of an account.

### Limited Nature of the Recommendations

The use of algorithms carries the risk that changes to the algorithm's code may not have the desired effect with respect to a client's account. While this risk increases if changes to an algorithm are insufficiently tested prior to implementation, even extensively tested changes may not produce the desired effect over time. The App Platform relies on a limited universe of inputs to generate a stock recommendation for each client from a limited universe of possible outputs. In particular, the App

Platform currently generates suggested stock purchases based on a client's response to questions provided by the client through the App Platform. Alinea does not verify the completeness or accuracy of such information or consider any information regarding outside assets, concentration, debt, or other accounts a client may have with any third party. The functionality of the App Platform is partly dependent upon information provided by the third-party custodian, and other external sources, meaning that performance of the App Platform could be impacted by issues with the delivery, or the accuracy of the information provided.

#### Limited Nature and Scope of the Service

We do not provide comprehensive financial or tax planning or legal advice. Clients should seek the advice and counsel of their own tax, financial, and legal advisers. Alinea only provides stock recommendations to individual investors. We do not provide investment advice to IRA or tax-exempt investors. We are not responsible for withholding any tax penalties that may apply to our clients or for any state or federal income tax withholding, except as may otherwise be required by applicable law. Alinea's recommendations are limited based on the information clients provide through the App Platform, the limitations of which are further discussed above. Clients should take into consideration the limited nature of the service in evaluating the recommendations provided through the App Platform. Furthermore, the service: (a) is not a complete investment service; (b) does not account for multiple investment goals; (c) does not consider outside assets, concentration, debt, or other accounts a client may have with any third party; (d) offers a limited number of investments; (e) may not be suitable for all investors; and (f) relies on the information provided by clients in providing investment advice and does not verify the completeness or accuracy of such information.

There could be one or more products available in the investment community that are more appropriate than the investment products made available through the App Platform. Given the inherent limitations of the service, clients should carefully consider whether our service is the right investment solution for their savings and investing needs.

#### Risk of Loss

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk.

You need to understand that recommendations made for your account by us are subject to various market, currency, economic, political, and business risks. Despite our best efforts, the investment recommendations we make for you will not always be profitable nor can we guarantee any level of performance. Alinea does not represent, warrant, or imply that the services or methods of analysis used can or will predict future results, successfully identify market tops or bottoms, or insulate clients from major losses due to market corrections or crashes. No guarantees are offered that clients' goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Alinea will provide a better return than other investment strategies.

Investments in securities and other financial instruments involve risk of loss that investors must be prepared to bear. Below are certain risks associated with the strategies discussed above. This is a summary only. The specific risks applicable to a client will depend upon a range of factors.

#### Regulatory Changes

It is possible that changes in applicable laws and regulations may affect Alinea's operations. The consequences of additional regulation on the liquidity of markets and the functioning of the service (and, possibly, on Alinea itself) cannot be predicted and may materially affect the investment advisory services offered by Alinea.

### Taxes

You are responsible for all tax liabilities and tax-return filing obligations arising from the transactions in your Alinea account. We do not, and will not, offer tax advice to you and we strongly encourage you to seek the advice of a qualified tax professional. You should also understand that we are not responsible for attempting to obtain any tax credit or similar item or preparing and filing any legal document (including, but not limited to, proofs of claim) on your behalf.

## Item 9: Disciplinary Information

There are no criminal or civil actions to report. There are no administrative proceedings to report. There are no self-regulatory organization proceedings to report.

## Item 10: Other Financial Industry Activities and Affiliations

Alinea is not registered as or has a pending applications to become a: broker/ dealer, representatives of a broker/dealer, a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor. Alinea does not have any material relationships to our advisory business that would present a possible conflict of interest. We do not utilize nor select other advisers or third-party managers.

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

Alinea's ethical and legal duty is to act at all times as a fiduciary to its clients. This means that Alinea puts the interests of its clients ahead of its own and seeks to manage any perceived or actual conflict of interest that may arise in relation to our advisory services. Alinea has adopted a Code of Ethics ("COE"), which is designed to ensure that it meets its fiduciary obligation to clients, enhances its culture of compliance within the firm, and detects and prevents any violations of securities laws.

Alinea's COE establishes standards of conduct for Alinea's officers and employees ("Supervised Persons") and is consistent with the Code of Ethics requirements of Rule 204A-1 under the Investment Advisers Act of 1940, as amended. The COE includes general requirements that all Supervised Persons comply with their fiduciary obligations to clients and applicable securities laws, and also contains specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest, and confidentiality of client information. Alinea's COE will be provided to any client or prospective client upon request.

Alinea and its employees may purchase, sell, or otherwise enter into transactions for their own accounts in securities and other instruments. Prior to, or simultaneously with, or after such transactions, Alinea may, for its Clients, via the App Platform, provide suggestions for purchasing stock involving any of these same securities or other instruments, and any related securities or instruments (including securities issued by the same issuer, options on such securities or instruments, and instruments convertible into

such securities or instruments). Alinea has adopted the Code of Ethics discussed above to address potential conflicts. Subject to certain restrictions, Alinea and each of their employees personally may at any time hold, acquire, increase, decrease, dispose of, or otherwise deal with positions in investments in which a Client may have an interest from time to time. Alinea has no obligation to recommend or acquire for a Client account a position in any security which it acquires or recommends on behalf of another Client, or which an employee acquires for his or her own account.

Transactions affected for all Client accounts are not aggregated or combined with employee's personal orders but executed according to DriveWealth's disclosures and are self-directed by the Client. In all instances Alinea will act in the best interests of its Clients.

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

## **Item 12: Brokerage Practices**

The custodian is selected based on the transaction fees relative to other custodians and best quality in terms of technology. Additional factors used to choose the custodian are the custodian's support services, reputation, and cost-benefit compared to other custodians. Alinea requires clients to use DriveWealth, LLC ("DriveWealth") as their custodian.

Alinea does not receive any research, products, or services from its custodian or another third-party (known as soft dollars) in connection with client securities transactions. Alinea does not receive referrals from a broker-dealer or third party in exchange for using that broker dealer or third party.

Alinea does not allow clients to direct brokerage.

## **Item 13: Review of Accounts**

Alinea provides its clients with access to their account information via the App Platform. DriveWealth, the client's custodian, is required to send account statements directly to clients no less frequently than quarterly. These statements and reports will be sent directly by DriveWealth to clients at their respective addresses of record or delivered electronically.

On a periodic basis, Alinea will contact each client to request that the profile information previously provided be updated, if appropriate due to changes in circumstance. Alinea will review accounts periodically to identify any accounts with a balance below the minimum balance. However, clients must promptly update the financial and other information they previously inputted through the App Platform if any of financial or other information changes. A client's failure to timely update this information could materially impact the quality and applicability of Alinea's advice and recommendations.

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

Alinea does not directly compensate or receive compensation from other entities.

## **Item 15: Custody**

Alinea does not have actual custody of client funds or securities and does not provide custodial services to our clients. Client funds and securities are maintained at an independent qualified custodian as described in Item 4. Clients will receive statements directly from the qualified custodian at least quarterly. We urge clients to carefully review those statements and compare the custodial records to the reports that we provide them. The information in our reports may vary from custodial statements due to accounting procedures, reporting dates or valuation methodologies of certain securities.

Clients will receive account statements from the custodian and are urged to compare their statements to the account information provided by Alinea.

## **Item 16: Investment Discretion**

Alinea does not accept investment discretion of its client's accounts.

## **Item 17: Voting Client Securities**

Alinea does not have, and will not accept, authority to vote client securities. Generally, clients receive their proxies or other solicitations directly from their custodial broker dealer or a transfer agent, as applicable, and should direct any inquiries regarding such proxies or other solicitations directly to the sender.

## **Item 18: Financial Information**

Alinea does not require or solicit prepayment of fees by clients six or more months in advance and is therefore not required to include a balance sheet for its most recent fiscal year.

Alinea is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients and has not been the subject of a bankruptcy petition at any time during the past ten years