

D'Orazio & Associates, Inc.– Form CRS

Item 1 – Introduction

D'Orazio & Associates, Inc. (“we” or “us”) is registered with the Securities Exchange Commission (“SEC”) as an investment adviser. Our services and compensation structure differ from a registered broker-dealer, and it is important for you to understand the differences between those structures. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS. The site also provides educational materials about broker-dealers, investment advisers and investing. The italicized sentences appearing in text boxes below are intended to be “conversation starters” for you to have with us, as required by the instructions to Form CRS.

Item 2 – Relationships and Services

What investment services and advice can you provide me?

We offer investment advisory services that combine ongoing financial planning and consulting services with investment management services, which we provide to individuals and their trusts and estates (“you,” or “clients”). We tailor our services to each client’s unique circumstances, including their investment objectives, risk tolerance, investment time horizon, withdrawal requirements, and other special circumstances, which we develop through discussions/meetings with our clients and confirm to them in writing. We suggest strategies to accomplish agreed-upon goals and use a coordinated implementation and monitoring process for which clients are responsible to notify us of any changes in their circumstances or other information that might affect the advice or services they receive. Our financial planning services address the specific needs of each client, which may include but are not limited to the following areas: property and liability insurance coverage; income tax planning; cash management; estate planning; higher education planning; retirement planning; retirement plan distribution analysis; real estate investment analysis; charitable gifting techniques, etc. If we manage your portfolio on a discretionary basis, we have the authority to buy and sell investments in your accounts without speaking to you before doing so. However, you can place reasonable restrictions on the securities that we buy by notifying us, in writing. If we manage your portfolio on a non-discretionary basis, you make the ultimate decision regarding the purchase or sale of investments, and we cannot execute any account transactions without obtaining your prior consent. Therefore, if we would like to execute a transaction for your non-discretionary account and you are not available to provide consent, we would not be able to execute that transaction, which could place your portfolio at a disadvantage. We monitor client portfolios periodically and modify them as we determine necessary. We do not have to limit the type of securities we trade for clients to proprietary products or a limited group or type of investment, but we generally construct and manage portfolios containing mutual funds and Exchange Traded Funds (“ETFs”), individual equities, and individual bonds. Subject to certain exceptions described in Item 7 of our [ADV Part 2A Brochure](#), we generally require initial minimum account assets of \$100K under “Advisement,” and we seek to provide investment advisory services to clients having at least \$1M in assets designated for our management. For more detailed information about our Advisory Business and the Types of Clients we generally service, please see Items 4 and 7, respectively in our [ADV Part 2A Brochure](#).

Given my financial situation, should I choose an investment advisory service? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education and other qualifications?

What do these qualifications mean?

Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

We charge an annual fixed fee for ongoing financial planning and investment management services, payable in quarterly installments. The fee is based on the value of the client’s combined “Assets Under Advisement,” as defined in Item 5.A. of our [ADV Part 2A Brochure](#), which is recalculated with clients annually and is based on the following fee schedule subject to certain exceptions: \$10K for Assets Under Advisement up to \$2M; \$15K for Assets Under Advisement between \$2M and \$4M; \$22.5K for Assets Under Advisement between \$4M and \$6M; \$30K for Assets Under Advisement between \$6M and \$8M; \$50K for Assets Under Advisement between \$8M and \$15M; and a negotiable fee for Assets Under Advisement exceeding \$15M. Because our fee is based on the amount of your “Assets Under Advisement,” the more assets you designate for our “Advisement,” the more you will pay us for our services. Therefore, we have an incentive to encourage you to increase the amount of assets that you designate for our “Advisement.” However, under the fee schedule, as the value of Assets Under Advisement increases, the applicable fee percentage decreases incrementally at each tier. We also mitigate that incentive by charging an annual fixed fee. For more detailed information about our investment advisory and other fees and expenses, please see Item 5 in our [ADV Part 2A Brochure](#).

Your account will be held with a qualified custodian. You will be responsible for the fees and expenses charged by qualified custodians and imposed by broker dealers according to their fee schedules. Those fees and expenses include but are not

limited to certain transaction charges, wire transfer and electronic fund fees, and other fees, taxes and costs related to maintaining an account. If your assets are invested in mutual funds, ETFs, or other registered and unregistered investment companies, you will bear your pro rata share of the investment management fees and other fees of the funds, which are in These fees and expenses are described in each fund's prospectus or other offering documents. We source fixed income securities using a network of 300+ broker/dealers who charge a fee for these purchases that is not to exceed 0.10% of the purchase amount. In addition, custodians may charge additional fees to process and allocate these charges to client accounts, such as "tradeaway" or "prime brokerage" fees. We do not participate in any of the fees charged by the applicable broker-dealers, custodians, or fund companies, which are separate from and in addition to our fees.

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. For more detailed information about our fees and costs related to our management of your account, please see Item 5 in our [ADV Part 2A Brochure](#).

Help me understand how these fees and costs might affect my investments. If I give you \$1,000,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

- * We may recommend that you engage a particular custodian from whom we receive support services. This presents a conflict of interest, because our receipt of their support makes us more inclined to continue using and recommending them.
- * We may recommend rollovers out of employer-sponsored retirement plans and into Individual Retirement Accounts that we manage for an asset-based fee. If we do not currently manage your account held with your employer's plan, this could increase our compensation.

How might your conflicts of interest affect me, and how will you address them?

For more detailed information about our conflicts of interest, please review Item 4, 8, 10, 11, and 12 of our [ADV Part 2A Brochure](#).

How do your financial professionals make money?

Our financial professionals are generally compensated on a salary basis and are eligible to receive discretionary bonuses based on personal performance. In addition, some of our financial professionals are equity owners of the firm, who stand to receive a share of the firm's profits. These payment structures present conflicts of interest, as they could incentivize our financial professionals to recommend that you place additional assets under our management. We mitigate that conflict by charging a fixed annual fee and making investment recommendations in conformity with each client's investment objectives and savings strategy. You should discuss your financial professional's compensation directly with your financial professional.

Item 4 – Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

No. We encourage you to visit www.Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

As a financial professional, do you have any disciplinary history? For what type of conduct?

Item 5 – Additional Information

Additional information about our firm is available on the SEC's website at www.adviserinfo.sec.gov. You may contact our Chief Compliance Officer to request a current copy of our [ADV Part 2A Brochure](#) or our relationship summary. Our Chief Compliance Officer is available by phone at 703-269-3100.

Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

Summary of Changes to D'Orazio & Associates – Form CRS

- In Item 3, under the “What Fees will I Pay” heading, our annual fixed fee schedule has been amended to include an additional tier.