

ITEM 1 – Cover Page



Registered Investment Advisor

CRD #174758

Form ADV Part 2A

Investment Management Program Brochure  
& Brochure Supplement

This brochure provides information about the qualifications and business practices of Newday Funds, Inc.(SEC #801-112212) (CRD #174758), dba Newday Impact, a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. If you have any questions about the contents of this brochure, please contact us by email at: [info@newdayinvesting.com](mailto:info@newdayinvesting.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 Newday Funds, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or by calling 415-935-0550.

Brokerage and clearing services are provided to **Newday Funds, Inc** clients by Charles Schwab & Co., an SEC registered broker-dealer and member FINRA/SIPC.

[info@newdayinvesting.com](mailto:info@newdayinvesting.com)

Revision Date: November 8, 2023



## ITEM 2: Material Changes

This brochure annual update, dated June 12, 2023 reflects changes since Newday Impact's most recent brochure of March 2023.

1. Anne Popkin resigned effective June 12, 2023 as Newday Impact's President & COO. Doug Heske will assume the President role effective immediately.
2. Matthew Zimmer took on the role of Co-Portfolio Manager for Newday Impact effective March 14, 2023.
3. Gabriel Mass resigned effective March 14, 2023 as Newday Impact's Portfolio Manager. Shireen Eddleblute and Matthew Zimmer will be Co-Portfolio Managers.
4. Denise Rusnak resigned effective October 31, 2023 and David Hsu replaced her as Chief Compliance Officer as of November 1, 2023.

## ITEM 3: TABLE OF CONTENTS

### Contents

ITEM 2: Material Changes .....	2
ITEM 3: TABLE OF CONTENTS.....	3
ITEM 4: ADVISORY BUSINESS.....	4
ITEM 5: FEES AND COMPENSATION.....	8
ITEM 6: PERFORMANCE FEES AND SIDE-BY-SIDE MANAGEMENT .....	10
ITEM 7: TYPES OF CLIENTS .....	10
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	10
ITEM 9: DISCIPLINARY INFORMATION .....	13
ITEM 10: OTHER FINANCIAL ACTIVITIES .....	13
ITEM 11: CODE OF ETHICS .....	13
ITEM 12: BROKERAGE PRACTICES .....	16
ITEM 13: REVIEW OF ACCOUNTS.....	20
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION .....	20
ITEM 15: CUSTODY.....	20
ITEM 16: INVESTMENT DISCRETION .....	21
ITEM 17: VOTING OF PROXIES.....	22
ITEM 18: FINANCIAL INFORMATION.....	23
Brochure Supplement.....	24
Item 1 - Cover Page.....	24



## ITEM 4: ADVISORY BUSINESS

Newday Funds, Inc., d/b/a Newday Impact, is a privately held corporation formed in 2015 for the purposes of providing advisory services, research, and investment management to individuals, registered investment advisors and institutional investors as defined under Rule 501 of the Securities Act of 1933, as amended. Newday Impact's ownership is set forth below.

Newday Impact provides authentic strategies for responsibility-minded investors. Backed by insightful research and recognized community leaders, Newday Impact offers strategies aligned with the major ESG issues in the world, including climate action, fresh water, human rights, gender equality, animal welfare, and quality of governance. Newday Impact provides solutions for institutional investors, high-net-worth individuals and novice investors who want their investments to generate competitive returns as well as make an impact in the world.

The Newday Impact had \$113,130,619 of assets under management as of December 31, 2022, which are managed on a discretionary basis. In addition, we had \$1,201,982 of assets under advisement.

This Disclosure Brochure describes the investment advisory business of Newday Impact. As used in this Disclosure Brochure, the words "we", "our" and "us" refer to Newday Impact and the words "you" and "client" refer to you as either a client or prospective client of Newday Impact.

### ***Ownership***

Newday Impact is owned by Newday Financial Technologies, Inc. which is in turn owned by its employees, private individuals and certain investment and venture capital investors.

### ***Research and Capabilities***

Newday Impact is an institutional asset management company offering investment solutions focused exclusively on environmentally sustainable, socially responsible



companies and countries with good governance practices. Newday Impact Thematic portfolio strategies use proprietary ESG and fundamental investment research to identify companies that align with specific areas of social, economic or governance impact selected by the client. These are applied to create portfolios that seek to maximize return subject to alignment with the area of desired impact chosen by the client.

Newday Impact portfolios address major ethical issues and are designed and constructed around a combination of UN Sustainable Development Goals and ESG principles using a rigorous, repeatable process. We believe that enhanced investment returns are attainable on a consistent basis by applying a disciplined investment approach that capitalized on a combination of ESG, governance and fundamental factors to create a portfolio.

Newday exclusionary ESG screens include fossil fuels, armaments, gambling, tobacco, alcohol, and child labor.

We believe that consistent alpha can be generated by combining our highest rated ESG companies with an emphasis on governance and fundamental factors to create a portfolio of our highest conviction companies. We identify which companies will perform or underperform in any given stage of the prevailing economic/business cycle.

We believe Newday Impact is a leader in country-level research on good governance. Newday Impact developed the Sustainable Wealth Creation Principles by researching the accounting, legal, regulatory, adjudicative, and economic structures of countries around the world. Its extensive research database contains data from a range of factors collected over 19 years. Newday Impact then uses this information to construct investible portfolios.

Newday Impact has taken the research methodology used for our country-level governance research and applied it to individual company research in the US through its Sustainable Value Creation principles. Newday Impact's Corporate Governance Assessment is used to evaluate a range of qualitative factors for

all the stocks in the S&P 500 Index. This assessment analyzes each company's



relationship not only with its shareholders and its employees, but also with its customers, suppliers, competitors, and communities in which a company operates. This approach provides a holistic analysis of governance as well as social aspects of ESG investing.

### ***Investment Management Services***

Newday Impact constructs and manages equity strategies for private and institutional investors on a fully discretionary basis in the form of separately managed portfolios. Each client's assets are managed through a separately managed account (SMA). SMA portfolios consist of US equity securities and foreign exposure through American Depository Receipts ("ADRs"), based on the portfolio strategy selected by the client. Newday Impact serves as the investment advisor and manager to each client's SMA pursuant to an Investment Management Agreement between the client and Newday Impact. Client assets are held at the client's custodian of choice for institutional clients and at the custodian affiliate of the designated back-office service provider, currently Charles Schwab & Co., Inc., for private clients.

Clients are advised to notify Newday Impact promptly if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions or mandates on the management of their SMA. Clients may impose reasonable restrictions or mandates on the management of the SMA if, in Newday Impact's sole discretion, the conditions do not appear likely to have

a material impact on the performance of a portfolio strategy or prove overly burdensome to its management efforts. Such restrictions must be fully documented in each client's Investment Management Agreement, or in any subsequent written instructions sent to and accepted by Newday Impact.

### ***Senior Investment & Financial Management Team***

*Shireen Eddleblute, Director of ESG Research, Co-Portfolio Manager and Chief Diversity Officer*

Ms. Eddleblute has over 20 years of investment management experience and a decade-long involvement in philanthropy and nonprofit volunteerism. She has been the Director



of ESG Research, Portfolio Manager, and Chief Diversity Officer at Newday since September 2021. She was previously a Senior Equity Analyst and Portfolio Manager at RBC Global Asset Management since September 1999. Ms. Eddleblute also served as an Equity Research Analyst at US Bancorp Asset Management, Inc. and an Institutional Analyst at Wellington Management. Prior to that, she was a Registered Sales Associate and Assistant Syndicate Coordinate at Prudential Securities. Ms. Eddleblute is a graduate of the Fisher School of Business at The Ohio State University and holds an MBA with honors from the Sawyer School of Business at Suffolk University. She is DEI certified from Stanford University's Graduate School of Business and holds a certificate in ESG Investing from the Columbia Business School.

*Douglas Heske, President & Chief Executive Officer*

Doug brings more than 30 years' experience in the investment industry. Prior to joining Newday Impact, Douglas served as the head of Private Client Services for Stifel Nicolaus in San Francisco (2011 - 2016) as well as the COO and Head of Wealth Management for Nollenberger Capital Partners and subsequently Sterne Agee (2004 - 2011). Prior to his role at Nollenberger, he was the Regional Managing Director of Wealth Management with Piper Jaffray & Co. (1993 - 2004). He is a graduate of Rhode Island University with a Bachelor of Science in Finance.

*Matt Zimmer, Director of Governance Research and Co-Portfolio Manager*

Mr. Zimmer joined Newday Impact as part of its acquisition of Magni Global Asset Management in January 2021. As Director of Governance Research and Co-Portfolio Manager, Mr. Zimmer has responsibility for the Newday governance research process and helps oversee Newday's equity portfolios. He has more than 20 years of research and investment experience with expertise evaluating macro-level economic and political developments to inform investment decisions. Mr. Zimmer served in a similar capacity as Director of Research at Magni where he developed their proprietary methodology for governance research at both the company and country level. Prior to joining Magni, he was a Principal at eStandardsForum, a data service provider that monitored the country compliance with international financial standards, as well as a Program Officer for the Reinventing Bretton Woods Committee, a consultancy and advisory firm focused on issues



related to financial reform. A long-time advocate for environmental and social causes, Mr. Zimmer served as a Business Development volunteer with the United States Peace Corps in Ukraine (1995-1997). Mr. Zimmer received an MBA in International Economics from Pace University, a Masters of International Affairs in International Economic Policy from Columbia University, and a B.S. in Business Administration and Economics from the University of Florida.

*David Hsu, Chief Compliance Officer*

Mr. Hsu brings more than 20 years of regulatory compliance experience in the financial services industry . Prior to Newday, he was the Chief Compliance Officer of 280 CapMarkets, Liberty Group and Stone & Youngberg as well as a regulator with the Financial Industry Regulatory Authority (FINRA). He has degrees in Economics and Psychology from the University of North Carolina.

## ITEM 5: FEES AND COMPENSATION

Newday Impact provides investment management services for private clients and institutional separately managed accounts (SMA) based on the terms of individual investment management agreements. Our fees normally range from 0.50% - 0.75% and are based the following fee schedule:



Assets Under Management Fee Schedule

75 bps	under \$999,999
70 bps	\$1 million - \$4,999,999
65 bps	\$5 million - \$9,999,999
60 bps	\$10 million - \$24,999,999
50bps	over \$25 million

Assets Under Advisement Fee Schedule

40bps	under \$999,999
35bps	\$1 million- \$4,999,999
30bps	\$5 million- \$9,999,999
25bps	\$10 million- \$24,999,999
20bps	over \$25 million

Fees are designed to cover research, investment advice and implementation, account servicing, and access to personnel who are knowledgeable about the management of the account. Newday Impact reserves the right to offer fees outside of this range on a case-by-case basis at its sole discretion.

Newday Impact's accounts are billed quarterly, in arrears, based on a percentage of assets under management unless a different arrangement is negotiated with the client. In the absence of specific alternative arrangements agreed with a client, Newday Impact's SMA clients are billed quarterly based on the average month-end market values during the quarter. SMA Clients are responsible for arranging payment to us. Clients may authorize deduction of Newday Impact's fees by the custodian, in which case the client receives a statement documenting the management fee. Wrap client's accounts are debited for any fees payable. We do not collect fees from client accounts without client authorization.



For partial billing periods, Newday Impact will invoice clients on a pro rata basis based on the actual number of days the assets were managed.

SMA clients will incur brokerage and other transaction costs in connection with the management of their account in addition to the advisory fees payable to us.

Commission costs are paid directly to an unaffiliated fund sponsor, fund advisor, broker-dealer, custodian, or other service provider.

## ITEM 6: PERFORMANCE FEES AND SIDE-BY-SIDE MANAGEMENT

Newday Impact charges fees based on a percentage of assets under advisement or assets under management. Newday Impact does not currently charge performance-incentive fees.

## ITEM 7: TYPES OF CLIENTS

Newday Impact seeks to provide investment management services to institutional investors including pension and profit-sharing plans, charitable organizations, family offices, foundations, endowments, state or municipal government entities, registered investment advisers, brokers and Accredited Investors.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Newday Impact Portfolios are custom-made, proprietary, and targeted investment strategies built to benefit a specific area of impact. Our multi-portfolio approach allows us to provide a fully-diversified investment strategy designed to directly impact the areas the clients care about.

### ***Country Governance Portfolios***

Countries must demonstrate the ability to create an economic, legal, and regulatory environment where output can grow, investment opportunities are attractive, and

investor rights are protected. Just because a country has laws and regulations on the books does not necessarily mean that they have good governance. It is the enforcement of these laws and regulations, not just the stated intentions, that is the determining factor of what is actually happening in a country.

Today, country governance is generally not explicitly included in investment decision making. The required information is not easy to find or to incorporate into the investment decision-making process. What is required is a systematic technique for collecting, processing, and organizing country data and organizing it into a format suitable for guiding investment decisions.

Newday Impact created the ***Sustainable Wealth Creation principles*** based on widely accepted economic concepts on country-level governance. They were developed by researching the accounting, legal, regulatory, adjudicative, and economic infrastructures of the investable countries around the world. Our extensive database goes back over 19 years and contains analysis across a range of qualitative factors measuring the honesty and transparency of governance across these countries. Newday scores and ranks countries on their ability to provide an environment conducive to effective governance. It uses this information to construct international portfolios by purchasing country-level ETFs.

### ***Thematic Portfolios***

Newday Impact's Thematic Portfolios are designed to reflect a specific area of interest. Using proprietary analytics and fundamental research to select portfolio holdings, Newday Impact seeks to maximize returns utilizing securities screened according to consistency with a specific conservation or humanitarian interest.

### ***Objectives and Risks***

Country Governance Portfolios are allocated by its country governance score which may dramatically overweight or underweight that country from the appropriate index. The holdings of the portfolios are country level ETFs which represent at least 85% of the country's underlying index therefore the performance is based on the country and not any individual security.



Newday Impact's approach for thematic Portfolios seek to maximize returns subject to a focus on the client selected specific area of impact.

Although we work hard to preserve clients' capital and to achieve above market returns, investing in securities entails assuming the risk of investment losses. The values of all equity investments fluctuate over time and, as a result, our clients may enjoy gains or suffer losses. Additionally, investing in foreign securities, either directly or indirectly through other funds or by utilizing derivatives to gain access to particular markets involves risk. We do not guarantee positive investment returns.

In general, the strategies we offer involve more securities trading than do traditional passive indexing strategies but less trading than most traditional active management strategies. Newday Impact portfolio weights are rebalanced periodically. Costs associated with trading will negatively affect investment performance.

***Associated Risk of Investing Using Sustainable Development Metrics and ESG Principles.***

The Fund's investment strategy limits the types and number of investment opportunities available to the Fund, and, as a result, the Fund may underperform other funds that do not primarily seek to invest in companies based on sustainable development metrics or that are screened based on ESG principals. In addition, sustainable development and ESG investing may affect the Fund's exposure to some companies or industries, and the Fund will forgo some investment opportunities because they are screened out based on the Fund's investment strategy. Further, some ESG factors are inherently subjective and subject to disagreement among investors. The market's view of what constitutes a sustainable development company may change over time.

***Non-Diversification Risk.***

Although the Fund intends to invest in a variety of securities and instruments, the Fund is considered to be non-diversified, which means that it may invest a greater percentage of its assets in the securities of a single issuer or a smaller number of issuers than if it were a diversified fund. As a result, the Fund may be more exposed to the risks associated with and developments affecting an individual issuer or a



smaller number of issuers than a fund that invests more widely. This may increase the Fund's volatility and cause the performance of a relatively smaller number of issuers to have a greater impact on the Fund's performance.

### **Cyber Risk**

Newday Impact and its service providers are susceptible to cyber security risks that include theft, denial of service attacks, unauthorized monitoring, misuse, loss, destruction or corruption of data, compromises to networks, services or devices that Newday Impact and its service providers use. Cyberattacks against Newday Impact or its service providers could adversely affect Newday Impact's clients, accounts or business activities.

Furthermore, Cyber attacks could affect issuers of securities in which Newday Impact invests, which may cause investments in such issuers to lose value. There can be no assurance that Newday Impact or its service providers will not suffer losses relating to cyber attacks or other information security breaches.

## **ITEM 9: DISCIPLINARY INFORMATION**

There have not been any material legal or disciplinary events involving the advisory business of Newday Impact or their management persons since inception.

## **ITEM 10: OTHER FINANCIAL ACTIVITIES**

Newday Impact does not currently undertake financial activities other than those listed herein and does not presently have any relationships or arrangements with related persons that are material to its advisory business or clients.

## **ITEM 11: CODE OF ETHICS**

Newday Impact seeks to adhere to the highest standards of fiduciary responsibility towards its clients and to avoid or mitigate to the extent feasible, actual or apparent conflicts of interests with or between its clients. Newday Impact's Codes of Ethics ("Code") outline general fiduciary responsibilities for its employees and directors. The



Code covers personal trading and reporting requirements and discusses certain other potential conflicts of interest, such as material non-public information, privacy, receipt or giving of gifts and benefits that are addressed in detail in separate policies under Newday Impact's Compliance Program.

The Code establishes standards of business conduct, states that we will conduct our business in accordance with all applicable laws, rules and regulations, and outlines our duties and responsibilities as a fiduciary to our clients.

Clients may obtain a copy of the Code of Ethics by writing to us at the address set forth on the first page of this Brochure.

Newday Impact has a compliance program in place that is intended to identify, mitigate and, in some instances, prevent actual and potential conflicts of interest, as well as to ensure compliance with legal and regulatory requirements and ensure compliance with client investment guidelines and restrictions. Our compliance program includes written policies and procedures that we believe are reasonably designed to prevent violations of applicable law and regulations.

Where feasible, Newday Impact seeks to incorporate compliance procedures into its daily operating practices with oversight provided by our Chief Compliance Officer (CCO) and Newday Impact's Oversight Committee. This Committee provides oversight and review of compliance across the functional areas of the firm. Its membership is composed of personnel across the firm. The Oversight Committee meets regularly and is responsible for investment oversight, proxy voting, sub-adviser oversight (if applicable), Code of Ethics oversight, valuation, trading, including best execution, portfolio holdings disclosure, risk oversight and new products.

Newday Impact does not, directly or indirectly, buy or sell securities to or from any client. We have developed policies and procedures requiring pre-approval by our CCO or her designee of certain securities transactions by our personnel.

All employees are required to provide quarterly reports of their securities transactions to our CCO who monitors compliance with personal trading policies and restrictions. All employees certify in writing, on a quarterly basis, that all reportable personal securities transactions have been reported to our CCO.



We have adopted policies and procedures concerning the possession of and use of material nonpublic information. All employees are trained in and have direct access to our Compliance Manual, which includes written policies and procedures relevant to personal trading and use of material nonpublic information.

### ***Code of Ethics/Personal Trading Rules and Procedures***

Newday Impact has adopted a Code designed to state standards of business conduct and to mitigate conflicts of interest for all our "Access Persons" as they perform their respective roles and responsibilities and when they engage in personal securities transactions. All Access Persons must complete an annual certification regarding their personal securities accounts and provide additional information about personal trading activities and outside business activities

Access Persons must report all personal securities transactions, must pre-clear certain investments, are restricted with respect to the timing of certain transactions and are prohibited from making certain transactions. Any exceptions must be approved by our CCO.

### ***Products Sold Or Managed By Us In Which We Have An Interest***

Newday Impact does not sell products in which it has an undisclosed interest.

### ***Implementation of Investment***

In recommending or implementing specific investment decisions through different accounts, programs and investment vehicles, including asset allocation services, the timing of the implementation of our advice may differ among the various accounts or investment vehicles. Newday Impact may implement its strategies using different funds, securities or instruments, depending on client type or circumstances.

Differences among the accounts, programs and investment vehicles that impact this selection or timing, eligibility of a client to invest in certain funds, and whether a third party is involved in the implementation of the advice may affect the timing of execution or timing of transactions. These differences may result in one client receiving better or worse investment performance than a client receiving similar advice through a different account, program or investment vehicle.



The timing and sequencing of trades executed for discretionary accounts in these programs, as well as underlying funds, is influenced by many factors such as the size of an asset allocation shift, the related cash flows in and out of the underlying funds, market conditions and the potentially differing views of those managing underlying index funds. In these situations, we seek to provide a process designed to prevent an unfair advantage in the timing and sequencing of trades for all client accounts over time, though in any given trading sequence, one client account or group of client accounts may receive more or less favorable timing of trade execution.

***Other***

Newday Impact's Code of Ethics requires that its personnel obtain prior permission for any outside business activities, in order to help ensure that these do not present apparent or actual conflicts with Newday Impact's fiduciary responsibilities to its clients.

**ITEM 12: BROKERAGE PRACTICES**

Newday Impact utilizes the services of an unaffiliated third-party, Charles Schwab & Co., Inc., to handle brokerage, execution, as well as certain support functions including back office and/or custody. Such services may provide more robust infrastructure and/or economies of scale than Newday Impact could provide directly. Newday Impact may also utilize the brokerage and execution capabilities offered by such providers. SMA Clients will pay such trading commissions and fees, as they would with any brokerage arrangement. They may also pay – in addition to Newday Impact's investment management fees – charges for custody or administration. These arrangements require a separate agreement with the third party but, as noted in Item 5, Newday Impact will disclose such arrangements and fee schedules prior to execution of the Investment Management Agreement.

***Broker Selection***

Clients give us discretion to select brokers on their behalf. For Separately Managed Account Clients, we generally use the execution services provided by a third-party brokerage platform (e.g. Charles Schwab) designed for independent third-party





registered investment advisors. We review such trading to assess the quality of execution. Our review takes into consideration factors such as quality of execution, clearance and settlement capabilities, financial stability, and commission rates and cost. Considering the circumstances, our overall objective in executing portfolio transactions is to obtain the best combination of price and execution for our clients.

### ***"Soft dollars"***

We do not currently engage in "third party soft dollar" arrangements that are related to securities brokerage transactions, although it is possible that we may do so in future. We may receive the use of products, research or services from third parties, but they are not paid for through brokerage activities. We do not receive compensation, benefits, products, research or services from any broker dealer to whom we direct brokerage transactions beyond normal brokerage services.

### ***Trade Aggregation***

In executing trades, Newday Impact may aggregate transactions for multiple accounts in the same security to seek to ensure best execution for all similar accounts/mandates. Such aggregation may be able to reduce transaction costs or market impact on a per-unit and per-dollar basis, though aggregation may have the opposite effect in certain circumstances. When orders are not aggregated, clients may pay prices for transactions that are more or less than the client would have paid had the order been aggregated. In the case of partial completion of orders, clients are generally allocated their pro rata share of the securities traded, except that Newday Impact may seek to provide round lots for smaller accounts to avoid potential price disadvantage upon subsequent sale of the position.

Newday Impact's policy permits certain exceptions to this practice where it believes an exception is justified by best execution, client-specific restrictions directed brokerage or other circumstantial factors. Exceptions require approval of the CCO.

### ***Initial Public Offerings***

Newday Impact may from time to time purchase an Initial Public Offering on behalf



of its clients, for example a new country index fund. Newday Impact has adopted a policy and procedures to address potential conflicts among its clients and, in the event of a partial allocation, to help ensure that each eligible client receives its pro rata share of security allocations.

### ***Directed Brokerage***

For institutional accounts, Newday Impact does not recommend, request or require that a client direct us to execute transactions through a specified broker dealer. In the event that a client requests and Newday Impact accepts such direction, the client typically has an arrangement with such broker-dealer which results in the client receiving some benefit from the broker-dealer in exchange for the directed brokerage. For certain types of clients, such an arrangement may not be feasible (e.g. for smaller accounts or where Newday Impact's strategy utilizes third party proprietary funds).

Clients should also keep in mind the following potential risks associated with directed brokerage:

- direction may result in higher commissions, greater spreads or less favorable net prices than would be the case if we selected the broker dealers;
- direction may result in trades for the client's account not being aggregated with similar trades for other accounts and thus not eligible for the benefits that accrue to such aggregation of orders;
- as a result of not being aggregated, client transactions may be executed after accounts whose trades are aggregated and may receive less favorable prices;
- there is a possibility of increased credit and/or settlement risk if the broker-dealers the client has selected are not otherwise on our approved list; and
- as a result of such direction, the client's account may not generate returns equal to those of other accounts which do not direct brokerage.

### ***Error Correction***

On occasion, a mistake may occur in the execution of a trade. As a fiduciary, we must treat errors caused by us in a fair and equitable manner. Errors may occur for a



number of reasons, including human input error, systems error, communications error or incorrect application or understanding of a guideline or restriction. Examples of errors include, but are not limited to the following: buying securities not authorized for a client's account; buying or selling incorrect types or amounts of securities or instruments; buying or selling in violation of one of our policies; failure to follow specific client directives or portfolio manager instructions to buy, sell or hold securities; and incorrect allocation of trades to or between various accounts. We do not make the client account absorb the financial loss due to the trade error; use client commission arrangements or directed trades to fix the error or attempt to fix the error using another client account. To the extent correction of the error results in a gain to the client's account, it is Newday Impact's policy to place the excess in an error account that may be used to offset losses due to trade errors. Any positive balance in the account is donated to charity at the end of the calendar year. Where it is not operationally practical to place the gain into the error account, we allow our clients to keep the benefit. In the event that the gain occurs in connection with a series of related transactions, any such gains may be netted against the related losses. Such netting may result in lowering the amount we must reimburse the client account.

### ***Inter Account Cross Trading***

Subject to availability, Newday Impact may cross trades among accounts where it believes that such transactions may benefit its clients (e.g. save commission or trading costs). It has adopted a policy and procedures to address the potential conflicts of interest in representing both the buyer and seller with respect to such activities. The procedures that govern these transactions require that the securities be crossed at the independent current market price (as defined in the procedures) and that no brokerage commission, fee or other remuneration,

except for customary transfer fees, be paid in connection with the transaction. Absent the appropriate disclosure and consent as may be required by applicable law, cross transactions will not be executed with any client account that is subject to ERISA or an account that is owned by us or an affiliate.



## ITEM 13: REVIEW OF ACCOUNTS

Newday Impact's investment managers are responsible for the ongoing review of investment management accounts invested in each strategy. In addition, all investment strategies are reviewed periodically, at least quarterly, by our Oversight Committee. The individuals participating in such reviews may include the Chief Executive Officer, Chief Compliance Officer, and other members of management. The nature and frequency of written reports provided to clients are determined primarily by the needs of each client and client instructions. Clients receive at a minimum, separate quarterly or more frequent, account statements from the broker-dealer, bank or other accredited custodian detailing all cash and asset transactions and activity within their account. In general, meetings with clients are held according to the stated desires of each client.

## ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

We may enter relationships with either clients or third parties as Promoters for referrals in accordance with rules 206 (4)-1 of the Investment Advisers Act. Such parties may promote Newday Impact to Accredited Investors, broker dealers or registered investment advisers or separately managed accounts.

In such arrangements, we may pay a percentage of the fee we receive from accounts that have been referred to us to the person or entity making the referral, as a promoter. Alternatively, we may pay a fixed fee for such referrals. In cases where promoters receive compensation there is a written agreement that describes the scope of the agreed upon activities and the terms of compensation for these activities. It is our policy that if we pay referral fees to a promoter for any account, the fee schedule applicable to that client's account will be the same as the schedule that would have applied to accounts of similar size receiving similar services where no referral fees are paid.

## ITEM 15: CUSTODY

We do not maintain custody of client funds or securities. We may receive fees

directly from client accounts pursuant to deduction arrangements when authorized by the client as described elsewhere in Item 5. Fees and Compensation.

Although we do not maintain custody of client assets, we may on occasion inadvertently receive client funds or securities. If we inadvertently receive funds or securities attributable to a client or former client from a third party, we will return the funds or securities to the sender or arrange with the client or former client to return such funds or securities within three business days following receipt.

## ITEM 16: INVESTMENT DISCRETION

The separately managed accounts over which we exercise investment discretion are generally subject to investment restrictions and guidelines developed in consultation with clients. Such restrictions and guidelines customarily impose limitations on the types of securities and percentage of account assets that may be purchased in a given security or type of security. Separately managed account Clients may also impose additional policies, which are agreed in writing and may be changed from time to time upon Newday Impact's acceptance of written instruction from the client.

Newday Impact's investment management agreements generally authorize it to make the following determinations, consistent with each client's investment goals and policies, without client consultation or consent before a transaction is executed:

- Which securities or other investments to buy or sell;
- The total amount of securities or other investments to buy or sell;
- The broker or dealer through whom securities are bought or sold;
- The commission rates at which securities or other investment transactions for client accounts are executed; and
- The price at which securities or other investments are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

At any time, clients may place limitations or restrictions on our discretionary authority in the management of their account. We require that these limitations or restrictions be provided in writing to us. Subject to our acceptance and our ability to



implement such instructions, we observe the investment policies, limitations, and restrictions of each client for which we advise.

Newday Impact may accept accounts for which it has discretionary authority to purchase securities for the account, but not to select broker-dealers for transactions. These are commonly known as “client-directed brokerage relationships.” We may also accept non-discretionary arrangements, such as providing a series of securities recommendations by periodically updating a model portfolio or where clients retain investment discretion with respect to transactions in the account. In these situations, our lack of investment discretion may cause the client to lose possible advantages that our discretionary clients may derive from our ability to act for those discretionary clients in a more timely fashion, such as the aggregation of orders for several clients as a single transaction.

Newday Impact may act as investment manager to other clients (including funds) now or in the future and each account’s investment restrictions and guidelines may differ. All investment decisions for an account are made in accordance with the investment restrictions and guidelines of that account. Investment decisions for each account are made with a view to achieving the account’s investment objectives and after consideration of such factors as the account’s current holdings, the current investment views of the particular portfolio manager, availability of cash for investment, and the size of the account’s positions generally. In addition, we may apply certain proprietary risk management guidelines or other restrictions to the universe of accounts we manage in situations where we believe such actions will enhance our overall advisory services.

#### ITEM 17: VOTING OF PROXIES

All proxies solicited by or with respect to the issuers of securities in which Assets may be invested from time to time shall be voted by the Client. Newday Impact shall have no authority or responsibility for exercising any of the foregoing rights unless otherwise agreed in writing between Newday Impact and the Client.

To the extent we vote proxies in-house, we are responsible for acting in the best interest of our clients. Each client retains the right to withdraw proxy voting authority



at any time by providing us a written notice of withdrawal of authorization. A copy of our proxy voting policies and procedures is available upon request. The policies provide guidance so that Newday Impact acts in a manner intended to be prudent, diligent and in the best interest of our clients. In the event that Newday Impact is required to vote a proxy that could result in a conflict between a client's best interests and the interests of our firm, we may

seek the advice of a knowledgeable, independent third party as to how to vote. Newday Impact publishes its proxy votes and rationale on its [website](#).

Newday Impact is not responsible or liable for failing to vote any proxy where receipt of proxy materials or related shareholder communications is untimely. Due to the significant cost associated with voting proxies in relation to international equities, uncontested matters are generally not voted on. Newday Impact will consider contested matters on a case-by case basis.

## ITEM 18: FINANCIAL INFORMATION

We do not require or solicit prepayments from clients six months or more in advance nor do we have custody of client funds or securities, except for the automatic deduction of fees, where authorized by the client. We do, however, have discretionary authority over client funds and securities. We currently do not know of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our clients.



Brochure Supplement

FORM ADV Part 2B

***Item 1 - Cover Page***

**Shireen Eddleblute**

Portfolio Manager

Of

**Newday Funds, Inc.**

CRD # 174758

(415) 935-0550

[www.newdayinvesting.com](http://www.newdayinvesting.com)

November 8, 2023

This Brochure Supplement provides information about Shireen Eddleblute, and supplements the Newday Funds, Inc. ("Newday Impact") Brochure. You should have received a copy of that Brochure. Please contact us at (415) 935-0550, if you did not receive Newday's Brochure, or if you have any questions about the contents of this Supplement. Additional information is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).





## **Item 2 - Educational Background and Business Experience**

Shireen Eddleblute (born 1971), Co-Portfolio Manager and Director of Corporate Engagement and Advocacy for Newday. Ms. Eddleblute has over 20 years of investment management experience and a decade long involvement in philanthropy and nonprofit volunteerism. She has been the Director of ESG Research, Co-Portfolio Manager, and Chief Diversity Officer at Newday since August 2021. She was previously a Senior Equity Analyst and Portfolio Manager at RBC Global Asset Management since September 1999. Ms. Eddleblute also served as an Equity Research Analyst at US Bancorp Asset Management, Inc. and an Institutional Analyst at Wellington Management Company LLP. Prior to that, she was a Registered Sales Associate and Assistant Syndicate Coordinate at Prudential Securities. Ms. Eddleblute is a graduate of the Fisher School of Business at The Ohio State University and holds an MBA with honors from the Sawyer School of Business at Suffolk University. She is DEI certified from Stanford University's Graduate School of Business and a prospective ESG certificate candidate at the Columbia Business School.

## **Item 3 - Disciplinary Information**

Ms. Eddleblute has not been subject to any legal or disciplinary event.

## **Item 4 - Other Business Activities & Additional Compensation**

Ms. Eddleblute is not actively engaged in other business activities or occupations.

## **Item 5 - Additional Compensation**

Mr. Eddleblute does not receive additional compensation.

## **Item 6 - Supervision**

Ms. Eddleblute's activities on behalf of the firm and clients are maintained according to the highest of professional standards. Should you have any questions or concerns regarding these standards, please contact Ms. Eddleblute's supervisor, Doug Heske (415) 935-0550.



Brochure Supplement

Form ADV Part 2B

***Item 1 - Cover Page***

**Matthew Robert Zimmer**

CRD #6295103

Of

**Newday Funds, Inc.**

CRD # 174758

(415) 662-3702

[www.newdayinvesting.com](http://www.newdayinvesting.com)

November 8, 2023

This Brochure Supplement provides information about Matthew Zimmer, and supplements the Newday Funds, Inc. ("Newday") Brochure. You should have received a copy of that Brochure. Please contact us at (415) 935-0550, if you did not receive Newday's Brochure, or if you have any questions about the contents of this Supplement. Additional information is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

**Item 2 - Educational Background and Business Experience**

Matthew Zimmer (born 1973) joined Newday Impact as part of its acquisition of Magni Global Asset Management in January 2021. As Director of Governance Research and Co-Portfolio Manager, Mr. Zimmer has responsibility for the Newday governance research process and helps oversee Newday's equity portfolios. He has more than 20 years of research and investment experience with expertise evaluating macro-level economic and political developments to inform investment decisions. Mr. Zimmer served in a similar capacity as Director of Research at Magni where he developed their proprietary methodology for governance research at both the company and country level. Prior to joining Magni, he was a Principal at eStandardsForum, a data service provider that monitored the country compliance with international financial standards, as well as a Program Officer for the Reinventing Bretton Woods Committee, a consultancy and advisory firm focused on issues related to financial reform. A long-time advocate for environmental and social causes, Mr. Zimmer served as a Business Development volunteer with the United States Peace Corps in Ukraine (1995-1997). Mr. Zimmer received an MBA in International Economics from Pace University, a Masters of International Affairs in International Economic Policy from Columbia University, and a B.S. in Business Administration and Economics from the University of Florida.

**Item 3 - Disciplinary Information**

Mr. Zimmer has not been subject to any legal or regulatory proceedings.

**Item 4 - Other Business Activities & Additional Compensation**

Mr. Zimmer does not have any other business activities or occupations.

**Item 6 - Supervision**

Mr. Zimmer's activities on behalf of the firm and clients are maintained according to the highest of professional standards. Should you have any questions or concerns regarding these standards, please contact his supervisor, Doug Heske at (415) 935-0550.



Brochure Supplement

Form ADV Part 2B

***Item 1 - Cover Page***

**Douglas Charles Heske**

CRD #1458182

Of

**Newday Funds, Inc.**

CRD # 174758

(415) 662-3702

[www.newdayinvesting.com](http://www.newdayinvesting.com)

November 8, 2023

This Brochure Supplement provides information about Douglas ("Doug") Heske, and supplements the Newday Funds, Inc. ("Newday") Brochure. You should have received a copy of that Brochure. Please contact us at (415) 935-0550, if you did not receive Newday's Brochure, or if you have any questions about the contents of this Supplement. Additional information about Doug is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).



## **Item 2 - Educational Background and Business Experience**

Prior to joining Newday, Douglas Charles Heske (born 1962) served as the head of Private Client Services for Stifel Nicolaus in San Francisco (2011 - 2016) as well as the COO and Head of Wealth Management for Nollenberger Capital Partners and subsequently Sterne Agee (2004 - 2011). Prior to his role at Nollenberger, he was the Regional Managing Director of Wealth Management with Piper Jaffray & Co. (1993 - 2004). He is a graduate of Rhode Island University with a Bachelor of Science in Finance.

## **Item 3 - Disciplinary Information**

Mr. Heske was the subject of a consumer initiated arbitration in 1993, which was settled by the firm based on a cost-of-defense analysis. Mr. Heske was not required to participate in the settlement. You may review disciplinary history at the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or the BrokerCheck website at <http://brokercheck.finra.org>.

## **Item 4 - Other Business Activities & Additional Compensation**

Mr. Heske serves as a director and executive committee member for the San Francisco Child Abuse Prevention Center (2010 - present) a non-profit organization. He does not receive any compensation for this role and his activities with this charity do not conflict with his role as the CEO Newday and do not regularly require his attention during regular business hours.

## **Item 6 - Supervision**

Mr. Heske's activities on behalf of the firm and clients are maintained according to the highest of professional standards. Should you have any questions or concerns regarding these standards, please contact Mr. Heske's supervisor, David Hsu at 206-651-4411.