

Uniform Application for Investment Adviser Registration

Part II - Page 1

Name of Investment Adviser: Westport Resources Management, Inc.				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code Telephone number
315 Post Road West	Westport	Connecticut	06880	203-226-0222

This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.

Table of Contents

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
1	Advisory Services and Fees	2
2	Types of Clients	2
3	Types of Investments	3
4	Methods of Analysis, Sources of Information and Investment Strategies	3
5	Education and Business Standards	4
6	Education and Business Background	4
7	Other Business Activities	4
8	Other Financial Industry Activities or Affiliations	4
9	Participation or Interest in Client Transactions	5
10	Conditions for Managing Accounts	5
11	Review of Accounts	5
12	Investment or Brokerage Discretion	6
13	Additional Compensation	6
14	Balance Sheet	6
	Continuation Sheet	Schedule F
	Balance Sheet, if required	Schedule G

(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services – Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.
(See instructions below.)

Applicant:

<input checked="" type="checkbox"/>	(1)	Provides investment supervisory services	95 %
<input type="checkbox"/>	(2)	Manages investment advisory accounts not involving investment supervisory services	%
<input type="checkbox"/>	(3)	Furnishes investment advice through consultations not included in either service described above	%
<input type="checkbox"/>	(4)	Issues periodicals about securities by subscription	%
<input type="checkbox"/>	(5)	Issues special reports about securities not included in any service described above	%
<input type="checkbox"/>	(6)	Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	%
<input checked="" type="checkbox"/>	(7)	On more than an occasional basis, furnishes advice to clients on matters not involving securities	5 %
<input type="checkbox"/>	(8)	Provides a timing service	%
<input type="checkbox"/>	(9)	Furnishes advice about securities in any manner not described above	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? Yes ☒ No ☐

C. Applicant offers investment advisory services for: (check all that apply)

<input checked="" type="checkbox"/>	(1)	A percentage of assets under management	<input type="checkbox"/>	(4)	Subscription fees
<input checked="" type="checkbox"/>	(2)	Hourly charges	<input checked="" type="checkbox"/>	(5)	Commissions
<input checked="" type="checkbox"/>	(3)	Fixed Fees (not including subscription fees)	<input type="checkbox"/>	(6)	Other

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of Clients - Applicant generally provides investment advice to: (check those that apply)

<input checked="" type="checkbox"/>	A.	Individuals	<input checked="" type="checkbox"/>	E.	Trusts, estates, or charitable organizations
<input checked="" type="checkbox"/>	B.	Banks or thrift institutions	<input checked="" type="checkbox"/>	F.	Corporations or business entities other than those listed above
<input checked="" type="checkbox"/>	C.	Investment Companies	<input type="checkbox"/>	G.	Other (describe on Schedule F)
<input checked="" type="checkbox"/>	D.	Pension and profit sharing plans			

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input checked="" type="checkbox"/> (1) securities |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input checked="" type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input checked="" type="checkbox"/> (1) real estate |
| G. Investment company securities: | <input checked="" type="checkbox"/> (2) oil and gas interests |
| <input checked="" type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Long term purchases (securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases (securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes ☒ No ☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the

- name
- formal education after high school
- year of birth
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice
- ☒ B. Applicant sells products or services other than investment advice to clients
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) broker-dealer | <input checked="" type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input checked="" type="checkbox"/> (8) law firm |
| <input checked="" type="checkbox"/> (3) other investment adviser | <input checked="" type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input checked="" type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading advisor or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes ☐ No ☒

(If yes describe on Schedule F the partnerships and what they invest in.)

9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☒ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No
☒ ☐

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each

Review of client accounts is performed by an officer of the corporation on a regular basis and the investment advisor on an ongoing basis. Trade blotters of all transactions are also reviewed by an officer of the corporation. Review is more frequent should the situation warrant. All accounts are reviewed without priority.

- B. Describe below the nature and frequency of regular reports to clients on their accounts

Clients receive a quarterly report (more frequently if requested by the client) showing their financial profile. Comments are provided as to progress in achieving goals and consideration of resetting goals. In addition, clients receive either monthly or quarterly brokerage statements based on activity as well as trade confirmations whenever a trade is executed.

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | Yes | No |
|--|-------------------------------------|-------------------------------------|
| (1) securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) commission rates paid? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients?

Yes ☒ No ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of product, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and Services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|---|--|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
--	---	-----------------------------

1. Full name of applicant exactly as stated in Item 1A of Form ADV: WESTPORT RESOURCES MANAGEMENT, INC		IRS Empl. Ident. No.: 06-1195193
Item of Form (identify)	Answer	
1.A.(1)	<p>Investment advisory services under both the <u>Private Client Group</u> and the <u>Professional Affiliates</u> are provided and may include:</p> <ol style="list-style-type: none"> 1. Gathering of client information. 2. Consultation with the client to determine goals and objectives. 3. Generation of a Financial Planning document which details the client's financial profile and makes recommendations of the future course of action and may recommend additional specific professional advice from either affiliated or unaffiliated professionals re: legal, tax or other planning issues requiring specialized expertise. 4. Services may involve subsequent consultation at an hourly rate (not to exceed \$375 per hour) when required. 5. Fees for financial planning services performed in conjunction with asset management are negotiable. 6. Fees for financial planning services without asset management will not exceed \$375 per hour. <p>The client may also employ a member of the <u>Private Client Group</u> or one of the <u>Professional Affiliates</u> of Westport Resources Management, Inc. (herein referred to as WRM) as an investment advisor for specific accounts or portfolios. WRM will supervise accounts on a discretionary basis. Advice is given accordingly. If WRM uses other investment advisers to assist in the management of a given account, it is always with the prior written agreement of the client.</p> <p>Clients may terminate their agreement at any time with written notice. Fees are payable quarterly in arrears and in the event of termination, prorated to the date of notice.</p> <p>Under the <u>Private Client Group</u>, WRM utilizes ten different fee schedules based on the style of management.</p> <ol style="list-style-type: none"> 1. Customized Portfolio fees utilizing individual securities are 1.25% maximum per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000, depending on services rendered. 2. Fixed Income Portfolio fees are 0.5% maximum per annum. 3. Global Tactical Asset Allocation fees are 2% per annum for the first \$2,000,000 of assets under management and 1% of all amounts greater than \$2,000,000. 4. Individual Global Balanced Portfolio fees are 1.25% per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000. 5. Institutional Global Balanced Portfolio fees are 1.25% per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000 6. Special Income Portfolio fees are 1.25% per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000 7. MultiCap Equity Focused Value & Growth Portfolio fees are 1.25% per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000. 8. Diversified Value Portfolio fees are 1.25% per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000. 	

1. Full name of applicant exactly as stated in Item 1A of Form ADV: WESTPORT RESOURCES MANAGEMENT, INC		IRS Empl. Ident. No.: 06-1195193
Item of Form (identify)	Answer	
1.A.(1) (cont'd)	<p>9. International Portfolio fees are 1.25% per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000.</p> <p>10. Exchanged Traded Fund (ETF) Portfolio fees are 1.25% per annum for the first \$500,000 of assets under management and 1% of all amounts greater than \$500,000.</p> <p><u>Footnotes:</u></p> <p>1. All of the above fees are negotiable for amounts greater than \$2,500,000 and for charitable organizations. Related accounts are typically consolidated for billing purposes.</p> <p>2. A "performance based" fee structure is available to qualifying investors. The applicant will be required to qualify as compliant with Rule 205-3.</p> <p>3. Adviser also offers a "wrap" account to investors maintaining accounts with qualifying broker/dealers including Westport Resources Investment Services (herein referred to as WRIS), an affiliate firm. Firm details are provided in a document (i.e. WRM Wrap Brochure) in compliance with Schedule H of Form ADV.</p> <p>4. A client invested in a mutual fund pays a management fee to WRM and a management fee and expenses to the mutual fund.</p> <p>5. Solicitors adhere to the same fee schedules as above.</p> <p>Clients of the Professional Affiliates of WRM may select one of the following Investment Adviser Agents:</p> <ol style="list-style-type: none"> 1. David J. Boczar, CFP®, CFA 2. Paul H. Daimler 3. Dwight Pike, CFA 4. Robin Pinkham 5. Susan Roth 6. Joseph Tatusko, CFP®, CFA 7. Lee Weiner 8. Marianne Weiss 9. Kimberly Keeping 10. Rami (Ray) Hofshi 11. Bill Matthes 12. Rudy Polanski 13. Herbert C. Rosenthal, CLU, ChFC 14. Frank Sterneck 15. John Adams Vaccaro, CFP®, CLU 16. Steven Ortega 17. Tom Forester – Forester Capital Management <p>These Investment Adviser Agents operate under a fee schedule that ranges from 0.50% to a maximum of 3.0 % per annum of assets under management, depending upon the style of money management that they employ. They may also be compensated on a commission only basis. A commission schedule is disclosed in the Investment Advisory Agreement.</p>	

1. Full name of applicant exactly as stated in Item 1A of Form ADV: WESTPORT RESOURCES MANAGEMENT, INC		IRS Empl. Ident. No.: 06-1195193
Item of Form (identify)	Answer	
1.A.(1) (cont'd)	<u>Footnotes:</u> 1. All of the above fees are negotiable for amounts greater than \$2.5 million and for charitable organizations. Related accounts are consolidated for billing purposes 2. Adviser also offers a "wrap" account to investors maintaining accounts with qualifying broker/dealers including WRIS. Details are provided in a document (i.e. WRM Wrap Brochure) in compliance with Schedule H of Form ADV. 3. A client invested in a mutual fund pays a management fee to WRM and a management fee and expenses to the mutual fund. 4. Solicitors adhere to the same fee schedules as above.	
1.A.(7)	When required, consultation is provided in areas of insurance, taxation, pension plans and general financial management. Compensation and other items are as described in 1.A. (1).	
5.	Education requirements: Credentials which may include Series 65 or 66 (Uniform Investment Adviser Law examination), CFP®, CFA, CPA, Registered Securities Principal, MBA or comparable business experience.	
6.	<u>Education and Business Background:</u> 1. John Adams Vaccaro; 2. Born: 11/06/1944; 3. Education: 1966 BA, Lafayette College 1991 CFP®, College for Financial Planning 2001 CLU, The American College 4. Employment: 1987–present, CEO, Westport Resources Management, Inc. 1989–present, CEO, Westport Resources Investment Services, Inc <u>Education and Business Background:</u> 1. Joseph Tatusko; 2. Born: 11/17/1954; 3. Education: 1984 MBA, Finance, New York University 1977 BA, Asian Studies, Eisenhower College/Rochester Institute of Tech 4. Employment: 2003–present, Investment Advisor Representative, Westport Resources Management, Inc. (became Chief Investment Officer in May 2008) 2003–present, Registered Representative, Westport Resources Investment Services, Inc. <u>Education and Business Background:</u> 1. Kimberly Keeping; 2. Born: 05/12/1954 3. Education: 1982 BS, Finance, Fairfield University 4. Employment: 2007–present, Investment Advisor Representative, Westport Resources Management, Inc. 2007–present, Registered Representative, Westport Resources Investment Services, Inc. 2006, Financial Advisor, Merrill Lynch Fairfield CT 2000–2006, Vice President/Operations, Decision Processes Westport CT	
7.A.,B.	The directors of WRM consider that the providing of investment advice is their principal business. Mr. John Adams Vaccaro is also actively engaged in a related company and may be remunerated based on commissions earned: Westport Resources Investment Services, Inc. (WRIS), a FINRA registered securities broker/dealer.	
8.C.(1)	Mr. John Adams Vaccaro is also the CEO of WRIS. The following Investment Advisor Agents of WRM are also Registered Representatives of WRIS: 1. David J. Boczar, CFP®, CFA 2. Paul H. Daimler 3. Dwight Pike, CFA 4. Robin Pinkham 5. Susan Roth 6. Joseph Tatusko, CFP®, CFA 7. Lee Weiner 8. Marianne Weiss 9. Kimberly Keeping 10. Rami (Ray) Hofshi 11. Bill Matthes 12. Herbert C. Rosenthal, CLU, ChFC 13. John Adams Vaccaro, CFP®, CLU 14. Steven Ortega	

1. Full name of applicant exactly as stated in Item 1A of Form ADV: WESTPORT RESOURCES MANAGEMENT, INC		IRS Empl. Ident. No.: 06-1195193
Item of Form (identify)	Answer	
8.C.(3)	WRM has business relationships with Jay Cruice of Westport, CT, who is the President of Cruice Investment Advisors, Ltd (an SEC Registered Investment Adviser), David Boczar of Easton, CT, who is Doing Business As Emerald Wealth Advisors (a Registered Trademark), Rami Hofshi of Stamford, CT who is the President of Capital Dynamics (an SEC Registered Investment Adviser), Bill Matthes of Guilford, CT who is sole owner of Compass Asset Management, LLC (an SEC Registered Investment Adviser) Frank M. Sterneck of Kansas City, MO who is the Managing Partner of Sterneck Capital Management LP (an SEC Registered Investment Adviser) and Tom Forester of Libertyville, IL, who is President of Forester Capital Management (an SEC Registered Investment Adviser). WRM's relationship may be with the firm if it is a Registered Investment Advisor. With the written approval of the client, any of these individuals or firms which are Registered Investment Advisers may assist WRM in the management of client accounts. These arrangements are discussed in detail with the client in a related Investment Advisory Agreement.	
8.C.(7)	Some aspects of comprehensive financial planning may be prepared with the assistance of Richard M. Kesselman, CPA or Raymond L. Abramson, CPA or Don Gordon, Enrolled Agent who are affiliated with WRM, or to other tax professionals. They may provide additional tax and accounting assistance if requested by the client. WRM does not receive compensation for this additional tax and accounting assistance.	
8.C.(8)	Some aspects of comprehensive financial planning relevant to estate planning may be prepared with the assistance of outside legal experts. WRM may pay a fee for these services. These outside legal experts may also provide legal assistance in this area if requested by the client. WRM does not receive compensation for this legal assistance.	
8.C.(9)	Agents of WRM may refer clients with insurance needs to an insurance agent/broker. Properly licensed agents of WRM may receive compensation for these services.	
8.C.(10)	WRM may consult with the retirement specialists of National Financial Services LLC (herein referred to as NFS), a Fidelity Investments Company, if required. WRM does not receive compensation for this service. WRM may consult with the pension consultants of TR Paul Investment Services LLC if required. WRM does not receive compensation for this service.	

1. Full name of applicant exactly as stated in Item 1A of Form ADV: WESTPORT RESOURCES MANAGEMENT, INC		IRS Empl. Ident. No.: 06-1195193
Item of Form (identify)	Answer	
9.B	<p>John Adams Vaccaro, the principal of WRM, is also the CEO of and registered with WRIS, a FINRA-registered broker dealer (see 7. and 8.C. (1)). Client accounts are charged an advisory fee applied to assets under management and under the basic management agreement are charged brokerage commissions.</p> <p>Under an alternative wrap fee program no commissions will be charged and the advisory fee will increase.</p>	
9.C	WRIS will on occasion sell a security from one client to another if the transaction is believed to be mutually beneficial. Full disclosure is provided to both clients and the transaction is affected at a mutually agreed upon price and with the prior written authorization of both clients	
9.D	Situations may occur where the applicant or a related person has a financial interest in an investment or security offered to a client and is generally related to assets being managed by a common Investment Adviser. This is fully disclosed in our Investment Advisory Contract. Philosophically we believe that our interest in an investment constitutes another level of commitment to meeting our clients' financial goals. Controls are in place to prevent our interests from coming before those of the clients.	
9.E	<p>Applicant and related persons may buy or sell securities that it recommends to clients. This fact is disclosed in writing to each client at the commencement of the client's relationship with the applicant.</p> <p>Many of the Investment Adviser Agents of WRM are also Registered Representatives of WRIS. To the extent that some of those agents may receive a portion of the Investment Advisory fee and a commission on the transactions, a conflict between the duties owed to the client may exist.</p> <p>WRM has prepared a Code of Ethics that sets forth the standards of conduct expected of advisory personnel. The Code of Ethics also addresses the conflicts that might arise from personal trading by advisory personnel. A copy of the firm's Code of Ethics is available upon request. WRM has also prepared an Investment Advisor Policies and Procedures Manual that addresses how WRM conducts its day to day business. A copy of the firm's Policies and Procedures Manual is available upon request.</p>	
10.	WRM acts as an Investment Adviser for specific accounts/portfolios as described in 1.a. (1). The minimum account size for these agreements is \$500,000 of assets under management for the <u>Private Client Group</u> and \$100,000 of assets under management for the <u>Professional Affiliates</u> . Occasionally accounts of a smaller size are managed on an exception basis.	
12.A.(1)	Any limitation to securities bought or sold is determined with the client and specified in the Investment Advisory Agreement. Margin is permitted with the written authorization of the client.	
12.A.(2)	Limitations to the amount of securities bought or sold are determined by the value of the account. Margin is permitted with the written authorization of the client.	

1. Full name of applicant exactly as stated in Item 1A of Form ADV: WESTPORT RESOURCES MANAGEMENT, INC		IRS Empl. Ident. No.: 06-1195193
Item of Form (identify)	Answer	
12.B.	<p>Clients may choose their broker-dealer. Unless instructed to use another broker-dealer WRM executes all of its trades through WRIS. It is fully disclosed that commissions earned are an important component of the applicant's total remuneration. It is explained that commissions are earned by the broker on the account whereas management fees are earned by the manager. An agent of WRM, if also registered as a representative with WRIS, may receive normal and customary periodic 12B-1 fee payments from mutual fund investments. WRM also offers a Wrap Fee Account which may compensate both WRM and WRIS.</p> <p>For the Private Client Group, portfolio turnover is estimated at 25% per year for accounts managed using individual securities in the Individual and/or Institutional Global Balanced programs. Portfolio turnover for accounts managed using individual securities in the Customized Portfolio program will vary with the agreed upon strategy. Commissions for individual securities transactions are charged per a schedule which attempts to be competitive with full service brokerage firms. Accounts managed using the Global Tactical Asset Allocation program have a significantly greater number of transactions and turnover. Note the following fee information regarding mutual funds: The "No Transaction Fee" program with National Financial Services LLC & Fidelity Investments does not impose fees by either entity, however as offered through Westport Resources Investment Services, Inc. a service fee of \$5.50 is charged for each purchase and each sale of no load mutual funds participating in this program. A \$30 non-commission processing fee is charged for funds that fall outside of the "No Transaction Fee" program.. Clients may also pay a fee to the mutual fund. Sales of mutual funds may also be subject to possible redemption fees. All clients are charged a quarterly management fee to WRM .</p> <p>For the Professional Affiliates, portfolio turnover for accounts using individual securities will vary according to the individual style of the Investment Adviser Agent chosen to manage the account. These accounts may also be subject to a non-commission processing fee</p> <p>WRM is an affiliate of WRIS. WRIS is a registered broker-dealer through which securities transactions in WRM managed accounts may be executed. While WRM undertakes to provide competitive rates and the best execution of trades for its clients, there is a possibility that the rates charged on some transactions may be higher than the rates of some WRIS's competitors. The fact that WRM and WRIS are affiliates gives the appearance of a conflict of interest. Despite this appearance, WRM attempts to ensure that its clients will benefit from rates which would be the equivalent of rates available from unaffiliated broker-dealers.</p>	

1. Full name of applicant exactly as stated in Item 1A of Form ADV: WESTPORT RESOURCES MANAGEMENT, INC		IRS Empl. Ident. No.: 06-1195193
Item of Form (identify)	Answer	
12.B (cont'd)	<p>Factors considered in executing client trades through WRIS are as follows:</p> <ul style="list-style-type: none"> • An increased loyalty and diligence within WRIS, based on the affiliated relationship with WRM. • All assets domiciled with NFS, are fully protected (\$500,000 SIPC, with a \$100,000 limit on cash and the balance through private insurance.) • Access to a fully encrypted web site so client can view all account information. • A full spectrum of retirement accounts offered through Fidelity. • Direct access to state of the art trading desk for block trades and special situation trades by utilizing Fidelity Capital Markets. • Direct access to floor brokers through NFS. • Access to on-line pre and post market trading through NFS. • Complete computerized tracking of all security transactions. • On-line research from Lehman Brothers/Barclays and Morningstar. • Access to NFS's "no transaction fee" mutual fund program 	
13.B.	<p>WRM directly compensates unaffiliated and affiliated solicitors for client referrals. WRM and the unaffiliated solicitor will complete WRM's Solicitor Agreement Form which will describe the solicitor's activities and compensation for those activities, contain the solicitor's undertaking to perform those duties under the agreement consistent with the Registered Investment Adviser's instructions and the Advisers Act and rules there under. Any unaffiliated solicitor is also required, at the time of any solicitation, to provide the client with a copy of WRM's disclosure document (Form ADV Part II) and a separate written disclosure document from the solicitor to the client. WRM may also be required to provide notice to state securities administrators of the existence of unaffiliated solicitors as well as affiliated solicitors. The current listing of WRM solicitors includes: Ray Abramson, Don Gordon, Richard Kesselman and TR Paul as identified in sections 8.C.(7) and 8.C.(10).</p>	