

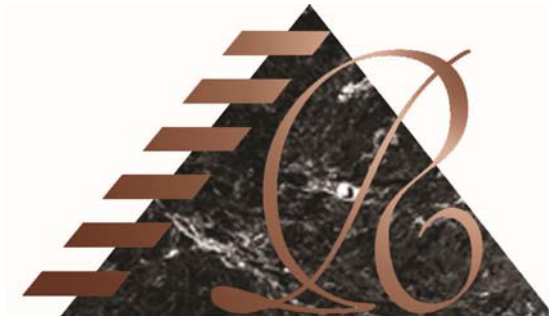
## **Part 2A of Form ADV: *Firm Brochure***

### **Rockwood Capital Advisors, LLC**

721 Emerson Road Suite 565  
St. Louis, MO 63141

Telephone: 314-962-8336  
Email: [lisa@rockwoodcapital.com](mailto:lisa@rockwoodcapital.com)  
Web Address: [www.rockwoodcapital.com](http://www.rockwoodcapital.com)

3/21/2014



This brochure provides information about the qualifications and business practices of Rockwood Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 314-962-8336 or [lisa@rockwoodcapital.com](mailto:lisa@rockwoodcapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Rockwood Capital Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 108644.

## Item 2 - Material Changes

This Firm Brochure, dated 3/21/2014, provides you with a summary of Rockwood Capital Advisors, LLC's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This document is used to provide our clients with a summary of new and/or updated information; we will inform you of the revision(s) based on the nature of the information as follows:

1. Annual Update. We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes. Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 3/21/2014:

None to Report

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## **Item 4 - Advisory Business**

Rockwood Capital Advisors, LLC is a SEC-registered investment adviser with its principal place of business located in Missouri. Rockwood Capital Advisors, LLC began conducting business in 1997.

Rockwood Capital Advisors, LLC offers the following advisory services to our clients:

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Common stocks, ADR's
- US Dollar-denominated foreign debt securities
- Corporate debt securities
- Municipal securities
- U S Government securities
- Asset backed securities
- Mortgage-backed securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

### **INVESTMENT SUPERVISORY SERVICES ("ISS") MODEL PORTFOLIO MANAGEMENT**

Our firm provides portfolio management services to clients using model portfolios. Each model portfolio is designed to meet a particular investment goal.

#### **Composite Descriptions**

The Rockwood Capital Advisors "Aggregate Bond" composite consists of portfolios generally limited to investment grade securities eligible for inclusion in the Barclays Capital Aggregate Bond Index. Duration is generally maintained in a range of plus or minus 30% of the benchmark.

The Rockwood Capital Advisors "Intermediate Aggregate Bond" composite consists of portfolios generally limited to investment grade securities eligible for inclusion in the Barclays Capital Intermediate Aggregate Bond Index. Duration is generally maintained in a range of plus or minus 30% of the benchmark.

The Rockwood Capital Advisors "Strategic Equity" composite consists of portfolios sub-advised by Contravisory Investment Management, who employs an All-Cap, opportunistic and theme-based approach to equity management that seeks capital appreciation through a diversified portfolio, largely comprised of domestic equities.

Rockwood Capital Advisors' stated separate account minimum (total relationship) is \$1 million.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives.

Through discussions with the client in which the client's goals and objectives are established, we determine which investment strategy or model portfolio is suitable to the client's circumstances. Once we identify an appropriate investment strategy, the strategy can be further modified to comply with any client-specific investment guidelines or restrictions. Clients have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain ownership of all securities in their account.

Our investment recommendations are consistent with client guidelines and will generally include advice regarding the following securities:

- Common stocks, ADR's
- US Dollar-denominated foreign debt securities
- Corporate debt securities (other than commercial paper)
- Municipal securities
- United States government securities
- Asset backed securities
- Mortgage-backed securities

All investments will be used when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

As an institutional investment manager, we deal with relatively sophisticated individuals who have a good understanding of basic investment strategies and investment guidelines. In addition, most of our clients employ an independent investment consultant or attorney who assists the client in the formulation of guidelines and the hiring/firing of investment managers.

When we are retained by an institutional client, great care is taken to assure that the investment product/style selected by our client is consistent with the client guidelines. A copy of these guidelines is typically made a part of the formal investment management contract entered into with our client and is maintained in our files.

We are always available to consult with our clients and/or consultants via email or phone to address any questions related to our investment strategy or their guidelines.

## Item 5 - Fees and Compensation

### INVESTMENT SUPERVISORY SERVICES ("ISS") INVESTMENT PORTFOLIO MANAGEMENT FEES

The annualized fee for Separate Account Investment Management Services will be charged as a percentage of assets under management, according to the following schedule:

#### **Fixed Income Schedule:**

0.40% on the first \$5 million  
0.30% on the next \$10 million  
0.20% on the next \$35 million  
0.15% on the next \$50 million  
0.10% on all assets thereafter

#### **Equity Fee Schedule:**

0.70% of assets held

#### **Standard Balanced Fee Schedule:**

0.50% on the first \$ 10 million  
0.45% on the next \$ 15 million  
0.60% on the next \$ 25 million  
0.50% on the next \$ 25 million  
0.40% on the next \$ 25 million  
0.30% above \$ 100 million

Clients are invoiced in arrears at the end of each calendar quarter based upon the quarter end market value determined by third party custodian of the client's account.

A minimum of **\$1,000,000** of assets under management is required for separate account management. This account size may be negotiable under certain circumstances. Rockwood Capital Advisors, LLC may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

***Limited Negotiability of Advisory Fees:*** Although Rockwood Capital Advisors, LLC has established the fee schedule(s) for separate account management, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

## **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of **30** days written notice.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager affects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***Grandfathering of Minimum Account Requirements:*** Pre-existing advisory clients are subject to Rockwood Capital Advisors, LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

***ERISA Accounts:*** Rockwood Capital Advisors, LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. Rockwood Capital Advisors, LLC will only charge fees for investment advice as detailed in our standard client investment advisory agreement. Our investment advisory agreement will include a stated investment advisory fee schedule which is based on the market value of the client's portfolio assets. Rockwood Capital Advisors LLC will receive no other fees or commissions, including 12b-1 fees.

***Advisory Fees in General:*** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

***No Prepayment of Fees:*** Under no circumstances do we require or solicit payment of fees in advance of services rendered.

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

Rockwood Capital Advisors, LLC does not charge performance-based fees.

## **Item 7 - Types of Clients**

Rockwood Capital Advisors, LLC provides advisory services to the following types of clients:

- High net worth individuals
- Pension and profit sharing plans(other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

- State or municipal government entities

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

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

***Fundamental Analysis.*** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

***Technical Analysis.*** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

***Quantitative Analysis.*** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

***Qualitative Analysis.*** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove to be incorrect.

***Third-Party Money Manager Analysis.*** We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment.

A risk of investing with a third-party manager (or any manager) is that past success is no guarantee of successful investment results in the future. In general, investment advisors who utilize third-party managers have no control over the underlying investments in the third-party manager's portfolio. So



there is a risk that the third-party manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the third-party manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price appreciation in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs.

**Trading.** We may purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of anticipated price movements.

**Risk of Loss.** Investment returns are not guaranteed and all investments are subject to the risk of loss. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9 - Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no disciplinary events to disclose.

## **Item 10 - Other Financial Industry Activities and Affiliations**

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Rockwood Capital Advisors, LLC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Rockwood Capital Advisors, LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [lisa@rockwoodcapital.com](mailto:lisa@rockwoodcapital.com), or by calling us at 314-962-8336.

## **Item 12 - Brokerage Practices**

Clients may provide Rockwood Capital Advisors, LLC with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Rockwood Capital Advisors, LLC does not have any soft-dollar arrangements and does not receive

any soft-dollar benefits.

Rockwood Capital Advisors, LLC will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute trades in a more timely and equitable manner. Rockwood Capital Advisors, LLC will typically aggregate trades among clients whose accounts can be traded at a given broker. Rockwood Capital Advisors, LLC's block trading policy and procedures are as follows:

1. Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Rockwood Capital Advisors, LLC, or our firm's order allocation policy.
2. The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
3. The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Rockwood Capital Advisors, LLC to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
4. Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
5. If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
6. Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
7. If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8. Rockwood Capital Advisors, LLC's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
9. Funds and securities for aggregated orders are clearly identified on Rockwood Capital Advisors, LLC's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
10. No client or account will be favored over another.

## **Item 13 - Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES("ISS")**

REVIEWS: While the underlying securities within client portfolios are continually monitored, these accounts are reviewed at least **quarterly**. Accounts are reviewed in the context of the client's investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by the investment management staff detailed in Part 2b of this brochure.

REPORTS: We will provide periodic reports at a frequency requested by the client summarizing account performance, balances and holdings. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

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

It is Rockwood Capital Advisors, LLC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Rockwood Capital Advisors, LLC's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15 - Custody**

### **Policy**

As a matter of policy and practice, Rockwood Capital Advisors does maintain custody of advisory client funds, securities or assets. As an adviser with custody, Rockwood Capital Advisors maintains client funds and securities with "qualified custodians" who provide at least quarterly account statements directly to our clients or a selected "independent representative."

## **Background**

In a major revamping and updating of the SEC Custody Rule (Rule 206(4)-2), the SEC adopted final rule amendments released December 30, 2009 imposing more rigorous requirements for SEC advisers maintaining custody or deemed to have custody of client assets. The Effective Date for most of the new requirements was 3/12/2010.

The custody rule under the Investment Advisers Act of 1940 defines custody as "holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them." The custody definition now includes three examples to clarify what constitutes custody for advisers as follows:

1. possession of client funds or securities (but not of checks drawn by clients and made payable to third parties) unless you receive them inadvertently and you return them to the sender promptly but in any case within three business days of receiving them;
2. Any arrangement (including a general power of attorney) under which you are authorized or permitted to withdraw client funds or securities maintained with a custodian upon your instruction to the custodian; and
3. Any capacity (such as general partner of a limited partnership, managing member of a limited liability company or a comparable position for another type of pooled investment vehicle, or a trustee of a trust) that gives you or your supervised person legal ownership of or access to client funds or securities.

The custody rule requires advisers with custody to maintain client funds and securities with "qualified custodians," which include banks, registered broker-dealers, and certain foreign custodians. Advisers must also have a reasonable belief after "due inquiry" that the qualified custodians provide at least quarterly account statements directly to the adviser's clients.

For advisers with custody who do use qualified custodians, the prior requirements of having a surprise annual audit and delivering an audited balance sheet as part of Form ADV Part II have been eliminated except as noted below.

For advisers with custody who do not use qualified custodians which send account statements directly to clients, they must still send quarterly account statements to clients and undergo an annual surprise examination by an independent public accountant to verify client funds and securities. The independent accountant must file its certificate on Form ADV-E with the SEC within 30 days of the examination. Any material discrepancies found by the accountant must be reported to the SEC within one day. The requirement to deliver an audited balance sheet with Form ADV Part II has been eliminated for these advisers also.

Advisers that deduct fees directly from client accounts are deemed to have custody and must comply with the requirements of the new rule amendments as before. However, advisers that have custody only because they deduct fees may continue to answer "no" to the custody questions in Item 9 of Form ADV Part 1.

Form ADV Part 1 questions and disclosures will be expanded under the new custody rule amendments and will be involved in advisers' annual updating amendment required by **3/31/2012**.

## **Responsibility**

Lisa Wildeisen has the responsibility for the implementation and monitoring of our policies, practices, disclosures, recordkeeping and other requirements as an advisory firm which does maintain custody of client funds, securities or assets.

## **Procedure**

Rockwood Capital Advisors has adopted various procedures to implement the firm's policy and reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate which include the following:

As an advisory firm with custody, Rockwood Capital Advisors' procedures include the following practices:

- Securities and funds of advisory clients are maintained with a qualified custodian.
- Rockwood Capital Advisors has a reasonable belief that the qualified custodian(s) holding client assets provides at least quarterly account statements directly to those clients or an "independent representative" of their choosing that does not have a "control" relationship with Rockwood Capital Advisors and has not had a material business relationship within the past two years with Rockwood Capital Advisors;
- If Rockwood Capital Advisors receives inadvertently from a client any funds or securities, these assets shall be returned to the client promptly and within three business days of receipt.
- No employee or supervised person of Rockwood Capital Advisors shall knowingly accept actual possession of any client funds or securities. Persons receiving a request from a client to deposit assets with a qualified custodian may assist the client to complete necessary forms and/or mailings, but shall not take actual possession of the funds or securities.
  - Rockwood Capital Advisors will report, in response to Item 9 of Part 1A of Form ADV, that it has custody of client funds or securities.
  - Since Rockwood Capital Advisors acts as a managing member and investment manager of a pooled investment vehicle the firm will meet custody reporting requirements to investors or investors' independent representatives by the following:
    1. The pooled investment vehicle's financial statements are audited annually by an independent accounting firm in accordance with generally accepted accounting principles ("GAAP") by an independent public account registered with and subject to inspection by the Public Company Accounting Oversight Board ("PCAOB"). Also, audited financials are sent to all investors, or their representatives, within 120 days after the pool's fiscal year end. (For funds of funds, the audited financials are sent to all investors within 180 days after the pool's fiscal year end.), OR

2. The qualified custodian for the investment pool(s) sends its quarterly account statements (transactions & holdings) directly to all investors in the pool(s).
- Additional books and records are maintained for those clients for whom Rockwood Capital Advisors maintains custody regarding client transactions, receipts/deliveries of funds and securities, confirmations and positions.

## **Item 16 - Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 - Voting Client Securities**

We vote proxies for all client accounts; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We have retained the services of a third party proxy voting service provider, Broadridge. Proxies will be voted in the best interests of our clients and in accordance with established policies and procedures. Broadridge will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the proxies were voted. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Broadridge by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Broadridge by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting us at **Broadridge, One Park Ave., 12th Floor, New York, New York 10016. Phone Number (212) 918-6972, Fax Number (212) 918-6975.**

## **Item 18 Financial Information**

Under no circumstances do we require or solicit payment of fees in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that ***maintains discretionary authority for client accounts and is deemed to have custody***, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Rockwood Capital Advisors, LLC has no such financial circumstances to report.

Rockwood Capital Advisors, LLC has not been the subject of a bankruptcy petition at any time during the past ten years.

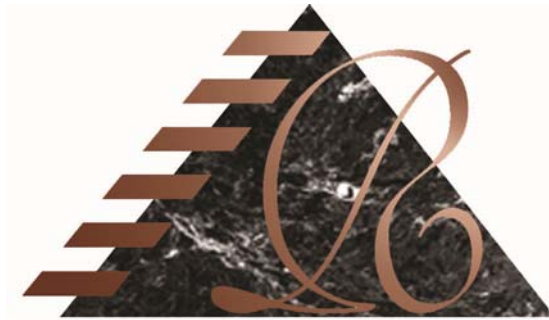


## **Part 2B of Form ADV: *Brochure Supplement***

Anthony Kenneth Brown  
1800 Pickfair Drive  
St. Louis, MO 63146  
314-962-6143

Rockwood Capital Advisors, LLC  
721 Emerson Road Suite 565  
St. Louis, MO 63141

3/21/2014



This brochure supplement provides information about Anthony Kenneth Brown that supplements the Rockwood Capital Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Lisa Longo Wildeisen 314-962-8336 if you did not receive Rockwood Capital Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Anthony Kenneth Brown is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 - Educational Background and Business Experience

**Full Legal Name:** Anthony Kenneth Brown

**Born:** 1954

**Education:** No post high school education.

### Business Experience

- Rockwood Capital Advisors, LLC; Partner and Director of Marketing; from 1997 to Present
- Boatmen's Trust Company; Manager Master Trust Administration; from 1988 to 1997

## Item 3 - Disciplinary Information

Anthony Kenneth Brown has no reportable disciplinary history.

## Item 4 - Other Business Activities

### A. Investment-Related Activities

1. Anthony Kenneth Brown is not engaged in any other investment-related activities.
2. Anthony Kenneth Brown does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

### B. Non-Investment-Related Activities

Anthony Kenneth Brown is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

## Item 5 - Additional Compensation

Anthony Kenneth Brown does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 - Supervision

**Supervisor:** Lisa Longo Wildeisen

**Title:** COO

**Phone Number:** 314-962-8336

## **Policy**

Rockwood Capital Advisors has adopted these written policies and procedures which are designed to set standards and internal controls for the firm, its employees, and its businesses and are also reasonably designed to prevent, detect, and correct any violations of regulatory requirements and the firm's policies and procedures. Every employee and manager is required to be responsible for and monitor those individuals and departments he or she supervises to detect, prevent and report any activities inconsistent with the firm's procedures, policies, high professional standards, or legal/regulatory requirements.

## **Background**

The SEC adopted the anti-fraud rule titled Compliance Procedures and Practices (Rule 206(4)-7) under the Advisers Act requiring more formal compliance programs for all SEC registered advisers. The rule became effective 2/5/2004 and SEC advisers had until 10/5/2004 (compliance date) to be in compliance with the rule.

Rule 206(4)-7 makes it unlawful for a SEC adviser to provide investment advice to clients unless the adviser:

1. adopts and implements written policies and procedures reasonably designed to prevent violations by the firm and its supervised persons;
2. reviews, at least annually, the adequacy and effectiveness of the policies and procedures;
3. designates a chief compliance officer who is responsible for administering the policies and procedures; and
4. maintains records of the policies and procedures and annual reviews.

Under Section 203(e)(6), the SEC is authorized to take action against an adviser or any associated person who has failed to supervise reasonably in an effort designed to prevent violations of the securities laws, rules and regulations. This section also provides that no person will be deemed to have failed to supervise reasonably provided:

- there are established procedures and a system which would reasonably be expected to prevent any violations;
- and such person has reasonably discharged his duties and obligations under the firm's procedures and system without reasonable cause to believe that the procedures and system were not being complied with.

## **Responsibility**

Every employee has a responsibility for knowing and following the firm's policies and procedures. Every person in a supervisory role is also responsible for those individuals under his/her supervision. The President, or a similarly designated officer, has overall supervisory responsibility for the firm.

Lisa Wildeisen, as the Compliance Officer, has the overall responsibility for administering, monitoring and testing compliance with Rockwood Capital Advisors' policies and procedures. Possible violations of these policies or procedures will be documented and reported to the appropriate department manager for remedial action. Repeated violations, or violations that the Compliance Officer deems to be of serious nature, will be reported by the Compliance Officer directly to a Managing Partner for remedial action.

### **Procedure**

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- Supervisory reviews and sanctions for violations of the firm's policies or regulatory requirements.

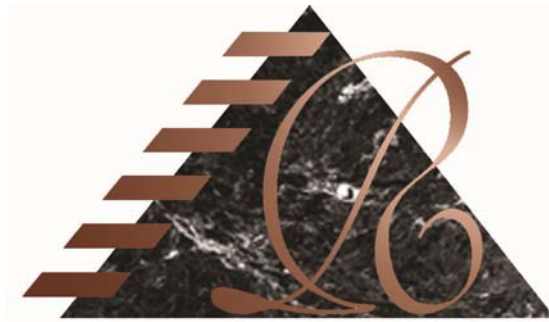
**Part 2B of Form ADV: *Brochure Supplement***

Donald Andrew Holtgrieve  
125 Gardner Place  
St. Charles, MO 63301  
314-962-6177

Rockwood Capital Advisors, LLC

St. Louis, MO 63141

3/21/2014



This brochure supplement provides information about Donald Andrew Holtgrieve that supplements the Rockwood Capital Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Lisa Longo Wildeisen if you did not receive Rockwood Capital Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Donald Andrew Holtgrieve is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 - Educational, Background and Business Experience

**Full Legal Name:** Donald Andrew Holtgrieve      **Born:** 1959

**Education:** University of Missouri; BS, Business Administration; 1981

### **Business Experience**

- Rockwood Capital Advisors, LLC; Managing Partner and Chief Operating Officer; from 04/1997 to Present
- Boatmen's Trust Company; Portfolio Manager; from 06/1984 to 03/1997

## Item 3 - Disciplinary Information

Donald Andrew Holtgrieve has no reportable disciplinary history.

## Item 4 - Other Business Activities

### A. Investment-Related Activities

1. Donald Andrew Holtgrieve is not engaged in any other investment-related activities.
2. Donald Andrew Holtgrieve does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

### B. Non-Investment-Related Activities

Donald Andrew Holtgrieve is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

## Item 5 - Additional Compensation

Donald Andrew Holtgrieve does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 - Supervision

**Supervisor:** Lisa Longo Wildeisen

**Title:** COO

**Phone Number:** 314-962-8336

## **Policy**

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4. maintains records of the policies and procedures and annual reviews.

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- and such person has reasonably discharged his duties and obligations under the firm's procedures and system without reasonable cause to believe that the procedures and system were not being complied with.

## **Responsibility**

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### **Procedure**

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- Supervisory reviews and sanctions for violations of the firm's policies or regulatory requirements.



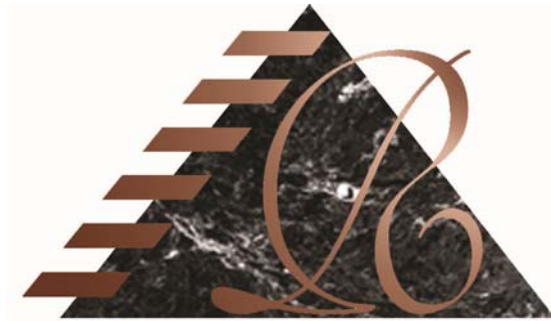
**Part 2B of Form ADV: *Brochure Supplement***

Daniel William Lane  
7 Beckwith Trail  
O'Fallon, MO 63368  
314-962-6114

Rockwood Capital Advisors, LLC

St. Louis, MO 63141

3/21/2014



This brochure supplement provides information about Daniel William Lane that supplements the Rockwood Capital Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Lisa Longo Wildeisen if you did not receive Rockwood Capital Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Daniel William Lane is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 - Educational, Background and Business Experience

**Full Legal Name:** Daniel William Lane

**Born:** 1962

**Education:** University of Missouri; BSBA, Finance; 1985  
Washington University; MBA; 1989

### Business Experience

- Rockwood Capital Advisors, LLC; Senior Partner and Senior Portfolio Manager; from 04/1997 to Present
- Boatmen's Trust Company; Portfolio Manager; from 07/1995 to 03/1997

### Designations

Daniel William Lane has earned the following designation(s) and is in good standing with the granting authority:

- CFA; 1991

This designation is offered by the CFA Institute (formerly the Association for Investment Management and Research [AIMR]). To obtain the CFA charter, candidates must successfully complete three difficult exams and gain at least three (3) years of qualifying work experience, among other requirements. In passing these exams, candidates demonstrate their competence, integrity and extensive knowledge in accounting, ethical and professional standards, economics, portfolio management and security analysis.

## Item 3 - Disciplinary Information

Daniel William Lane has no reportable disciplinary history.

## Item 4 - Other Business Activities

### A. Investment-Related Activities

1. Daniel William Lane is not engaged in any other investment-related activities.
2. Daniel William Lane does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

### B. Non-Investment-Related Activities

*Daniel William Lane is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.*

## Item 5 - Additional Compensation

Daniel William Lane does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 - Supervision

**Supervisor:** Lisa Longo Wildeisen

**Title:** COO

**Phone Number:** 314-962-8336

### Policy

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### Background

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## **Responsibility**

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## **Procedure**

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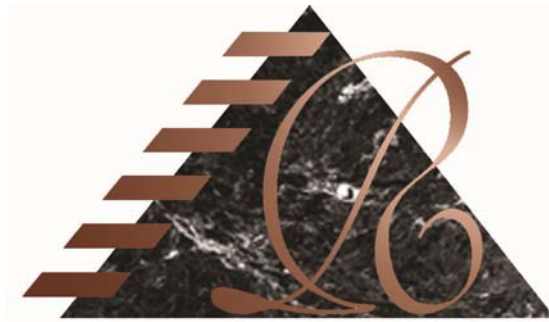
**Part 2B of Form ADV: *Brochure Supplement***

Lisa Longo Wildeisen  
832 Kiefer Trails Drive  
Ballwin, MO 63021  
314-962-6163

Rockwood Capital Advisors, LLC

St. Louis, MO 63141

3/21/2014



This brochure supplement provides information about Lisa Longo Wildeisen that supplements the Rockwood Capital Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Lisa Longo Wildeisen if you did not receive Rockwood Capital Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Lisa Longo Wildeisen is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 - Educational, Background and Business Experience

**Full Legal Name:** Lisa Longo Wildeisen

**Born:** 1962

**Education:** John Carroll University; BSBA, Accounting; 1984

### Business Experience

- Rockwood Capital Advisors, LLC; Partner & Senior Portfolio Manager; from 05/2001 to Present
- AG Edwards Trust Company; Portfolio Manager; from 11/1999 to 05/2001

### Designations

Lisa Longo Wildeisen has earned the following designation(s) and is in good standing with the granting authority:

- CFA; 1997

This designation is offered by the CFA Institute (formerly the Association for Investment Management and Research [AIMR]). To obtain the CFA charter, candidates must successfully complete three difficult exams and gain at least three (3) years of qualifying work experience, among other requirements. In passing these exams, candidates demonstrate their competence, integrity and extensive knowledge in accounting, ethical and professional standards, economics, portfolio management and security analysis.

## Item 3 - Disciplinary Information

Lisa Longo Wildeisen has no reportable disciplinary history.

## Item 4 - Other Business Activities

### A. Investment-Related Activities

1. Lisa Longo Wildeisen is not engaged in any other investment-related activities.
2. Lisa Longo Wildeisen does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

### B. Non-Investment-Related Activities

Lisa Longo Wildeisen is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

## **Item 5 - Additional Compensation**

Lisa Longo Wildeisen does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## **Item 6 - Supervision**

**Supervisor:** Paul Rapponotti

**Title:** General Partner

**Phone Number:** 314-962-8336

### **Policy**

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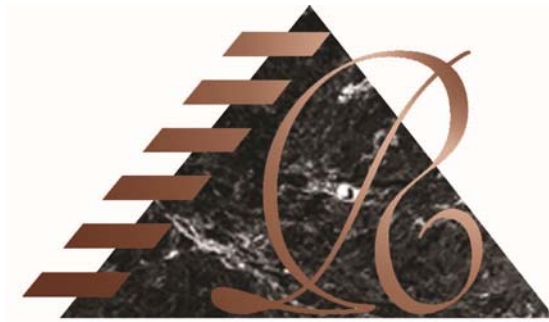
**Part 2B of Form ADV: *Brochure Supplement***

Paul David Rapponotti  
6330 Forsyth  
St. Louis, MO 63105  
314-962-6755

Rockwood Capital Advisors, LLC

St. Louis, MO 63141

3/21/2014



This brochure supplement provides information about Paul David Rapponotti that supplements the Rockwood Capital Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Lisa Longo Wildeisen if you did not receive Rockwood Capital Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Paul David Rapponotti is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 - Educational, Background and Business Experience

**Full Legal Name:** Paul David Rapponotti **Born:** 1959

**Education:** University of Illinois; BS, Electrical Engineer; 1981  
Northwestern University; MBA, Finance; 1986

### Business Experience

- Rockwood Capital Advisors, LLC; Managing Partner and Chief Investment Officer; from 03/1997 to Present
- Boatmen's Trust Company; Portfolio Manager; from 07/1991 to 03/1997

### Designations

Paul David Rapponotti has earned the following designation(s) and is in good standing with the granting authority:

- CFA; 1992

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## Item 3 - Disciplinary Information

Paul David Rapponotti has no reportable disciplinary history.

## Item 4 - Other Business Activities

### A. Investment-Related Activities

1. Paul David Rapponotti is not engaged in any other investment-related activities.
2. Paul David Rapponotti does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

### B. Non-Investment-Related Activities

Paul David Rapponotti is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

## Item 5 - Additional Compensation

Paul David Rapponotti does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 - Supervision

**Supervisor:** Lisa Longo Wildeisen

**Title:** COO

**Phone Number:** 314-962-8336

### Policy

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