

# FORM ADV PART 2A DISCLOSURE BROCHURE



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This brochure provides information about the qualifications and business practices of Rock Creek Wealth Planners and Advisors, LLC. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at: 202-899-1400. 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 Rock Creek Wealth Planners and Advisors, LLC (CRD #298104) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**AUGUST 5, 2019**

## **Item 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

Since the initial filing on June 20, 2019 the following updates have been made:

- Item 4 has been updated to reflect current assets under management calculation.
  - Item 5 has been updated to reflect a new financial planning fee.
  - The brochure supplement has been updated to reflect current information.
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### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

## Item 3: Table of Contents

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## **Item 4: Advisory Business**

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### **Firm Description**

Rock Creek Wealth Planners and Advisors, LLC ("Rock Creek") was founded in 2018. Lewis Baker is 100% owner.

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### **Types of Advisory Services**

#### ASSET MANAGEMENT

Rock Creek offers discretionary and non-discretionary asset management services to advisory Clients. Rock Creek will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The Client will authorize Rock Creek discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

#### Discretionary

When the Client provides Rock Creek discretionary authority the Client will sign a limited trading authorization or equivalent. Rock Creek will have the authority to execute transactions in the account without seeking Client approval on each transaction.

#### Non-discretionary

When the Client elects to use Rock Creek on a non-discretionary basis, Rock Creek will determine the securities to be bought or sold and the amount of the securities to be bought or sold. However, Rock Creek will obtain prior Client approval on each and every transaction before executing any transaction.

When deemed appropriate for the Client, Rock Creek may hire Sub-advisors to manage all or a portion of the assets in the Client account. Rock Creek has full discretion to hire and fire Sub-advisors as they deem suitable. Sub-advisors will maintain the models or investment strategies agreed upon between Sub-advisor and Rock Creek. Sub-advisors execute all trades on behalf of Rock Creek in Client accounts. Rock Creek will be responsible for the overall direct relationship with the Client. Rock Creek retains the authority to terminate the Sub-advisor relationship at Rock Creek's discretion.

#### ERISA PLAN SERVICES

Rock Creek provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. Rock Creek may act as a 3(21) advisor:

**Limited Scope ERISA 3(21) Fiduciary.** Rock Creek may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor Rock Creek has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using Rock Creek can help the plan sponsor delegate liability by following a diligent process.

1. Fiduciary Services are:

- Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. Rock Creek acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Rock Creek's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Rock Creek is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Rock Creek may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Advisor and Client.

3. Rock Creek has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);

- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to Rock Creek on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

#### FINANCIAL PLANNING AND CONSULTING

Rock Creek provides ongoing and one-time financial planning and consulting services. This service provides a review of all applicable topics including but not limited to, Wills, Estate Plans and Trusts, Investments, Taxes, Qualified Plans, Insurance, Retirement Income, Social Security, Business Exit and Succession Planning, Divorce Planning, and College Planning will be reviewed. If a conflict of interest exists between the interests of Rock Creek and the interests of the Client, the Client is under no obligation to act upon Rock Creek's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to affect the transaction through Rock Creek. Financial plans will be offered either on an ongoing basis and will remain in effect year over year unless cancelled in writing by either party by giving the other party thirty (30) day written notice, or a one-time basis with the services complete upon delivery of the plan.

#### SEMINARS AND WORKSHOPS

Rock Creek holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given.

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#### **Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

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#### **Wrap Fee Programs**

Rock Creek does not sponsor any wrap fee programs.

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#### **Client Assets under Management**

As of July 9, 2019, Rock Creek Wealth Planners and Advisors, LLC has \$8,767,063 discretionary assets under management and no non-discretionary assets under management.



## Item 5: Fees and Compensation

### Method of Compensation and Fee Schedule

#### ASSET MANAGEMENT

Rock Creek offers direct asset management services to advisory Clients. Rock Creek charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Quarterly Fee	Monthly
Up to \$250,000	1.53%	.3825%	.1275%
\$250,001 to \$500,000	1.28%	.3200%	.1067%
\$500,001 to \$1,000,000	1.18%	.2950%	.1542%
\$1,000,000 to \$5,000,000	1.03%	.2575%	.0858%
Over \$5,000,000	0.93%	.2325%	.0775%

This is a tiered or breakpoint fee schedule, the entire portfolio is charged the same asset management fee. For example, a Client with \$750,000 under management would pay \$8,850 on an annual basis.  $\$750,000 \times 1.18\% = \$8,850$ .

The annual fee may be negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed on either a monthly or quarterly in advance based on the amount of assets managed as of the close of business on the last business day of the previous month or quarter. If margin is utilized, the fees will be billed based on the net asset value of the account. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. Clients may terminate advisory services with thirty (30) days written notice. For accounts opened or closed mid-billing period, unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

For fees that are directly deducted from the account by the custodian:

- Rock Creek will provide the Client with an invoice concurrent to instructing the custodian to deduct the fee stating the amount of the fee, the formula used to calculate the fee, the amount of assets under management the fee is based on and the time period covered by the fee;
- Rock Creek will obtain written authorization signed by the Client allowing the fees to be deducted; and
- The Client will receive quarterly statements directly from the custodian which disclose the fees deducted.

Rock Creek may also utilize the services of a Sub-advisor to manage Clients' investment portfolios. Rock Creek will enter into Sub-advisor agreements with other registered investment advisor firms. When using Sub-advisors, the Client will not pay additional fees. The Sub-advisors fees are inclusive of the fees charged by Rock Creek.

### ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will not exceed 1%. The annual fee is negotiable and may be charged as a percentage of the Included Assets or as a flat fee. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, Rock Creek shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of Rock Creek for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. Rock Creek does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Rock Creek will disclose this compensation, the services rendered, and the payer of compensation. Rock Creek will offset the compensation against the fees agreed upon under the Agreement.

### FINANCIAL PLANNING AND CONSULTING

Rock Creek charges an annual fixed fee for ongoing financial planning and consulting services that will be charged quarterly in advance. Prior to the planning process the Client will be provided an estimated annual fee. Services are offered on an ongoing basis throughout the year. Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Rock Creek. Rock Creek reserves the right to waive the fee should the Client implement the plan through Rock Creek.

#### ANNUAL FEES

The annual fee will range from \$3,000 to \$50,000 depending on the estimated complexity and the time spent on the services. Fees for financial planning and consulting services are billed quarterly in advance. Ongoing services will remain in effect year over year unless cancelled in writing by either party by giving the other party thirty (30) days written notice.

Rock Creek provides one-time financial planning and consulting services on an hourly fee basis. Prior to the planning process the Client will be provided an estimated plan fee. Services are completed and delivered inside of ninety (90) days contingent upon timely delivery of all required documentation. Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Rock Creek. Rock Creek reserves the right to waive the fee should the Client implement the plan through Rock Creek.

## HOURLY FEES

Financial Planning Services are offered based on an hourly fee of \$312.50 per hour.

Fees for financial plans are:

Billed 50% in advance with the balance due upon plan delivery.

## SEMINARS AND WORKSHOPS

Rock Creek holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given.

Rock Creek offers these seminars for a fee of \$50 per attendee plus the cost of books and materials presented.

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## **Client Payment of Fees**

Investment management fees are billed monthly or quarterly in advance, meaning that we invoice you before the billing period. Fees are usually deducted from a designated Client account to facilitate billing. The Client must consent in advance to direct debiting of their investment account.

Fees for financial planning and consulting services are billed quarterly in advance for ongoing services and 50% in advance with the balance due upon delivery for one time planning services

Rock Creek, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

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## **Additional Client Fees Charged**

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities, and exchange-traded funds. These charges may include mutual fund transaction fees, postage and handling, margin interest and miscellaneous fees.

For more details on the brokerage practices, see Item 12 of this brochure.

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## **Prepayment of Client Fees**

Rock Creek does not require any prepayment of fees of more than \$500 per Client and six months or more in advance.

Fees for financial planning and consulting services are billed quarterly in advance.

Investment management fees are billed monthly or quarterly in advance.

Fees for ERISA 3(21) services may be billed in advance.

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Rock Creek.

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**External Compensation for the Sale of Securities to Clients**

Mr. Baker receives external compensation for the sale of securities to clients as a registered representative of IFS Securites, Inc., a broker-dealer. Approximately 20% of his time is spent in this practice and less than 50% of his total revenue is generated as a registered representative. He will offer clients products from this activity.

This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. As a registered representative, Mr. Baker does not charge advisory fees for the services offered through IFS Securities, Inc. This conflict is mitigated by disclosures, procedures, and the firm's fiduciary obligation to place the best interest of the Client first and Clients are not required to purchase any products or services. Clients have the option to purchase these products through another registered representative of their choosing.

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**Item 6: Performance-Based Fees and Side-by-Side Management****Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Rock Creek does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for Rock Creek to recommend an investment that may carry a higher degree of risk to the Client.

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**Item 7: Types of Clients****Description**

Rock Creek generally provides investment advice to individuals, high net worth individuals, corporations or business entities.

Client relationships vary in scope and length of service.

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**Account Minimums**

Rock Creek does not require a minimum to open an account.

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

Security analysis methods may include fundamental analysis and technical analysis. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always

follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

In developing financial planning and consulting services for a Client, Rock Creek's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

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### **Investment Strategy**

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to Rock Creek. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

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### **Security Specific Material Risks**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with Rock Creek:

- *Market Risk:* The prices of securities held by mutual funds in which Clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized

product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the Client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the Client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- *Investment Companies Risk:* When a Client invests in open end mutual funds or ETFs, the Client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which Client invests.
- *REIT Risk:* To the extent that a Client invests in REITs, it is subject to risks generally associated with investing in real estate, such as (i) possible declines in the value of real estate, (ii) adverse general and local economic conditions, (iii) possible lack of availability of mortgage funds, (iv) changes in interest rates, and (v) environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain

exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.

- *Derivatives Risk:* Funds in a Client's portfolio may use derivative instruments. The value of these derivative instruments derives from the value of an underlying asset, currency or index. Investments by a fund in such underlying funds may involve the risk that the value of the underlying fund's derivatives may rise or fall more rapidly than other investments, and the risk that an underlying fund may lose more than the amount that it invested in the derivative instrument in the first place. Derivative instruments also involve the risk that other parties to the derivative contract may fail to meet their obligations, which could cause losses.
- *Foreign Securities Risk:* Funds in which Clients invest may invest in foreign securities. Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- *Long-term purchases:* Long-term investments are those vehicles purchased with the intention of being held for more than one year. Typically the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Short-term purchases:* Short-term investments are typically held for one year or less. Generally there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk — the risk that your investment's return will not keep up with inflation.
- *Trading risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.
- *Options Trading:* The risks involved with trading options are that they are very time sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership.

- *Trading on Margin:* In a cash account, the risk is limited to the amount of money that has been invested. In a margin account, risk includes the amount of money invested plus the amount that has been loaned. As market conditions fluctuate, the value of marginable securities will also fluctuate, causing a change in the overall account balance and debt ratio. As a result, if the value of the securities held in a margin account depreciates, the Client will be required to deposit additional cash or make full payment of the margin loan to bring account back up to maintenance levels. Clients who cannot comply with such a margin call may be sold out or bought in by the brokerage firm.
- *Leveraged Risk:* The risks involved with using leverage may include compounding of returns (this works both ways – positive and negative), possible reset periods, volatility, use of derivatives, active trading and high expenses.
- *Equity Linked CD Risk:* Penalties may apply to early withdrawals. Fair market value of CD's when sold in the secondary market may be worth more or less than face value. May or may not be FDIC insured. Returns are not based solely on market returns, as there may be a maximum rate of interest the CD will earn. May be taxed on income earned, but interest isn't accrued (received) until the CD matures. Many CDs may have "call" features, allowing the bank to close the contract early with no penalty, paying back principle and any accrued interest.
- *Structured Notes Risk:* The risks involved with using structured notes are credit risk of the issuing investment bank, illiquidity, and there is a risk to the pricing accuracy as most structured notes do not trade after issuance.
- *Hedge Funds Risk:* The risks involved with hedge funds are that they may invest in unregistered investments that are not subject to the SEC's registration and disclosure requirements. They may have risky investment strategies, which may include speculative investment and trading strategies. Both unregistered and registered hedge funds are illiquid investments and are subject to restrictions on transferability and resale. The tax structure of investments in hedge funds may be complex.
- *Private Equity/Placement Risk:* Because offerings are exempt from registration requirements, no regulator has reviewed the offerings to make sure the risks associated with the investment and all material facts about the entity raising money are adequately disclosed. Securities offered through private placements are generally illiquid, meaning there are limited opportunities to resell the security. Risk of the underlying investment may be significantly higher than publicly traded investments.

## **Item 9: Disciplinary Information**

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### **Criminal or Civil Actions**

Rock Creek and its management have not been involved in any criminal or civil action.



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**Administrative Enforcement Proceedings**

Rock Creek and its management have not been involved in administrative enforcement proceedings.

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**Self-Regulatory Organization Enforcement Proceedings**

Rock Creek and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Rock Creek or the integrity of its management.

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**Item 10: Other Financial Industry Activities and Affiliations**

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**Broker-Dealer or Representative Registration**

Rock Creek is not registered as a broker-dealer, however, Managing Member, Lewis Baker, is a registered representative of IFS Securities, a FINRA/SIPC broker-dealer.

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**Futures or Commodity Registration**

Neither Rock Creek nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

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**Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

President Lewis Baker has a financial affiliated business as an insurance agent with Baker Wealth Strategies LLC, and as a registered representative with IFS Securities. Approximately 25% of his time is spent on these activities. He may offer Clients services from those activities. As an insurance agent and registered representative, he may receive separate yet typical compensation.

These practices represent conflicts of interest because it gives an incentive to recommend products that may be based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent or registered representative of their choosing.

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**Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

Rock Creek may also utilize the services of a Sub-advisor to manage Clients' investment portfolios. Sub-advisors will maintain the models or investment strategies agreed upon between Sub-advisor and Rock Creek. Sub-advisors execute all trades on behalf of Rock Creek in Client accounts. Rock Creek will be responsible for the overall direct relationship with the Client. Rock Creek retains the authority to terminate the Sub-advisor relationship at Rock Creek's discretion.

In addition to the authority granted to Rock Creek under the Agreement, Client will grant Rock Creek full discretionary authority and authorizes Rock Creek to select and appoint one or more independent investment advisors ("Advisors") to provide investment advisory services to Client without prior consultation with or the prior consent of Client. Such Advisors shall have all of the same authority relating to the management of Client's investment accounts as is granted to Rock Creek in the Agreement. In addition, at Rock

Creek's discretion, Rock Creek may grant such Advisors full authority to further delegate such discretionary investment authority to additional Advisors.

This practice represents a conflict of interest as Rock Creek may select Sub-advisors who charge a lower fee for their services than other Sub-advisors. This conflict is mitigated by disclosures, procedures, and by the fact that Rock Creek has a fiduciary duty to place the best interest of the Client first and will adhere to their code of ethics.

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

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### **Code of Ethics Description**

The affiliated persons (affiliated persons include employees and/or independent contractors) of Rock Creek have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of Rock Creek affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of Rock Creek. The Code reflects Rock Creek and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

Rock Creek's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer or director of Rock Creek may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Rock Creek's Code is based on the guiding principle that the interests of the Client are our top priority. Rock Creek's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to "access" persons. "Access" persons are affiliated persons who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

Rock Creek will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

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**Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

Rock Creek and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

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**Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Rock Creek and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide Rock Creek with copies of their brokerage statements.

The Chief Compliance Officer of Rock Creek is Lewis Baker. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

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**Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Rock Creek does maintain a firm proprietary trading account and affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, the firm and affiliated persons are required to disclose all reportable securities transactions as well as provide Rock Creek with copies of their brokerage statements.

The Chief Compliance Officer of Rock Creek is Lewis Baker. He reviews all employee trades and firm proprietary account trades each quarter. The trading reviews ensure that the trading of the firm and affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

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**Item 12: Brokerage Practices**

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**Factors Used to Select Broker-Dealers for Client Transactions**

Rock Creek may recommend the use of a particular broker-dealer or may utilize a broker-dealer of the Client's choosing. Rock Creek will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. Rock Creek relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Rock Creek.

- *Directed Brokerage*

In circumstances where a Client directs Rock Creek to use a certain broker-dealer, Rock Creek still has a fiduciary duty to its Clients. The following may apply with Directed Brokerage: Rock Creek's inability to negotiate commissions, to obtain volume discounts, there may be a disparity in commission charges among Clients and conflicts of interest arising from brokerage firm referrals.

- *Best Execution*  
Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to affect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.
- *Soft Dollar Arrangements*  
The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by Rock Creek from or through a broker-dealer in exchange for directing Client transactions to the broker-dealer. As permitted by Section 28(e) of the Securities Exchange Act of 1934, Rock Creek receives economic benefits as a result of commissions generated from securities transactions by the broker-dealer from the accounts of Rock Creek. These benefits include both proprietary research from the broker and other research written by third parties.

A conflict of interest exists when Rock Creek receives soft dollars. This conflict is mitigated by the fact that Rock Creek has a fiduciary responsibility to act in the best interest of its Clients and the services received are beneficial to all Clients.

Rock Creek utilizes the services of custodial broker dealers. Economic benefits are received by Rock Creek which would not be received if Rock Creek did not give investment advice to Clients. These benefits include: A dedicated trading desk, a dedicated service group and an account services manager dedicated to Rock Creek's accounts, ability to conduct "block" Client trades, electronic download of trades, balances and positions, duplicate and batched Client statements, and the ability to have advisory fees directly deducted from Client accounts.

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### **Aggregating Securities Transactions for Client Accounts**

Rock Creek is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of Rock Creek. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

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

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### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Account reviews are performed quarterly by the Chief Compliance Officer of Rock Creek. Account reviews are performed more frequently when market conditions dictate. Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement, Rock Creek suggests updating at least annually. Quarterly reviews of Client

accounts include, but are not limited to, a review of Client documented risk tolerance, ensuring accounts are align with risk tolerance and goals, review target bans of each asset class to identify if there is an opportunity for rebalancing and review accounts at least once a year for tax loss harvesting opportunities.

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#### **Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

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#### **Content of Client Provided Reports and Frequency**

Clients receive written account statements no less than monthly or quarterly for managed accounts (depending on when fees are billed). Account statements are issued by Rock Creek's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs. Performance reports will be provided by Rock Creek at least quarterly to Clients with assets under management, exclusive of Assets Held Away.

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

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#### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Mr. Baker receives external compensation for the sale of securities to Clients as a registered representative of United Planners' Financial Services of America A Limited Partner, a broker-dealer.

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#### **Advisory Firm Payments for Client Referrals**

Rock Creek does not compensate for Client referrals.

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### **Item 15: Custody**

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#### **Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by Rock Creek.

Rock Creek is deemed to have constructive custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of Rock Creek.

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### **Item 16: Investment Discretion**

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#### **Discretionary Authority for Trading**

Rock Creek may require discretionary authority to manage securities accounts on behalf of Clients. Rock Creek has the authority to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. If applicable, Client will authorize Rock Creek discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

Rock Creek allows Client's to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. Such restrictions could include only allowing purchases of socially conscious investments. These restrictions must be provided to Rock Creek in writing.

The Client approves the custodian to be used and the commission rates paid to the custodian. Rock Creek does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

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

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### **Proxy Votes**

Rock Creek does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Rock Creek will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

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## **Item 18: Financial Information**

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### **Balance Sheet**

A balance sheet is not required to be provided because Rock Creek does not serve as a custodian for Client funds or securities and Rock Creek does not require prepayment of fees of more than \$1200 per Client and six months or more in advance.

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### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

Rock Creek has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

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### **Bankruptcy Petitions during the Past Ten Years**

Rock Creek has not had any bankruptcy petitions in the last ten years.

Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Lewis Baker, CFP®



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**Website:** [rockcreekwealth.com](http://rockcreekwealth.com)

This brochure supplement provides information about Lewis Baker and supplements the Rock Creek Wealth Planners and Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Lewis Baker if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Lewis Baker (CRD #2543651) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**AUGUST 5, 2019**

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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#### Principal Executive Officer – Lewis Baker, CFP®

- Year of birth: 1969
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#### Item 2 - Educational Background and Business Experience

##### Educational Background:

- U.S. Military Academy at West Point; Bachelor of Science in Management; 1991

##### Business Experience:

- Rock Creek Wealth Planners and Advisors, LLC; Managing Member/Investment Advisor Representative/Chief Compliance Officer; 03/2019 – Present
- Summit Brokerage Services Inc.; Registered Representative; 05/2019 – Present
- Lewis Baker, Sole Proprietor; Insurance Agent; 07/2018 - Present
- Baker Wealth Strategies Inc.; Owner; 07/2015 – Present
- Envision LLC; Prospect Relationship Manager; 12/2015 – Present
- IFS Securities; Registered Representative; 09/2018 – 05/2019
- 2<sup>nd</sup> Ward Development LLC; Member; 11/2004 - Present
- DCMBAL, LLC; Member; 09/2018 - Present
- Coliseum Wealth Management, LLC; Investment Advisor Representative; 10/2018 – 05/2019
- United Planners' Financial Services of America A Limited Partner; Registered Representative; 07/2008 – 09/2018
- United Planners' Financial Services of America A Limited Partner; Investment Advisor Representative; 09/2008 – 09/2018
- Baker Schilling; Insurance Agent; 12/2002 – 07/2018

#### Professional Certifications

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Lewis Baker has earned certifications and credentials that are required to be explained in further detail.

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with Clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or



university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and Client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their Clients. CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

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### **Item 3 - Disciplinary Information**

*Criminal or Civil Action:* None to report.

*Administrative Proceeding:* None to report.

*Self-Regulatory Proceeding:* None to report.

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### **Item 4 - Other Business Activities Engaged In**

President Lewis Baker has a financial affiliated business as an insurance agent with Lewis Baker, Sole Proprietor, and as a registered representative with Summit Brokerage Services, Inc. Approximately 20% of his time is spent on these activities. He will offer Clients services from those activities. As an insurance agent and registered representative, he may receive separate yet typical compensation.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent or registered representative of their choosing.

Mr. Baker also acts as a Prospect Relationship Manager for Envision LLC. Mr. Baker will not solicit these services to clients of Rock Creek. Approximately 20% of his time is spent with this business.

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**Item 5 - Additional Compensation**

Lewis Baker receives commissions on the insurance and securities he sells. He does not receive any performance-based fees.

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**Item 6 - Supervision**

Since Lewis Baker is the sole owner of Rock Creek he is solely responsible for all supervision and formulation and monitoring of investment advice offered to Clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual. He can be reached at: [lbaker@rockcreekwealth.com](mailto:lbaker@rockcreekwealth.com), or at: 202-899-1400.