

ALAPOCAS INVESTMENT PARTNERS, INC.

50 Dunham Ridge
Suite 3100
Beverly, MA 01915
(781) 376-2015
www.alapocasip.com

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PART 2A OF FORM ADV

FIRM BROCHURE

This Form ADV Part 2A brochure (the “Brochure”) provides information about the qualifications and business practices of Alapocas Investment Partners, Inc. (“Alapocas Partners” or the “Adviser”). If you have any questions about the contents of this Brochure, please contact the Chief Compliance Officer of Alapocas Partners at the number listed above or via email at dlemons@alapocasip.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration as an investment adviser does not imply a particular level of skill or training in the investment advisory business or any other business.

Additional information about Alapocas Partners will be available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

Alapocas Partners has updated the Brochure to reflect its new address and updated services and assets. Please see Item 1 – “Cover Page” and Item 4 – “Advisory Business” for more information.

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ITEM 4 – ADVISORY BUSINESS

Alapocas Investment Partners, Inc. (“Alapocas Partners” or the “Adviser”) is a Massachusetts corporation formed in February 2019. Alapocas Partners provides investment advisory services to individuals, high net worth individuals, charitable organizations, corporations, trusts including pooled investment trusts, and other entities. David W. Lemons is the principal owner of Alapocas Partners and the principal investment professional of Alapocas Partners (the “Principal”).

The Adviser primarily offers discretionary investment management services that are customized to meet client’s objectives and comprehensive in nature. However, in certain circumstances, the Adviser will offer non-discretionary advisory services consisting of investment recommendation and arranging or effecting the purchase or sale of securities either directly or through a third-party manager, if the recommendation is accepted by the Client. On a case-by-case basis, Alapocas Partners is willing to work with clients who request specific restrictions on their accounts.

The Adviser provides customized and comprehensive investment management services on a regular and continual basis to its advisory clients. These services include the design and execution of an appropriate investment strategy and the research and selection of equity (including exchange traded funds), fixed income, mutual fund, and cash reserve instruments. Alapocas Partners may adjust the overall strategy based on client discussions or perhaps due to shifting fundamental conditions within local and global markets. The client’s tax situation and estate planning considerations may also be taken into account when designing or amending an investment strategy.

Alapocas Partners manages clients’ portfolios after reviewing and creating an investment strategy based on the client’s personal data, investment goals, and risk tolerance. After the initial objectives and any restrictions are identified, the Adviser will decide on the appropriate strategies and tactics most likely to achieve these objectives.

As of June 30, 2019, Alapocas Partners manages \$80,777,682 of discretionary assets and \$120,417,112 of nondiscretionary assets on a regular and continuous basis.

ITEM 5 – FEES AND COMPENSATION

Clients are required to sign a written investment management agreement, which can be terminated without penalty at any time. Client accounts are generally subject to an investment management fee based on a percentage of assets under management that is currently ranging up to 1% dependent upon the client's relationship with the Adviser and the strategy employed. Fees and specifics regarding the billing frequency and method of calculation will be clearly delineated in all client agreements. Clients may be billed quarterly either in advance or in arrears based on the methodology described in the client agreement. Fees may be negotiated or modified in the Adviser's sole discretion in light of a client's special circumstances, such as asset levels, service requirements or other factors. The Adviser may agree to offer a client a fee schedule that is lower than that of any other comparable clients in the same investment style. For comparable services, other investment advisers may charge higher or lower fees than those charged by Alapocas Partners.

Clients generally authorize Alapocas Partners through custodial paperwork to deduct management fees directly from each account or accounts. When authorized, Alapocas Partners may deduct fees from one account on behalf of other accounts in the relationship.

Termination

A client agreement may be canceled at any time, by either party but must be promptly followed up in writing if termination is oral. The termination will be effective at the close of business on the day notice was received. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

In the event a client decides to terminate his or her relationship with Alapocas Partners, and for those clients that pay advisory fees in advance, the Adviser will refund a portion of the investment management fee that reflects periods in which those services were not yet provided. Clients may direct in what form or manner they would like their refund. In the event a client who pays in arrears terminates their relationship, the Adviser will bill the client account for the partial period in which those services were rendered. Clients always have the right to terminate their agreement without penalty at any time.

Additional Fees and Expenses Payable by the Client

Alapocas Partners' fees neither include fees for brokerage commissions, custodial fees, and clearing costs, nor include any additional management fees or other fees that may be charged by the underlying investments selected for the client portfolios, e.g. mutual fund advisory and distribution fees. Execution of client transactions typically requires payment of brokerage commissions by clients. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to the Adviser's fee. Alapocas Partners do not receive any portion of these commissions, fees, and costs. Please refer to Item 12 "Brokerage Practices", which further describes the factors that Alapocas Partners considers in recommending broker/dealers for the execution of transactions.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Alapocas Partners does not charge performance-based fees (fees based on a portion of capital gains or on capital appreciation of assets invested).

Alapocas Partners does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its clients. The Adviser has implemented trade allocation policies and procedures designed to ensure that trades are allocated fairly and equitably over time and to prevent this conflict from influencing the allocation of investment opportunities among clients. Item 12 “Brokerage Practices” provides further information regarding trade allocation practices.

ITEM 7 – TYPES OF CLIENTS

Alapocas Partners primarily provides customized investment management services to individuals, high net worth individuals, charitable organizations, corporations, trusts including pooled investment trusts, and other entities. Alapocas Partners generally does not impose a minimum account size for establishing a relationship.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis

Alapocas Partners primarily employs a fundamental analysis method in developing investment strategies for its Clients. Research and analysis used in Alapocas Partners investment decisions is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Firm in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Firm monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Firm's review process are included below in Item 13 "Review of Accounts".

Investment Strategies

Alapocas Partners generally employs a long-term investment strategy for its clients, as consistent with their financial goals. Alapocas Partners will typically hold securities for more than a year but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of clients. At times, Alapocas Partners may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

Risks

An investment in any security involves a certain degree of risk. Securities may fluctuate in value or lose all value. Clients should be prepared to bear the potential risk of loss. The risks involved with Alapocas Partners' investment strategy include, but are not limited to:

Market Conditions – the prices of, and the income generated by, the securities owned by clients may decline due to market conditions and other factors, including those directly involving the issuers of the securities held by clients.

Security Selection – the identification of securities representing high-quality businesses and management teams is a difficult task, and there are no assurances that such opportunities will be successfully recognized over the long term. While such investments offer the opportunities for above-average capital appreciation, they also involve a high degree of financial risk and can result in substantial losses.

Inaccurate or Incorrect Public Information – the Adviser may rely on information that turns out to be wrong. The Adviser selects investments based, in part, on information provided by issuers to regulators or made directly available to the Adviser by the issuers or other sources. The Adviser is not always able to confirm the completeness or accuracy of such information, and in some cases, complete and accurate information is not available. Incorrect or incomplete information increases risk and may result in losses.

Margin – the Adviser does not recommend clients utilize margin as part of their investment strategy. However, clients may open margin accounts and choose to create margin balances by withdrawing cash. Clients should be aware of the costs of margin interest and risks involved which include permitting the broker-dealer to force the sale of securities if account equity requirements are not met.

There can be no assurance that clients will achieve their investment objectives or that the investment strategies employed by Alapocas Partners will be successful. Investing in securities involves a risk of loss the investors should be prepared to bear.

ITEM 9 – DISCIPLINARY INFORMATION

Alapocas Partners and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Alapocas Partners is an independent registered investment adviser. The Adviser is not affiliated with a broker-dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Consistent with the requirements of Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), Alapocas Partners has adopted a Code of Ethics (the “Code”), which sets forth standards of conduct that are expected of all of the Adviser’s “Access Persons” (as such term is defined in the Advisers Act) and addresses conflicts that arise from personal trading. The standard of business conduct set forth in the Code takes into account Alapocas Partners’ status as a fiduciary and requires the Adviser’s Access Persons act in the client’s best interest. A copy of the Code will be provided to any investor or prospective investor upon request to the firm’s Chief Compliance Officer at dlemons@alapocasip.com.

Alapocas Partners also require that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. In addition, the Adviser prohibits employees from receiving gifts if it is believed that the gift may affect the advice that is being provided to clients.

This Code is designed to ensure that Access Persons are placing client interests before their own. Access Persons who trade in covered securities, such as individual stocks or ETFs, are required to disclose their holding annually and their transactions on a quarterly basis for review. The Chief Compliance Officer will then review such holdings and transactions to make sure that any trades do not conflict with those of the Adviser’s clients. A member of the Adviser will review the Chief Compliance Officer’s trading.

The core principal of the Code is that no Access Persons shall prefer his or her own interest to that of an advisory client. It is designed to assure that the personal securities transactions, activities and interests of the Access Persons will not interfere with making decisions in the best interest of advisory clients and implementing such decisions while, at the same time, allowing Access Persons to invest for their own accounts. It is possible that Access Persons may be investing in the same securities as one or more clients. The Code allows such transactions so long as the clients’ interests always come first.

The Adviser’s practice is to prohibit Access Persons and Access Person-related accounts from participating in block trades in the same securities as clients on the same day.

ITEM 12 – BROKERAGE PRACTICES

The Adviser generally require written authority from clients to determine which securities are bought or sold and the amounts thereof. In this written authority statement, all limitations on the discretionary authority, if any, shall be defined. Clients may retain the right to vote securities, can withdraw securities and/or cash at any time, and may impose restrictions on the purchase and/or sale of securities, industries, sectors, and asset classes.

Alapocas Partners recommends that clients utilize Charles Schwab or Fidelity for brokerage and/or custodial services. These broker-dealers provide research (including proprietary and third party) and other services described below (See “Services That Benefit You” and “Services That May Not Directly Benefit You” below). These products and services other than execution are considered “soft dollar benefits”. These services benefit Alapocas Partners because client brokerage commissions (or markups and markdowns) pay for this research and other services, and therefore Alapocas Partners does not have to pay for them separately. This creates a conflict of interest because Alapocas Partners has an incentive to select these brokers over other brokers who do not provide the same benefits. Other brokers may provide lower commissions. By recommending that clients utilize one of these custodians, the Adviser may be unable to achieve the most favorable execution.

Alapocas Partners is not affiliated with the above-mentioned broker-dealers and does not direct any client toward one broker-dealer over another based on any soft dollar benefit. In addition, Alapocas Partners does not receive client referrals from these broker-dealers. The Adviser recommends them as choices for clients based upon previous experience with these firms and on the value of the services and/or research provided by these firms. Occasionally, on an exception basis, Alapocas Partners may provide services to clients maintaining accounts with other custodians. When clients direct the Adviser to utilize a different broker-dealer, Alapocas Partners may not be able to achieve the most favorable execution for transactions. Clients may pay higher brokerage commissions and the firm will not be able to aggregate orders to reduce transaction costs. Alapocas Partners will engage in "block trading" where possible and when advantageous to clients. This means that Alapocas Partners may purchase a large block of shares and then allocate those shares among the clients. Regarding aggregated "block trades," the Adviser operates so that no advisory account will be favored over any other account participating in the aggregated order. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared based on their participation in the trade within the same group of clients at the same custodian. The Adviser will rotate the order of trades placed with each custodian.

It is the Adviser’s general policy not to affect any principal or agency cross securities transactions for client accounts. The Adviser will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the

transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Brokerage and Best Execution

The Adviser will generally trade exclusively through a client's directed custodian for all trades. Alapocas Partners generally recommends that clients utilize Charles Schwab or Fidelity as their custodian. The Adviser has evaluated these custodians/brokers and believes that they will provide clients with an appropriate blend of execution services, commission costs and customer service. The Adviser will generally trade through the client's custodian/broker regardless of whether a client has an active prime brokerage agreement in place allowing us to use outside brokers. As a result, it should be understood that the Adviser will likely not negotiate commissions or obtain volume discounts beyond those already offered by the custodian/broker. Alapocas Partners thinks that given the additional costs of using outside brokers along with the recommended custodians' resources and commitment to providing appropriate execution that the Adviser is fulfilling the obligation to seek best execution by trading directly through them. In addition, the Adviser independently reviews the execution of the custodians on a periodic basis and also review their own internal documentation of their trading capabilities. Despite the general practice to trade through client custodians for equity trades, the Adviser will utilize outside brokers to effectuate some equity transactions and fixed income transactions for clients as appropriate and if it is in the client's best interest to do so.

While the Adviser has a reasonable belief that the custodians/brokers recommended are able to obtain best execution and competitive prices, the Adviser will not be independently seeking best execution price capability through other broker-dealers. If a client directs the Adviser to use another custodian/broker, the client will then generally have the responsibility for negotiating commission rates and other transaction costs with that custodian/broker. Often these rates are based on the client either using their electronic document delivery platform or maintaining a minimum account balance with the custodian. If you have questions about which custodian may make the most sense given all the facts and circumstances of your situation, please contact us.

Although the clients may have selected a custodian/broker and the Adviser generally trades through their broker, the Adviser will not trade through the custodian/broker if there is a reasonable belief that better portfolio management services can be provided by utilizing a third-party broker offering additional services. For example, the Adviser may use an outside broker for fixed income transactions if it is believed to be in the client's best interests and if the client has executed a prime brokerage agreement.

While the Adviser is comfortable in the custodians utilized, clients should note that some differences may exist based on the client assets maintain at each. Clients may forego benefits that the Adviser may be able to obtain for other clients through, for example, negotiating volume discounts or block trades if assets are held at a smaller custodial relationship. This may come into play if the client is part of a smaller group at one custodian while the Adviser services a larger number of clients at a different custodian.

As discussed above, the Adviser recommend that clients use Charles Schwab or Fidelity. These are registered broker-dealers and members of SIPC. The Adviser is independently owned and operated

and is not affiliated with either of them. The custodian will hold client assets in a brokerage account and buy and sell securities when instructed to. While the Adviser recommends that clients use one of the recommended custodian/brokers, clients will decide whether to do so and will open your account by entering into an account agreement directly with the custodian. The Adviser does not open the account for the client, although the Adviser may assist in doing so.

The Adviser seeks to select a custodian/broker who will hold the client's assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. The Adviser consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for the custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, ETFs)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below

Products and Services Available to us from Custodians

We recommend the following custodians: Fidelity Investments and Charles Schwab & Co. member FINRA/SIPC. Fidelity Investments and Charles Schwab are independent and unaffiliated SEC registered broker-dealers. These firms provide our clients and us with access to its institutional brokerage, trading, custody, reporting, and related services—many of which are not typically available to their retail customers. They also make available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. These support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us as long as our clients collectively maintain a total minimum asset level.

Services That Benefit You

Institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products made available through the custodian and include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

Services That May Not Directly Benefit You

The custodians also make available to us other products and services that benefit us but may not

directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both their own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at the particular custodian providing the research. In addition to investment research, they also make available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting services that generally benefit only us
- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers, discounting or waiving its fees for some of these services or paying all or a part of a third party's fees. They may also provide us with other benefits, such as occasional business entertainment of our personnel.

ITEM 13 – REVIEW OF ACCOUNTS

All investment positions are monitored on a regular basis by the Managing Members of the Adviser and accounts as a whole are reviewed both prior to meetings and on a regular basis to ensure that they still meet suitability requirements. Clients receive periodic written reports from the Adviser, typically on an annual basis.

Alapocas Partners may provide additional information to certain clients as requested.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Alapocas Partners does not currently maintain solicitor arrangements with outside firms or individuals, nor does Alapocas Partners receive compensation for referring clients to other firms. If these relationships were established, agreements with the referring parties would be in writing and the arrangement would be disclosed to the clients.

ITEM 15 – CUSTODY

Alapocas Partners does not act as a custodian for client funds or securities. Client assets will be held by a broker-dealer, bank or other independent qualified custodian. Clients should receive account statements at least quarterly from the qualified custodian(s). Clients are urged to carefully review such statements and compare such official custodial records to the statements or reports provided by the Adviser. Statements and reports provided by the Adviser may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

ITEM 16 – INVESTMENT DISCRETION

In accordance with the terms and conditions of the applicable investment management agreement, Alapocas Partners has discretionary authority to manage investments on behalf of the client. Such discretion is exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, the Adviser reviews the financial objectives, limitations and restrictions of the clients receiving the advice. A client always has the right to remove Alapocas Partners' discretionary authority over their account.

ITEM 17 – VOTING CLIENT SECURITIES

Alapocas Partners votes client proxies only when such authority has been expressly delegated to the Adviser through the investment management agreement or other written authority. Absent specific voting guidelines from the client, the Adviser will vote proxies in the best interest of the clients.

Alapocas Partners has adopted proxy voting and procedures that are designed to ensure that when Alapocas Partners has the authority to vote proxies with respect to securities held by a client, such proxies are voted in the client's best interests, in the judgment of Alapocas Partners to the extent reasonably practicable. The procedures also require that Alapocas Partners identify and address conflicts of interest. If a material conflict of interest is identified, Alapocas Partners will determine whether voting in accordance with the guidelines set forth in the procedures is in the best interests of the client or whether taking some other action may be more appropriate.

ITEM 18 – FINANCIAL INFORMATION

Alapocas Partners does not require the prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, the Adviser does not need to include a balance sheet with this brochure.

Alapocas Partners is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.

Alapocas Partners has not been the subject of any such bankruptcy petition.