

**Dravo Bay LLC**  
**dba**  
**Blue Rock Dravo Bay**

**Form ADV Part 2A – Disclosure Brochure**

**Effective: March 27, 2020**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Dravo Bay LLC dba Blue Rock Dravo Bay (“Blue Rock Dravo Bay” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (302) 660-3350.

Blue Rock Dravo Bay is a registered investment advisor with the U.S Securities Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information through Blue Rock Dravo Bay to assist you in determining whether to retain the Advisor.

Additional information about Blue Rock Dravo Bay and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 298558.

**Dravo Bay LLC**  
**1 Avenue of the Arts, Wilmington, DE 19801**  
**Phone: (302) 660-3350 | Fax: (302) 351-6658**  
[www.bluerockdb.com](http://www.bluerockdb.com)

## **Item 2 – Material Changes**

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplements")*. The Disclosure Brochure provides information about a variety of topics relating to an advisor's business practices and conflicts of interest. The Brochure Supplements provide information about Advisory Persons of Blue Rock Dravo Bay. For convenience, the Advisor has combined these documents into a single disclosure document.

Blue Rock Dravo Bay believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. Blue Rock Dravo Bay encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

The following material changes have been made to this Disclosure Brochure since the last filing and distribution to Clients:

- The Advisor no longer recommends the use of the Betterment Institutional Platform.
- The Advisor has amended its fees and billing practices for Retirement Plan Advisory Services. Please see Item 5 for additional information.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs in the business practices of Blue Rock Dravo Bay.

You may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 298558. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (302) 660-3350.

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

Dravo Bay LLC dba Blue Rock Dravo Bay (“Blue Rock Dravo Bay” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Advisor is organized as a limited liability company (“LLC”) under the laws of Delaware. Blue Rock Dravo Bay was founded in August 2018 and is owned and operated by Todd A. Roselle (Principal and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Blue Rock Dravo Bay.

### **B. Advisory Services Offered**

Blue Rock Dravo Bay offers advisory services to individuals, high net worth individuals, families, trusts, estates, businesses and retirement plans (each referred to as a “Client”). Blue Rock Dravo Bay provides a comprehensive approach to its wealth advisory services. Services are tailored to the unique needs of each Client.

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Blue Rock Dravo Bay’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Investment Management Services

Blue Rock Dravo Bay provides customized wealth management solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and planning services. Blue Rock Dravo Bay works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create an investment strategy. Blue Rock Dravo Bay customizes its investment management services for its Clients. Blue Rock Dravo Bay will implement the investment strategy with its internal management and/or the use of unaffiliated money managers or investment platforms (as described below).

*Internal Investment Management* – The Advisor’s investment philosophy is based primarily on modern portfolio theory. The Advisor will develop a strategic asset allocation for the Client based on the Client’s unique situation. The Advisor will then construct an investment portfolio primarily utilizing exchange-traded funds (“ETFs”). The Advisor may also incorporate open-end mutual funds, individual equity securities and/or individual fixed income securities in a Client’s portfolio. For mutual funds, the Advisor primarily selects passive managers and will seek institutional share classes when available.

Blue Rock Dravo Bay typically employs a long-term investment approach for Clients, but may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. Blue Rock Dravo Bay will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

At no time will Blue Rock Dravo Bay accept or maintain custody of a Client’s funds or securities, except for limited authority as outlined in Item 15 – Custody. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the advisory agreement. Please see Item 12 – Brokerage Practices.

*Use of Independent Managers* – Blue Rock Dravo Bay will recommend that Clients utilize one or more unaffiliated investment managers or investment platforms (collectively “Independent Managers”) available through SEI Private Trust Company (“SEI”) for all or a portion of a Client’s investment portfolio, based on the Client’s needs and objectives. In such instances, the Client will be required to authorize and enter into an investment management agreement with an Independent Manager that defines the terms in which the Independent Manager will provide its services. The Advisor will perform initial and ongoing oversight and due diligence over each Independent Manager to ensure the strategy remains aligned with Clients investment objectives and overall best interests. The Advisor will also assist the Client in the development of the initial policy recommendations and managing the ongoing Client relationship. The Client, prior to entering into an agreement with an Independent Manager, will be provided with the Independent Manager’s Form ADV Part 2A - Disclosure Brochure (or a brochure that makes the appropriate disclosures).

### Financial Planning Services

Blue Rock Dravo Bay will typically provide to its Clients a variety of financial planning services. Such services may be included in the overall advisory services or contracted separately, based on the Client's needs and complexity of the services to be provided. Services may be provided in several areas of a Client's financial situation, depending on their goals and objectives. Planning or consulting may encompass one or more areas of need, including, but not limited to investment advice and planning, retirement planning, distributions, personal savings, education savings, spending, insurance needs, estate planning, charitable strategies, and other areas of a Client's financial situation. Blue Rock Dravo Bay may deliver specific planning modules to the Client or a comprehensive plan, based on the needs of the Client. In certain circumstances, Blue Rock Dravo Bay may also refer Clients to an accountant, attorney or other specialist, as appropriate for the Client's unique situation. For certain financial planning engagements, the Advisor will generally provide a written report that contains observations and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Financial planning recommendations pose a potential conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage the Advisor for investment management services or to increase the level of investment assets with the Advisor, as it would increase the amount of advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor. Financial planning services may be included in an overall wealth management engagement or provided as a separate service, pursuant to the terms of the agreement with the Client.

### Retirement Plan Advisory Services

Blue Rock Dravo Bay provides retirement plan advisory services on behalf of retirement plans (each a "Plan") and the company (the "Plan Sponsor"). The Advisor's retirement plan advisory services are designed to assist the Plan Sponsor in meeting its fiduciary obligations to the Plan and its Plan Participants. Each engagement is customized to the needs of the Plan and Plan Sponsor. Services generally include:

- Vendor Analysis
- Plan Participant Enrollment and Education Tracking
- Investment Policy Statement ("IPS") Design and Monitoring
- Investment Oversight Services (ERISA 3(21))
- Performance Reporting
- Ongoing Investment Recommendation and Assistance
- ERISA 404(c) Assistance

These services are provided by Blue Rock Dravo Bay serving in the capacity as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In accordance with ERISA Section 408(b)(2), the Plan Sponsor is provided with a written description of the Advisor's fiduciary status, the specific services to be rendered and all direct and indirect compensation the Advisor reasonably expects under the engagement.

### **C. Client Account Management**

Prior to engaging Blue Rock Dravo Bay to provide advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – Blue Rock Dravo Bay will work with each Client to develop a custom investment strategy designed in connection with the Client's investment goals and objectives.
- Asset Allocation – Blue Rock Dravo Bay will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – Blue Rock Dravo Bay will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.

- Investment Management and Supervision – Blue Rock Dravo Bay will provide investment management and ongoing oversight of the Client's investment portfolio.

#### **D. Wrap Fee Programs**

Blue Rock Dravo Bay does not manage or place Client assets into a wrap fee program.

#### **E. Assets Under Management**

As of December 31, 2019, Blue Rock Dravo Bay manages \$118,882,602 in Client assets, \$74,096,524 of which are managed on a discretionary basis and \$44,786,078 on a non-discretionary basis. Clients may request more current information at any time by contacting the Advisor.

### **Item 5 – Fees and Compensation**

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into a written agreement with the Advisor.

#### **A. Fees for Advisory Services**

##### Investment Advisory Services

Investment advisory fees are paid quarterly, at the end of each calendar quarter, pursuant to the terms of the investment advisory agreement. Fees are based on the closing market value of the assets under management in the account[s] and the end of the quarter based on the following schedule:

<b>Assets Under Management</b>	<b>Annual Fee (%)</b>
Up to \$1,000,000	1.30%
\$1,000,001 to \$2,000,000	1.05%
\$2,000,001 to \$3,000,000	0.92%
\$3,000,001 to \$4,000,000	0.79%
\$4,000,001 to \$5,000,000	0.66%
\$5,000,001 to \$7,500,000	0.54%
Over \$7,500,000	0.39%

The investment advisory fee in the first quarter of service is prorated from the inception date of the Client's account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by Blue Rock Dravo Bay will be independently valued by the Custodian. Blue Rock Dravo Bay will not have the authority or responsibility to value portfolio securities.

Clients may make additions to and withdrawals from their account[s] at any time, subject to Blue Rock Dravo Bay's right to terminate an account. Additions may be in cash or securities provided that Blue Rock Dravo Bay reserves the right to liquidate any transferred securities or decline to accept particular securities into a Client's account[s]. Clients may withdraw account assets on notice to Blue Rock Dravo Bay, subject to the usual and customary securities settlement procedures. However, Blue Rock Dravo Bay designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a Client's investment objectives. Blue Rock Dravo Bay may consult with its Clients about the options and ramifications of transferring securities. However, Clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

##### Use of Independent Managers

As noted in Item 4, the Advisor will implement all or a portion of a Client's investment portfolio utilizing one or more Independent Managers. To eliminate any conflict of interest, the Advisor does not earn any compensation from an Independent Manager. The Advisor will only earn its investment advisory fee as described above. Independent Managers typically do not offer any fee discounts but may have a breakpoint schedule which will reduce the fee with an increased level of assets placed under management with an Independent Manager. The terms of such fee arrangements are included in the Independent Manager's disclosure brochure and applicable contract[s] with the Independent Manager. The total blended fee, including the Advisor's fee and the Independent Manager's fee, will not exceed 3.00% annually.

The Advisor's fee is exclusive of, and in addition to any applicable securities transaction and custody fees, and other related costs and expenses described in Item 5.C. below, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs. For certain Clients, financial planning services are included in investment advisory fee.

#### Financial Planning Services

Blue Rock Dravo Bay offers financial planning services through several types of engagement methods. The Advisor may offer its services on an hourly basis, a fixed project fee or an annual/ongoing engagement. Hourly engagements are billed at a rate ranging from \$250 to \$350, based on the complexity of the services to be provided and the experience level of the Advisory Person. Fixed fee engagements are negotiated based on the expected number of hours to complete the engagement at the negotiated hourly rate. Annual ongoing engagements start with a financial plan that is billed for a fixed fee ranging from \$1,500 to \$7,500, depending on the scope and complexity of the Client engagement. After the delivery of the initial financial plan, the ongoing fee ranges from \$100 to \$500 per month, based on the complexity and scope of the ongoing services. Fees may be negotiable at the sole discretion of the Advisor. An estimate for total hours and/or costs will be provided to the Client prior to engaging for these services.

#### Retirement Plan Advisory Services

Fees for retirement plan advisory services are charged an annual asset-based fee of up to 1.20% and are billed monthly at the end of the calendar quarter, pursuant to the terms of the retirement plan advisory agreement. Fees may be negotiable depending on the size and complexity of the Plan.

### **B. Fee Billing**

#### Investment Advisory Services

Investment advisory fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor or its delegate shall provide the Custodian with an invoice instructing the Custodian to deduct its investment advisory fee. The amount due is calculated by applying the quarterly rate (annual rate divided by four) to the assets under management at the end of the quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting Blue Rock Dravo Bay to be paid directly from their account[s] held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

#### Use of Independent Managers

For Client accounts implemented through an Independent Manager, the Client's overall fees will include Blue Rock Dravo Bay's investment advisory fee (as noted above) plus investment management fees and/or platform fees charged by the Independent Manager. The Independent Manager will assume the responsibility for calculating the Client's fees and deducting all fees from the Client's account[s].

#### Financial Planning Services

Fees for project-based hourly and fixed fee financial planning engagements may be invoiced up to fifty percent (50%) of the expected total engagement fee upon execution of the financial planning agreement. The balance shall be invoiced upon completion of the agreed upon deliverable[s]. Fees for annual/ongoing financial planning engagements may require an initial deposit or the initial financial planning fee to be paid in full at the start of the engagement. Upon completion of the engagement deliverable[s], the remaining balance of the engagement fees [if any] shall be invoiced by the Advisor and are due upon receipt of the invoice. If the Client is engaging for ongoing financial planning services, ongoing planning fees shall commence at the start of the following month and billed thereafter on a monthly basis, in advance of each month. Certain Clients may have their planning fees included with their overall investment advisory fees. The Advisor does not collect advance fees of \$1,200 or more for any services that will be completed six (6) months or more in advance.

#### Retirement Plan Advisory Services

Retirement plan advisory fees may be directly invoiced to the Plan Sponsor or deducted from the assets of the Plan, depending on the terms of the retirement plan advisory agreement.



### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than Blue Rock Dravo Bay, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all securities execution and custody fees charged by the Custodian, as applicable. The fees charged by Blue Rock Dravo Bay are separate and distinct from these custody and execution fees.

In addition, all fees paid to Blue Rock Dravo Bay for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of Blue Rock Dravo Bay, but would not receive the services provided by Blue Rock Dravo Bay which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Blue Rock Dravo Bay to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

### **D. Advance Payment of Fees and Termination**

#### Investment Advisory Services

Blue Rock Dravo Bay is compensated for its investment advisory services at the end of the quarter after investment advisory services are rendered. Either party may terminate the investment advisory agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

#### Use of Independent Managers

In the event that a Client should wish to terminate their relationship with an Independent Manager, the terms for termination will be set forth in the respective agreements between the Client and that Independent Manager. Blue Rock Dravo Bay will assist the Client with the termination and transition as appropriate.

#### Financial Planning Services

Blue Rock Dravo Bay may be partially compensated for its financial planning services in advance of providing services. Either party may terminate the financial planning agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the financial planning agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Client shall be responsible for planning fees based on the hours incurred or in the event of a fixed fee, the percentage of the engagement completed. For ongoing planning services, fees are prorated up to and including the effective day of termination. The initial planning fee is based on a percentage of the plan completed. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engagement, the percentage of the engagement scope completed by the Advisor. The Advisor will refund any unearned, prepaid financial planning fees from the effective date of termination. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

#### Retirement Plan Advisory Services

Blue Rock Dravo Bay is compensated for its services at the end of the month, after services are rendered. Either party may request to terminate the retirement plan advisory agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the retirement plan advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide retirement plan advisory services rendered to the point of termination and such fees shall be due and payable by the Client. The Client shall be responsible for retirement plan advisory fees up to and including the effective date of termination. The Client's retirement plan advisory agreement with the Advisor is non-transferable without the Client's prior consent.



## **E. Compensation for Sales of Securities**

Blue Rock Dravo Bay does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

Mr. Roselle is also registered representative of Purshe Kaplan Sterling Investments, Inc. ("PKS"). PKS is a registered broker-dealer (CRD No. 35747) member FINRA, SIPC. In one's separate capacity as a registered representative of PKS, Mr. Roselle will implement securities transactions under PKS and not through Blue Rock Dravo Bay. In such instances, Mr. Roselle will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by the Mr. Roselle in his capacity as a registered representative is separate and in addition to the Advisor's fees. This practice presents a conflict of interest because the Mr. Roselle who is a registered representative has an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on the Client. Clients are not obligated to implement any recommendation provided by the Advisor nor Mr. Roselle. Neither the Advisor nor Mr. Roselle will earn ongoing investment advisory fees in connection with any products or services implemented in Mr. Roselle's separate capacity as a registered representative. Please see Item 10 – Other Financial Industry Activities and Affiliations.

Mr. Roselle is also licensed as an independent insurance professional. As an independent insurance professional, Mr. Roselle will earn commission-based compensation for selling insurance products, including insurance products he sells to Clients. Insurance commissions earned by Mr. Roselle are separate and in addition to advisory fees. This practice presents a conflict of interest because a person providing investment advice on behalf of the Advisor who is also an insurance agent has an incentive to recommend insurance products to Clients for the purpose of generating commissions rather than solely based on Client needs. However, Clients are under no obligation, contractually or otherwise, to purchase insurance products through Mr. Roselle. Please see Item 10 – Other Financial Industry Activities and Affiliations.

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

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Blue Rock Dravo Bay does not charge performance-based fees for its investment advisory services. The fees charged by Blue Rock Dravo Bay are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

Blue Rock Dravo Bay 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.

## **Item 7 – Types of Clients**

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Blue Rock Dravo Bay offers advisory services to individuals, high net worth individuals, families, trusts, estates, businesses and retirement plans. Blue Rock Dravo Bay generally does not impose a minimum size for establishing a relationship. However, certain investments and strategies may require certain minimums for effective implementation.

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

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### **A. Methods of Analysis**

Blue Rock Dravo Bay primarily employs fundamental analysis in developing investment strategies for its Clients. Research and analysis from Blue Rock Dravo Bay are 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. This criteria consists generally of 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 Advisor 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 Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

As noted above, Blue Rock Dravo Bay generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. Blue Rock Dravo Bay will typically hold all or a portion of a security 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, Blue Rock Dravo Bay 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.

## **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Blue Rock Dravo Bay will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the Advisor's investment approach:

### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

### Individual Securities Risks

Owning individual equity or fixed income securities may result in additional risks, such as the performance of an individual company or the comparison of the company against its peers, industry or the market in general. Investor sentiment can influence the valuation of such securities. For individual bonds, interest rate risk and reinvestment risk may also be present as interest rates will fluctuate over time.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

## **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving Blue Rock Dravo Bay or its owner.** Blue Rock Dravo Bay values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 298558.

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

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### Broker-Dealer Affiliation

As noted in Item 5, Mr. Roselle is also a registered representative of PKS. PKS is a registered broker-dealer, member FINRA, SIPC. In one's separate capacity as a registered representative, Mr. Roselle will receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Mr. Roselle. Neither the Advisor nor Mr. Roselle will earn ongoing investment advisory fees in connection with any services implemented in Mr. Roselle's separate capacity as a registered representative

### Insurance Agency Affiliations

As noted in Item 5, Mr. Roselle is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from one's role with Blue Rock Dravo Bay. As an insurance professional, Mr. Roselle will receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mr. Roselle is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Roselle or the Advisor.

### Use of Independent Managers

As noted in Item 4, the Advisor may implement all or a portion of a Client's investment portfolio with one or more Independent Managers. The Advisor does not receive any compensation nor does this present a material conflict of interest. The Advisor will only earn its investment advisory fee as described in Item 5.A.

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

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### **A. Code of Ethics**

Blue Rock Dravo Bay has implemented a Code of Ethics that defines the Advisor's fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with Blue Rock Dravo Bay ("Supervised Persons"). The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding the Advisor's duties to the Client. Blue Rock Dravo Bay and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Blue Rock Dravo Bay associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that address ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (302) 660-3350.

### **B. Personal Trading with Material Interest**

Blue Rock Dravo Bay allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Blue Rock Dravo Bay does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Blue Rock Dravo Bay does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

Blue Rock Dravo Bay allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and

procedures. As noted above, the Advisor has adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Blue Rock Dravo Bay requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. The Advisor has also adopted written policies and procedures to detect the misuse of material, non-public information.

#### **D. Personal Trading at Same Time as Client**

While Blue Rock Dravo Bay allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterward. **At no time will any associated person of Blue Rock Dravo Bay, transact in any security to the detriment of any Client.**

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

Blue Rock Dravo Bay does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Blue Rock Dravo Bay to direct trades to the Custodian as agreed in the investment advisory agreement. Further, Blue Rock Dravo Bay does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where Blue Rock Dravo Bay does not exercise discretion over the selection of the Custodian, it may recommend the Custodian[s] to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by Blue Rock Dravo Bay. As its Advisory Persons are also registered representatives of PKS, Blue Rock Dravo Bay and its Advisory Persons are limited in the Custodians in which they can recommend to Clients.

Blue Rock Dravo Bay will generally recommend that Clients establish their account[s] at SEI Private Trust Company, a subsidiary of SEI Investments Company ("SPTC"). SPTC will serve as the Client's "qualified custodian".

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. Blue Rock Dravo Bay **does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian.**

**2. Brokerage Referrals** - Blue Rock Dravo Bay does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where Blue Rock Dravo Bay will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). Blue Rock Dravo Bay will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

#### **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required. Blue Rock Dravo Bay will execute its transactions through the Custodian, unless otherwise instructed in writing by the Client.

Blue Rock Dravo Bay may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts. If a block trade 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 in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Clients' accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Mr. Roselle, Chief Compliance Officer of Blue Rock Dravo Bay. The CCO also has oversight of investment advisory processes. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client. Clients are offered an annual financial plan, subject to scope of their agreement with the Advisor.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Blue Rock Dravo Bay if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by Blue Rock Dravo Bay**

Blue Rock Dravo Bay does not receive securities commissions from product sponsors, broker-dealers or any un-related third party. Blue Rock Dravo Bay may refer Clients to various third parties to provide certain financial services necessary to meet the goals of its Clients. Likewise, Blue Rock Dravo Bay may receive referrals of new Clients from a third-party. No compensation is received or paid for such referrals.

### **B. Client Referrals from Solicitors**

The Advisor does not engage paid solicitors.

## **Item 15 – Custody**

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Blue Rock Dravo Bay does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fee. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct Blue Rock Dravo Bay to utilize the Custodian for the Client's security transactions. Blue Rock Dravo Bay encourages Clients to review statements provided by the Custodian. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

## **Item 16 – Investment Discretion**

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Blue Rock Dravo Bay generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Blue Rock Dravo Bay. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by Blue Rock Dravo Bay will be in accordance with each Client's investment

objectives and goals. For Clients with account[s] established at an Independent Manager, those account[s] will also be managed by those parties on a discretionary basis.

### **Item 17 – Voting Client Securities**

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Blue Rock Dravo Bay does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

### **Item 18 – Financial Information**

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Neither Blue Rock Dravo Bay, nor its management, have any adverse financial situations that would reasonably impair the ability of Blue Rock Dravo Bay to meet all obligations to its Clients. Neither Blue Rock Dravo Bay, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. Blue Rock Dravo Bay is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.

## **Form ADV Part 2B – Brochure Supplement**

**for**

**Todd A. Roselle  
Principal and Chief Compliance Officer**

**Effective: March 27, 2020**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of Todd A. Roselle (CRD# 5001611) in addition to the information contained in the Dravo Bay LLC (“Blue Rock Dravo Bay” or the “Advisor”, CRD# 298558) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the content of the Blue Rock Dravo Bay Disclosure Brochure or this Brochure Supplement, please contact the Advisor at (302) 660-3350.

Additional information about Mr. Roselle is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 5001611.



## Item 2 – Educational Background and Business Experience

Todd A. Roselle, born in 1977, is dedicated to advising Clients of Blue Rock Dravo Bay as its Principal and Chief Compliance Officer. Mr. Roselle earned his Masters Degree from Wilmington University in 2005 as well as his Bachelors Degree in 2003. In addition, Mr. Roselle earned an Associates Degree from Delaware Technical Community College in 2000. Additional information regarding Mr. Roselle's employment history is included below.

### Employment History:

Principal and Chief Compliance Officer, Dravo Bay LLC [dba Blue Rock Dravo Bay]	09/2018 to Present
Registered Representative, Purshe Kaplan Sterling Investments, Inc.	09/2018 to Present
Financial Advisor, Cambridge Investment Research, Inc.	12/2012 to 09/2018
Financial Advisor, Securian Financial Services, Inc.	07/2005 to 12/2012

### CERTIFIED FINANCIAL PLANNER™ (“CFP®”)

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. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

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 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.

### Chartered Financial Consultant® (ChFC®)

The Chartered Financial Consultant® (ChFC®) program prepares you to meet the advanced financial planning needs of individuals, professionals and small business owners. You'll gain a sustainable advantage in this competitive field with in-depth coverage of the key financial planning disciplines, including insurance, income taxation, retirement planning, investments and estate planning. The ChFC® requires three years of full-time, relevant business experience, nine two-hour course specific proctored exams, and 30 hours of continuing education every two years. Holders of the ChFC® designation must adhere to The American College's Code of Ethics.

Program Objectives:

- Function as an ethical, competent and articulate practitioner in the field of financial planning
- Utilize the intellectual tools and framework needed to maintain relevant and current financial planning knowledge and strategies.
- Apply financial planning theory and techniques through the development of case studies and solutions.
- Apply in-depth knowledge in a holistic manner from a variety of disciplines; namely, estate planning, retirement planning or non-qualified deferred compensation.

### Item 3 – Disciplinary Information

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***There are no legal, civil or disciplinary events to disclose regarding Mr. Roselle.*** Mr. Roselle has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Roselle. Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices.

***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Roselle.*** However, the Advisor encourages Clients to independently view the background of Mr. Roselle on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 5001611.

### Item 4 – Other Business Activities

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#### Broker-Dealer Affiliation

Mr. Roselle is also a registered representative of Purshe Kaplan Sterling Investments, Inc. ("PKS"). PKS is a registered broker-dealer (CRD# 35747), member FINRA, SIPC. In Mr. Roselle's separate capacity as a registered representative, Mr. Roselle will receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Mr. Roselle. Neither the Advisor nor Mr. Roselle will earn ongoing investment advisory fees in connection with any products or services implemented in Mr. Roselle's separate capacity as a registered representative.

#### Insurance Agency Affiliations

Mr. Roselle is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart Mr. Roselle's role with Blue Rock Dravo Bay. As an insurance professional, Mr. Roselle will receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mr. Roselle is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Roselle or the Advisor.

### Item 5 – Additional Compensation

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Mr. Roselle has additional business activities where compensation is received that are detailed in Item 4 above.

### Item 6 – Supervision

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Mr. Roselle serves as the Principal and Chief Compliance Officer of Blue Rock Dravo Bay. Mr. Roselle can be reached at (302) 660-3350.

Blue Rock Dravo Bay has implemented a Code of Ethics, an internal compliance that guides each Supervised Person in meeting their fiduciary obligations to Clients of Blue Rock Dravo Bay. Further, Blue Rock Dravo Bay is subject to regulatory oversight by various agencies. These agencies require registration by Blue Rock Dravo Bay and its Supervised Persons. As a registered entity, Blue Rock Dravo Bay is subject to examinations by regulators, which may be announced or unannounced. Blue Rock Dravo Bay is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

## **Form ADV Part 2B – Brochure Supplement**

**for**

**James R. Whalen, CFP®  
Director of Financial Planning**

**Effective: March 27, 2020**

This Form ADV 2B ("Brochure Supplement") provides information about the background and qualifications of James R. Whalen, CFP® (CRD# 5876202) in addition to the information contained in the Dravo Bay LLC ("Blue Rock Dravo Bay" or the "Advisor", CRD# 298558) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the content of the Blue Rock Dravo Bay Disclosure Brochure or this Brochure Supplement, please contact the Advisor at (302) 379-3561.

Additional information about Mr. Whalen is available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 5876202.

## Item 2 – Educational Background and Business Experience

James R. Whalen, CFP® born in 1985, is dedicated to advising Clients of Blue Rock Dravo Bay as the Director of Financial Planning. Mr. Whalen also earned a degree in Business Management & Finance from Pennsylvania State University in 2007. Additional information regarding Mr. Whalen's employment history is included below.

### Employment History:

Director of Financial Planning, Dravo Bay LLC	10/2018 to Present
Director of Client Relations, Cambridge Investment Research Group	05/2017 to 10/2018
Self Employed	07/2016 to 05/2017
Registered Representative, Director of Financial Planning, Northwestern Mutual Investment Services, Inc.	01/2016 to 07/2016
Financial Advisory Specialist, Hanlon Financial Group	06/2014 to 01/2016

### CERTIFIED FINANCIAL PLANNER™ (CFP®)

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. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

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 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.

### **Item 3 – Disciplinary Information**

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***There are no legal, civil or disciplinary events to disclose regarding Mr. Whalen.*** Mr. Whalen has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Whalen.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices.

***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Whalen.*** However, the Advisor encourages Clients to independently view the background of Mr. Whalen on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 5876202.

### **Item 4 – Other Business Activities**

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#### Whalen & Martino Group, LLC

Mr. Whalen is 50% own of Whalen & Martino Group, LLC located in Philadelphia, PA. In Mr. Whalen's separate capacity as a partial owner, he identifies and researches properties for investment.

### **Item 5 – Additional Compensation**

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Mr. Whalen has additional business activities where compensation is received that are detailed in Item 4 above.

### **Item 6 – Supervision**

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Mr. Whalen serves as the Director of Financial Planning of Blue Rock Dravo Bay and is supervised by Todd Roselle, the Chief Compliance Officer. Mr. Roselle can be reached at (302) 379-3561.

Blue Rock Dravo Bay has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of Blue Rock Dravo Bay. Further, Blue Rock Dravo Bay is subject to regulatory oversight by various agencies. These agencies require registration by Blue Rock Dravo Bay and its Supervised Persons. As a registered entity, Blue Rock Dravo Bay is subject to examinations by regulators, which may be announced or unannounced. Blue Rock Dravo Bay is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

## Privacy Policy

Effective Date: March 27, 2020

### Our Commitment to You

Dravo Bay LLC dba Blue Rock Dravo Bay Financial Group ("Blue Rock Dravo Bay" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Blue Rock Dravo Bay (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Blue Rock Dravo Bay does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number[s]	Income and expenses
E-mail address[es]	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, broker-dealers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting. Blue Rock Dravo Bay shares Client information with Purshe Kaplan Sterling Investments, inc. ("PKS") due to the oversight PKS has over certain supervised persons of the Advisor. You may also contact us at any time for a copy of the PKS Privacy Policy.	Yes	No
<b>Marketing Purposes</b> Blue Rock Dravo Bay does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Blue Rock Dravo Bay or the Client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes
<b>Information About Former Clients</b> Blue Rock Dravo Bay does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy, and will provide you with a revised Policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting the Advisor at (302) 660-3350.