

**Item 1: Cover Page****ROCKWOOD** WEALTH MANAGEMENT

Rockwood Wealth Management, LLC  
6464 Lower York Road  
New Hope, PA 18938  
267-983-6400  
[www.rockwoodwealth.com](http://www.rockwoodwealth.com)

**Version date: August 09, 2023**

This brochure provides information about the qualifications and business practices of Rockwood Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us (267) 983-6400 or via email at [megan.lottier@rockwoodwealth.com](mailto:megan.lottier@rockwoodwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Rockwood Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Rockwood Wealth Management, LLC is 137481.

Rockwood Wealth Management, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

**Item 2: Material Changes**

This brochure provides a summary of Rockwood Wealth Management, LLC's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things.

This Item is used to provide Clients with a summary of material changes as defined by the U.S. Securities and Exchange Commission (the "Commission") including additional information we deem to be relevant for our current and prospective clients. The revision(s) are based on the nature of the information detailed below.

**Material Changes**

Should a material change in our operations occur, depending on its nature Rockwood Wealth Management will promptly communicate this change to Clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a Client's full understanding of who we are, how to find us, and how we do business.

There are no material changes in this brochure from the last annual updating amendment of Rockwood Wealth Management, LLC on March 6, 2023. Material changes relate to Rockwood Wealth Management, LLC's policies, practices or conflicts of interests only.

If you would like to receive a complete copy of our brochure, including the supplements, please contact us by telephone at (267) 983-6400 or via email at [megan.lottier@rockwoodwealth.com](mailto:megan.lottier@rockwoodwealth.com).

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**Item 4: Advisory Business****Firm Description**

Rockwood Wealth Management, LLC (hereinafter "RWM") is a registered investment adviser with a principal office based in New Hope, Pennsylvania and is organized as a limited liability company under the laws of the State of Pennsylvania. RWM was founded in 2008. The principal owner is John Augenblick; Mark Kelly, Samuel Feldbaum, Kenny Bauer and Megan Lottier also hold ownership interest in the firm.

RWM provides personal financial planning and investment management services to individuals, families and their related entities including trusts and estates, endowments and family businesses. RWM works with clients to define financial objectives and to develop strategies for reaching those objectives, some of which may include cash flow management, tax planning, risk exposure review, investment management, education funding, retirement planning, estate planning, charitable giving, special needs planning, family business succession issues, employer benefits, and/or other issues specific to the client. Investment management services include ongoing review and rebalancing of portfolios based on market conditions and client's individual financial circumstances. We meet with clients and prospects to determine investment objectives, risk tolerance and other relevant information.

RWM derives its revenues from financial planning and investment advisory fees only. The firm's compensation is based solely from fees paid directly by clients. The firm does not receive any commission based on the client's purchase of any particular financial product(s). No commissions in any form are accepted. No benefits are received from custodians or broker-dealers based on client securities transactions ("soft dollar benefits"). For more on our investment philosophies and the risks of our strategies and/or specific investments recommended, please refer to the paragraphs below, as well as Item 8 of this brochure.

Assets under the direct management of RWM are held by independent and unaffiliated qualified custodians in the client's name. RWM does not act as a custodian of client assets.

At times we may recommend other professionals (e.g., lawyers, accountants, insurance agents, real estate agents) at the request of the client. Such other professionals are engaged directly by the client on an as-needed basis at the client's discretion. Professionals recommended by RWM may also in their discretion recommend our services to their clients. With the exception of a single referral relationship with another independent and unaffiliated registered investment adviser as described in Item 14, we have no official referral agreements with any of the professionals we recommend.

We actively seek to avoid, or at least minimize, conflicts of interest which may exist between our firm and you. Conflicts of interest will be disclosed and managed in the best interest of the client. However, all investment advisory firms will likely possess some unavoidable conflicts of interest. In those instances when conflicts of interest arise, we have adopted policies which seek to keep the client's best interests paramount at all times.

Please see other sections of this brochure which explores in further detail how we act to keep the client's best interests first at all times during the course of our client relationship. Refer to the details of each service listed for information on how we customize our wealth management and advisory services to each client's individual needs.

**Types of Services**

RWM provides wealth management advisory services which includes financial planning and investment management. RWM also provides clients with investment advice through one-on-one consultations. In performing its services, RWM relies on the information received from the client or from the client's other professionals. Each client is advised that it remains his/her responsibility to promptly notify RWM when there are any changes to his or her financial situation and/or financial objectives for the purpose of reviewing, evaluating, or revising previous recommendations and/or services.

**Tailored Advisory Services**

RWM tailors its advisory services to meet each client's needs. This is achieved for most clients by individually customizing investment portfolios based on client's profile. Clients will be offered a conference with an advisor at least annually to review any changes to their financial situation, the investment portfolio upon which advice is provided by RWM, and other financial planning issues. In addition, clients may impose reasonable restrictions on investing in certain securities or certain types of securities so long as they can be implemented by RWM.

**Financial Planning**

RWM provides a broad-based consultative financial planning service for clients. Financial planning may include identification of financial problems, overall cash flow management, tax planning, risk exposure review, asset allocation, education funding, retirement planning, estate planning, charitable goals, small business advisory, fringe benefits, special needs planning or other issues specific to the client. Reviews are conducted to determine if the client's financial objectives and goals are being met and if changes or adjustments to the plan should be made. Financial planning software, such as Money Guide Pro, may be used to assist in assessing client's financial circumstances and define in some detail risk tolerance and investment objectives. No implementation services or ongoing asset management services are provided unless otherwise separately elected by the client. Upon review and analysis of the information provided via the financial planning software, a written evaluation of the client's current situation and goals is provided to the client. Customized recommendations are given in each area specifically requested by the client. The recommendations may include types of securities, portfolio allocation as well as investment timeframe.

**RWM Account Statements**

Clients are at times provided account statements, net worth statements, and net worth graphs that are generated from our portfolio accounting and financial planning software. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land, real estate, limited partnerships, and other hard-to-price assets. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks. The book values of hard to price assets are reviewed whenever supplemental information relating to valuation is received. Otherwise, these assets are priced at client cost. Clients are urged to compare the statements they receive from us to those they receive from their qualified custodians.

**Agreement Termination**

Either party may cancel the financial planning agreement at any time by providing written notification.

**Wealth Management**

This service includes financial planning, implementation as well as ongoing investment management and monitoring services. Wealth management services are tailored to meet the client's needs. For most clients, each investment portfolio is individually designed; RWM will develop a customized investment portfolio in accordance with the client's risk tolerance and investment objectives. At least annually clients will have the opportunity to review and discuss via conference call or in person with their designated advisor any changes to their financial situation, the investment portfolio upon which advice is provided by RWM, and other financial planning issues. Clients will also have the ability to obtain unlimited telephone support and reviews on a more frequent basis. The advisor may conduct more frequent account reviews which may not necessarily be communicated to the client unless immediate changes are recommended. On an ongoing basis, RWM will monitor client's portfolio performance and will rebalance as dictated by portfolio fluctuations and the client's financial circumstances.

Clients who request this service have the option of granting discretionary authority to RWM for the management of their accounts. This will allow RWM to effectuate trades in line with the client's investment objectives, risk tolerance and goals, without the client's written approval prior to each transaction. Non-discretionary accounts do not allow for trades to be placed by RWM investment personnel without the client's written approval prior to each transaction.

**Investment Management Services**

In certain circumstance RWM may provide Investment Management as a stand-alone service, in which case financial planning services are not rendered.

**Sub-Advisory Relationships for Smaller Accounts**

For certain smaller accounts which do not require the same level of advisory services, RWM has selected certain third-party proprietary automated investment allocation programs offered by the investment advisory affiliates of brokerage firms. The underlying investments in such accounts are exchange-traded funds or mutual funds. Generally, the process for establishing this arrangement is as follows: RWM recommends that the Client open an account with the brokerage firm and enroll in the investment allocation service provided by the advisory affiliate. (The client will receive this affiliate's Form ADV Part 2 brochure directly from the advisory affiliate.) RWM will have access to the account solely for the purpose of selecting the appropriate investment allocation for the account.

The providers of such programs charge a unitary asset-based fee for custody, fund share transactions and access to the automated program. The Client will be charged this fee in addition to RWM's investment advisory fee.

In selecting which providers to recommend for smaller accounts, RWM will consider the quality of the investment allocation program and its underlying investments, the reliability of the provider and the reasonableness of the fees.

### ***Third-Party Advisory Firms***

From time to time, if RWM determines that a client may benefit from the specialized advice on a particular type of investment, it may retain (with the client's consent) an appropriate independent third-party firm to provide such advice for the client's account. Typically, such services will be billed separately from RWM's fees.

### **Account Termination**

The investment management agreement and wealth management agreement may be canceled within five (5) days of acceptance with no penalty. After the initial five (5) days, the client or advisor may terminate the Agreement by giving a written notice. The balance of any unearned fee, if any, is promptly refunded to the client. The refund is calculated based on a pro-rata basis for the portion of the quarter completed and will be promptly refunded.

### **Wrap Fee Programs**

RWM does not invest in wrap fee programs or manage assets for any wrap fee accounts.

### **Types of Investments**

RWM's investment philosophy is a *structured passive approach to investing*. RWM's securities investments consist primarily of mutual funds and exchange traded funds (ETFs). Occasionally, we will provide guidance on individual securities in order to assist the clients in liquidating their position. Additionally, RWM generally advises clients on the type of mutual fund or ETF that we deem appropriate based on the client's stated goals, risk tolerance, and objective. Clients must provide reasonable investment restriction requests in writing to RWM so we can refrain from investing in certain types of funds and ETFs.

### **Assets Under Management**

As of December 31, 2022, RWM had \$ 1,342,897,504 in discretionary assets under management (AUM) and \$ 41,226,538 in non-discretionary assets under management (AUM).

## **Item 5: Fees and Compensation**

RWM bases its fees on a percentage of assets under management or fixed fees. RWM may also charge a retainer. All fees are negotiable.

### **Minimum Fees**

RWM generally imposes a minimum annual fee of \$10,000. This minimum fee may have the effect of making Rockwood Wealth Management's service impractical for certain clients, particularly those with portfolios of less than \$1,000,000. RWM, in its sole discretion, may waive its minimum annual fee and/or charge a lesser fee based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, existing client relationships, account retention, negotiations with clients, and pro bono activities.

If a new client relationship is executed at any time other than the first day of the calendar quarter RWM will apply fees on a pro rata basis. As such the advisory fee is payable in proportion to the number of days in the quarter for which a client is active.

The specific manner in which fees are charged is described in the client's written agreement. RWM will generally bill its fees on a quarterly basis. Clients are billed in advance. The employee benefit plan accounts are billed in arrears or advance dependent on the written agreement. Generally, clients authorize RWM to directly debit fees from the account though certain clients may pay fees directly. Management fees shall not be prorated to reflect capital contributions and withdrawals made during the fee period. Accounts initiated during a fee period will be prorated, as applicable.

**Wealth Management Fees and Asset Management Fees**

<b>Assets Under Management</b>	<b>Annual Fee</b>
First \$1,000,000	1.25%
Next \$1,500,000	1.00%
Next \$2,500,000	0.80%
Next \$5,000,000	0.60%
Over \$10,000,000	0.50%

**Other Fees**

In addition to RWM's fees, clients will incur fees and expenses charged by third parties in connection with portfolio transactions and maintenance of a custodial account. Such fees include brokerage commission, transaction fees, custodial fees, transfer taxes, wire and electronic fund fees, and other fees and taxes related to transactions and investments in the account. Mutual funds and exchange traded funds charge internal management fees and other expenses, which are disclosed in a fund's prospectus. RWM does not receive nor share in any of these fees and expenses and is compensated solely by fees charged directly to the client. The fees that are paid to RWM for wealth management and investment management advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds as described in each fund's prospectus.

At the firm's discretion, RWM may combine the account values of family members to determine breakpoints and applicable advisory fees. By combining the account values, an increase in total assets may result in meeting minimum account deposit(s) or size and as a result a reduced advisory fee will be applied based on the fee schedule above.

Please see the section entitled "Brokerage Practices" for more information.

**Subscription Fees**

RWM offers a quarterly newsletter. Newsletters are offered free of charge.

**Educational Seminars/Workshops**

RWM provides periodic educational seminars and workshops to clients. Educational seminars and workshops are offered free of charge.

**Compensation for Sales of Investment Products**

The firm's compensation is derived solely from fees paid directly by clients. The firm does not receive commission based on the client's purchase of any financial product, including insurance. No commissions in any form are accepted.

**Termination of Agreement and Fees**

Upon termination of an account any prepaid, unearned fees will be promptly refunded and any earned unpaid fees will be promptly due and payable.

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

RWM does not use performance-based fees (e.g., fees based on a share of capital gains) due to the potential conflicts of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client. However, the nature of asset-based fees allows RWM to participate in the growth of the client's wealth. This also means that our fees can decline when the client's portfolio declines in value.

**Item 7: Types of Clients**

RWM provides wealth management services to individuals, high net worth individuals, corporate qualified plans, endowments, corporations, partnerships and profit-sharing plans and trusts.

In general, we require a minimum to open and maintain an advisory account. A flat annual fee of approximately \$10,000 will be charged for those accounts under the minimum balance. At RWM's discretion, we may waive or reduce the minimum account deposit and annual fee.

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

RWM follows a structured, passive approach to investing.

A core belief and philosophy at RWM is that markets are efficient. We believe that market prices are fair and they fully reflect all available information. Therefore, we follow a passive investment strategy and do not rely on sell-side research or market predictions to make active investment decisions.

Our analysis incorporates a review, inter alia, of academic reports and studies, Morningstar reports, fund prospectuses, financial newspapers and magazines and internet sites, research materials prepared by others and filing with the Securities and Exchange Commission.

**Investment Strategies**

RWM primarily advises clients to invest their funds to create globally diversified portfolios of index funds and similar products. We generally use mutual funds developed by Dimensional Fund Advisors (DFA) although we may use any appropriate security to implement a client's portfolio strategy. For fixed income investments we utilize various DFA strategies including outside funds.

**Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach keeps the risk of loss in mind. However, as with all investments, clients face investment risks including such factors as overall economic and market conditions, general business risks, political developments, inflation, credit risks, and changes to interest rates as well as currency valuations. RWM does not offer any guarantees or promises that a client's financial goals and objectives will be met. Past performance is not an indication of future results.

**Recommendation of particular Types of Securities**

RWM primarily recommends mutual funds and exchange traded funds (ETFs). There are several risks involved with these types of securities. These securities have portfolio managers that trade the fund's investments in agreement with the fund's objective and in line with the fund prospectus. While these investments generally provide diversification there are some risks involved especially if the fund is concentrated in a particular sector of the market, uses leverage, or concentrates in a certain type of security (i.e. foreign equities). The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. And the shares rise and fall in value according to the supply and demand. Open end funds may have a diluted effect on other investors' interest due to the structure of the fund while closed end funds and ETFs have limited shares which rise and fall in value according to supply and demand in the market. In addition, closed end funds are priced daily and as a result they may trade differently than the daily net asset value (NAV).

**Item 9: Disciplinary Information****Legal and Disciplinary**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events of their firm or certain management personnel which would be material to your evaluation of us or our integrity in management of your investment portfolio. We have no legal or disciplinary events which, in the judgment of our Chief Compliance Officer, are required to be disclosed.

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

RWM does not participate in any other industry business activities.

**Affiliations**

RWM does not have arrangements that are material to its advisory business or its clients with any related person. At times we recommend unrelated, third party investment managers who have a greater expertise in certain disciplines when appropriate for the client; we do not receive any compensation for the recommendation or selection of these investment advisors.

As stated above we may recommend other professionals (e.g., lawyers, accountants, insurance agents, real estate agents) at the request of the client. Such other professionals are engaged directly by the client on an as-needed basis at the client's discretion. Professionals recommended by RWM may also in their discretion recommend our services to their clients. With the exception of a single referral relationship with another independent and unaffiliated registered investment adviser as described in Item 14, we have no referrals agreements with any of the professionals we recommend.

John Augenblick is a majority owner of Augenblick & Company, P.C., an accounting firm local to New Hope, PA. The firm was founded in 1974 and was formerly owned by John's father. John acquired ownership interest in January 2020. Some RWM clients were tax preparation clients of Augenblick & Company, prior to John's ownership, and some clients of RWM have since become tax clients of Augenblick & Company, after John acquired interest in the accounting firm. There are no formal or informal revenue sharing arrangements between RWM and Augenblick & Company. Augenblick & Company does not perform audit services. RWM routinely refers clients to accounting firms other than Augenblick & Company. However, to the extent a client separately retains Augenblick & Company to perform accounting services, you will pay an additional fee and John will stand to earn additional indirect compensation as a result. This conflict of interest is fully disclosed in this brochure, and clients are not obligated in any way to retain Augenblick & Company for any services.

John Augenblick is a School Director of the New Hope Solebury School Board.

John Augenblick is the sole Member of the holding entity, Reeder York Holdings LLC. This entity invests in real estate and owns the office building in which RWM is located. He spends about one hour a month on this activity and will not receive any yearly compensation.

John Augenblick is the sole Member of the holding entity, Logan York Holdings, LLC. This entity will be purchasing real estate held for personal investment. He spends about one hour a month on this activity and will not receive any yearly compensation.

Kenny Brian Bauer is a Certified Boys Lacrosse official at US Lacrosse and Pennsylvania Interscholastic Athletic Association and a self-employed contractor.

Megan Jane Lottier is a Certified Public Accountant who works as an independent contractor.

Megan Jane Lottier is the Vice President and Treasurer of the New Hope Solebury Education Fund. She does not receive any compensation.

Courtney Lynn Durham is a server at Magerks Fort Washington.

Robert M Vogel serves on the Board of Directors and Finance Committee at Theatre Horizon, providing governance and oversight of organization.

Elizabeth Loew is the owner of a small baking business.

Elizabeth Loew is a marketing and finance manager at Loew & Patel Orthodontist.

Brian M Hansen is a treasurer at Solebury Township Historical Society.

Mark A Cecchini is an Adjunct Instructor at UCLA Extension – Personal Financial Planning Program.

Mark A Cecchini is a Coach at Illuminos LLC – Academic Coaching & Tutoring.

Anibal Guerrero Russo is a partner in Mr Fix It Handyman.

Geraldine T Broadbent is a Licensed Real Estate Agent.

Jeffrey Baker Llewellyn is the president and chairman of the board for a local non-profit organization.

Joseph Robert Houk is an independent private ice hockey coach and consultant.

Adam R Klazmer operates an investment company or another pooled investment vehicle. From time to time, he will offer clients advice or products from this activity. Rockwood Wealth Management always acts in the best interest of the client.

Adam R Klazmer is a member and the treasurer of 91 Investments, LLC.

Adam R Klazmer is part of the board of trustees for Jewish Federation of Greater Philadelphia.

Samuel W Feldbaun is a finance committee member at Bucks County Opportunity Council – Finance Committee.

Najeedah Ghias is a helpline volunteer at Savvy Ladies.

Jade Alanah Meier is a member of No Sweat Gear.

Catherine P Morgan is a volunteer at Savvy Ladies, a free financial helpline for women.

### **Item 11: Code of Ethics**

RWM strives to observe the highest industry standards of conduct based on its obligation as a fiduciary to its Clients. In an effort to meet this obligation, RWM has adopted a written Code of Ethics (the “Code”) that is applicable to all employees. Each employee will be provided a copy, and is required to acknowledge, in writing, that they have received, read, understand and will abide by, the Code, and RWM’s Compliance Manual, upon commencement of employment and upon any material change to the Code or Compliance Manual.

The Code requires that employees act in the Client’s best interests and comply with applicable laws and regulations. Employees are expected to avoid any action that is, or could even appear to be, legally or ethically improper. The principles outlined in the Code apply to all conduct, whether or not the conduct is also covered by more specific standards or procedures set forth in the Code, Compliance Manual, or elsewhere. Employees are required to bring any violations, actual or suspected, of the Code immediately to the attention of RWM’s Chief Compliance Officer (“CCO”). Failure to comply with the Code may result in disciplinary action or other sanctions including termination of employment.

The Code also places certain restrictions on the personal trading activities of employees and their immediate family members. Employees are required to disclose their personal securities holdings annually and personal securities transactions quarterly to the CCO. Employees may also participate in limited offerings such as hedge funds, private equity funds, or other types of private offerings, subject to pre-clearance procedures.

From time to time, RWM or its related persons will invest in the same securities (or related securities such as warrants, options or futures) that RWM or a related person recommends to clients. This has the potential to create a conflict of interest because it affords RWM or its related persons the opportunity to profit from the investment recommendations made to clients. RWM’s policies and procedures and code of ethics address this conflict of interest by prohibiting such trading by RWM or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances RWM will act in the best interests of its clients.

From time to time, RWM or its related persons will buy or sell securities for client accounts at or about the same time that RWM or a related person buys or sells the same securities for its own (or the related person’s own) account. This has the potential to create a conflict of interest because it affords RWM or its related persons the opportunity to trade either before or after the trade is made in client accounts, and profit as a result. RWM’s policies and procedures and code of ethics address this potential conflict of interest by prohibiting such trading by RWM

or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances RWM will act in the best interests of its clients.

A copy of the Code of Ethics shall be provided to any client or prospective client upon request.

Material components of the Code, in summary form, include:

*Standard of Business Conduct.* It is the responsibility of all employees to ensure that RWM conducts its business with the highest level of ethical standards and in keeping with its fiduciary duties. Employees have a duty to place the interest of the Clients first, and to refrain from having outside interests that conflict with the interests of its Client(s).

*Prohibited Conduct.* RWM's employees must avoid any circumstances that might adversely affect or appear to affect their duty of complete loyalty to clients.

*Privacy of Client Information.* All information relating to Clients' portfolios and activities, and proposed recommendations is strictly confidential. Consideration of a particular purchase or sale for may not be disclosed, except to authorized persons.

*Personal Securities Transactions.* All employees shall comply with RWM's personal account trading policy summarized below.

*Conflicts of Interest.* Employees may not use any confidential information or otherwise take inappropriate advantage of their positions for the purpose of furthering any private interest or as a means of making any personal gain. Employees and their immediate families may not accept any benefit from clients or any person who does business with the Advisor, other than business courtesies and non-cash gifts of nominal value.

*Service as a Director.* No employee may serve as a director of a publicly-held company without prior approval by the Chief Compliance Officer based upon a determination that service as a director would not be adverse to the interest of clients.

*Reporting of Violations.* Employees are required to promptly report all actual or potential conflicts of interest, violations of any government or regulatory law, rule or regulation, or violations of RWM's policies and procedures.

*Training.* Formal ethics training for all employees will occur on a periodic basis.

*Review and Enforcement.* The CCO is responsible for ensuring adequate supervision over the activities of all persons who act on the Advisor's behalf in order to prevent and detect violations of the Code by such persons.

*Restricted Securities.* The Advisor shall maintain a restricted list of securities for which no trading by employees is allowed, e.g. because RWM may have material non-public information.

*Black-Out Period.* No employee will be permitted to purchase or sell a security within a specified number of days before or after clients buys or sells the same or related security. In no event may any employee execute a personal transaction in a security on any day during which there is pending for clients any order in the same security until the order is filled or withdrawn.

*Initial Report.* An employee shall, no later than 10 days after the employee begins its relationship with the Advisor, provide RWM with brokerage account statements, which are as of a date that is within 45 days of the date the employee submits them to RWM, and complete and submit a list of brokerage accounts.

*Quarterly Reports.* On a quarterly basis all employees shall submit to the CCO a personal securities transaction report.

*Annual Report.* Following the completion of each calendar year, employees must resubmit a list of personal brokerage accounts.

*Record-Keeping Requirements.* The CCO shall establish a form to record personal securities transactions.

## **Item 12: Brokerage Practices**

### **Selecting Brokerage Firms**

RWM does not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. RWM recommends custodians based on the proven integrity and financial responsibility of the firm, best execution of orders at reasonable commission rates, and the quality of client service.

RWM recommends the following brokerage firms (which are also qualified custodians) to clients: Fidelity, Charles Schwab Institutional and TD Ameritrade. RWM may add or remove firms from this group from time to time. RWM does not receive fees or commissions as a result of any of these arrangements, although RWM benefits from electronic delivery of client information, electronic trading platforms and other incidental services provided by the custodians for the benefit of clients. We also benefit from other services provided by custodians, such as generic research reports, continuing education, and practice management advice. These benefits are standard in a relationship with these custodians and are not in return for client recommendations or transactions. RWM addresses this conflict of interest by fully disclosing it in this brochure, evaluating the custodians based on the value and quality of its services as realized by clients, and by periodically evaluating alternative broker-dealers to recommend.

RWM reviews the execution of trades at each custodian at least annually. The review is documented in accordance with the RWM's "Policies & Procedures Manual". Trading fees charged by the custodians are also reviewed on an annual basis. RWM does not receive any portion of the trading fees.

RWM refers clients to an independent third-party account administrator (Buckingham Strategic Partners LLC or "BSP") and registered investment adviser for a limited number of clients. This adviser performs certain services such as account administration, portfolio allocation analysis, asset-class investment strategy, back-office fulfillment, report and statement production, and fee debiting. Such services are paid directly through advisory fees billed to the client or are indirectly paid by RWM.

### **Soft Dollars**

RWM does not receive soft dollar benefits from any custodian or broker.

### **Directed Brokerage**

RWM does not direct brokerage for specific client transactions and we do not participate in block trading.

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

### **Periodic Reviews**

RWM's advisory teams will review and rebalance portfolios to ensure client's investments are within tolerance limits. For those clients to whom we provide investment management services, RWM monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis.

For clients to whom RWM provides only financial planning and/or consulting services, reviews are conducted on an "as needed" basis initiated by the client.

All investment clients are encouraged to discuss their needs, goals, and objectives with RWM and to keep RWM informed of any changes. RWM shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

The custodian(s) will send account statements and reports directly to clients no less frequently than quarterly. Such statements and reports will be mailed to clients at their address of record or delivered electronically, depending on the client's election. If agreed to by RWM and client, RWM or a third-party report provider will also send clients reports to assist them in understanding their account positions and performance, as well as the progress toward achieving financial goals.

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

RWM has been fortunate to receive many client referrals over the years. The referrals have come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other sources. The firm does not pay for referrals with the exception of one referral relationship it established with another independent and unaffiliated third-party investment advisory firm in 2020. This referral relationship does not result in any increased compensation to any referred client, since RWM directly pays the referring third-party investment advisory firm a portion of the advisory fees RWM charges to clients. Clients referred from the third-party investment advisory firm will receive a separate disclosure document at the time of the referral that describes the referral relationship and the compensation arrangement in more details.

**Referrals to Other Professionals**

Rockwood Wealth Management does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

**Item 15: Custody****Account Statements**

Qualified custodians that hold client assets will provide account statements directly to clients at their address of record at least quarterly. Occasionally, clients may invest in private placements which are not held at qualified custodians. In these cases, statements are generally provided directly by the investment principal at least annually. Clients are encouraged to carefully review the statements provided by their custodians.

**SEC "Custody"**

According to the SEC, investment advisers are deemed to have "custody" of client funds if certain conditions are met. RWM directly debits client account(s) for payment of our advisory fees. The ability to deduct advisory fees from client accounts causes RWM to exercise limited custody over client funds. RWM does not have physical custody of any funds and/or securities. Client's funds and securities may be held with a bank, broker-dealer, or other independent, qualified custodian. The independent, qualified custodian will provide account statements directly to clients at least quarterly. The client's custodial statement will clearly label RWM's fee.

Custody is also disclosed in the Form ADV because RWM has authority to transfer money from client account(s) pursuant to a standing letter of authorization (SLOA). Accordingly, RWM will follow the safeguards specified by the SEC's no-action relief rather than undergo an annual audit.

**Item 16: Investment Discretion****Discretionary Authority for Trading**

RWM accepts discretionary trading authority to manage securities accounts on behalf of their clients. This is authorized via the client contract and allows RWM to determine without obtaining specific client consent for each trade, the securities to be bought or sold and the amount of the securities subject to client's investment guidelines and limitations.

However, if RWM does not have discretionary authority or limited power of attorney RWM will consult with the client prior to each transaction.

**Limited Power of Attorney**

Clients must grant limited power of attorney (LPOA) before RWM is given discretion over a client's account. The limited power of attorney is included in RWM's client agreement and in the qualified custodian's account application for our primary custodians.

**Item 17: Voting Client Securities****Proxy Votes**

As a matter of firm policy and practice, RWM does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

**Item 18: Financial Information****Financial Condition**

Rockwood Wealth Management does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided because RWM does not serve as a custodian for client funds or securities, other than as described above, and does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.

**Miscellaneous****Business Continuity Plan and Disaster Recovery**

RWM has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, fire, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

**Alternate Offices**

Alternate work locations are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients if a disaster takes place that requires RWM to move our offices to an alternate location.

**Loss of Key Personnel**

The partners of RWM have signed an operating agreement to continue operations in the event a partner experiences serious disability or death.

**Information Security Program**

RWM maintains an information security program to reduce the risk that personal and confidential information may be breached.