

# **ROCKPORT WEALTH, LLC**

**doing business as  
“Rockport Wealth Advisors”  
“J. Arnold Wealth Management”**

## **CLIENT BROCHURE**

*This Brochure provides information about the qualifications and business practices of Rockport Wealth, LLC (doing business as “Rockport Wealth Advisors” and “J. Arnold Wealth Management”). If you have any questions about the contents of this Brochure, please contact us (216) 226-4560 or via email to [info@rockportwealth.com](mailto:info@rockportwealth.com).*

*The information in this Brochure has not been approved or verified by or the United States Securities and Exchange Commission (“SEC”) or any state securities regulator. Registration does not imply a certain level of skill or training. Additional information about Rockport Wealth is available on the SEC’s Advisor Search website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

Rockport Wealth’s CRD number is: 297122

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December 19, 2023

## ITEM 2: MATERIAL CHANGES

Rockport Wealth, LLC, dba "Rockport Wealth Advisors" and "J. Arnold Wealth Management" (hereinafter referred to as the "**Advisor**") amended this Form ADV 2A Brochure on **December 19, 2023**, to report the following updates:

The Adviser is pleased to announce that Jon P. Arnold has joined the Adviser and will be providing advisory services under the Adviser's trade name, "J. Arnold Wealth Management". Mr. Arnold's office is located at 8040 Market St. in Youngstown, OH 44512. Phone: (330) 965-9890

**Items 5.A(1) and 5.D:** The Adviser has updated its investment management fee schedule. Fees will be billed monthly in arrears based on the managed account balance. Clients who engaged the Adviser prior to December 19, 2023, will continue to be invoiced monthly in advance, based on the total portfolio assets in accordance with a grandfathered fee schedule.

**Item 5.E and 10.C:** Jon Arnold is an independently licensed insurance agent. Mr. Arnold is also engaged in outside business activities as discussed in this Brochure.

**Item 17:** The Adviser will not proxy vote for clients effective December 19, 2023. However, the Adviser will continue to provide this service for clients engaged prior to December 19, 2023, until the existing engagements are amended.

This Brochure was *previously* amended on February 8, 2023, as follows:

**Item 4.B:** was updated to reflect RWA offering 3(21) retirement plan services.

**Item 5:** was updated to reflect a new fee schedule and new hourly fees.

**Item 10.C:** was updated to reflect Rockport's Chief Compliance Officer (CCO) is separately engaged as a CCO for an unaffiliated registered investment adviser.

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*Form ADV 2B Brochures follow this Brochure*

## ITEM 4: ADVISORY BUSINESS

### A. DESCRIPTION OF THE ADVISORY FIRM.

Rockport Wealth, LLC, doing business as “Rockport Wealth Advisors” and “J. Arnold Wealth Management” (hereinafter referred to as the “**Advisor**”) was formed in May 2018. The Advisor is an Ohio limited liability company headquartered in Fairview Park, Ohio. The principal owners are ARS Capital Inc. and JJK Financial Inc. Adam R Stalnaker is the owner of ARS Capital Inc and Joseph John Kovach is the owner of JJK Financial Inc. C. David Dickinson is the Advisor’s Chief Compliance Officer.

The Advisor is a registered investment adviser and as such is a fiduciary to each of its clients. The Advisor is registered with and regulated by the United States Securities and Exchange Commission (**SEC**). The Advisor is not a broker/dealer or insurance agency and therefore does not accept commissions. The Advisor is only compensated in the form of advisory fees paid by its clients.

“Investment Advisor Representatives” are those persons who are appropriately registered and authorized to deliver investment advisory services on behalf of the Advisor. Three of the Advisor’s investment adviser representatives, Adam Stalnaker, Joseph Kovach, and Michael Curley are separately engaged as registered representatives of an unaffiliated broker/dealer and are independently licensed insurance agents and as such can accept commissions for securities and insurance representatives in these capacities. These activities are discussed at Item 10.C of this Brochure.

### B. TYPES OF ADVISORY SERVICES

The Advisor offers *fee-based* **Financial Planning, Investment Management, and Consultation Services**. The Advisor offers an initial, complimentary consultation to discuss the advisory services available; to give a prospective client an opportunity to review services desired; and to determine the possibility of a potential Client-Advisor relationship.

#### **Financial Planning Services**

The Advisor’s Financial Planning Services may be comprehensive in nature or can be tailored to address one or more components of financial planning. The services requested may include short-term and/or long-term goal planning as directed by the client. Financial Planning Services are available on an hourly basis, where services terminate at the conclusion of services, or the Advisor can be engaged to provide ongoing services. The services to be provided and the Advisor’s fee(s) are agreed upon at the time of engagement and may include (as requested):

1. Initial Consultation (Free)
  - a. Assess current financial situation and discuss the planning process and the Advisor’s services.
2. Detailed meeting to review the client’s financial situation in depth in an effort to determine our client’s objectives, goals, and concerns.
3. Prepare and deliver recommendations
  - a. Delivery of a financial plan including current net worth (balance sheet), documented goals, action items and more.
  - b. Recommendations
  - c. Client walkthrough of plan and any questions

Included in the ongoing planning services:

1. Quarterly check-ins with our client to assess the financial plan, implementation of the plan, limitations, adjustments needed, and assess new variables in a client's financial picture.
2. Year-end review and discussion pertaining to the plan and identify necessary updates based on input from our client
3. A new/updated financial plan annually.

Financial Planning Services can include the following topics (as selected by the client):

1. Income/Spending/Budgeting
2. Savings
3. Debt Strategies
4. Credit Card Reward Analysis
5. Tax planning
6. Estate Planning
7. Retirement Planning
8. Education Planning
9. Employee Benefits Planning
10. Insurance Planning
11. Charitable Gift Planning

When financial planning services or information are limited, clients must understand that comprehensive planning needs and or objectives may not be fully considered due to the client's option to receive limited services, the lack of information received, and/or client disclosure.

When providing a review or advice on investments within retirement plans, the advice and any recommendations are limited to plan offerings and the service provider(s) selected by the plan providers.

Implementation of any advice or recommendations pertaining to securities or non-securities matters, in whole or in part, is entirely at the client's discretion via the service provider(s) of the client's choice.

Clients requiring assistance on issues relating to matters outside of financial and investment advisory topics should consult their personal tax adviser, legal counsel, or other professionals for expert opinions.

Financial Planning Services will not include any portfolio monitoring, investment reviews, or investment management. Investment management services may be available via a new client agreement.

**The Advisor offers a separate financial planning program for Army Rangers, other military members, and veterans.** Services include:

- An all-in-one comprehensive financial planning solution to support every stage of life.
- A customized "Financial Navigation Map" designed to help our client accomplish their most important financial goals.
- Personal collaboration with an investment adviser representative with many years of experience in investment and financial planning.
- State of the art mobile technology, allowing clients to view their plan on any device at any time of day or night.
- Ongoing education to keep clients abreast of the most important financial issues they may face.

**Investment Management Services**

The Advisor's investment management services are ongoing in nature, focus solely on portfolio management, and do not include financial planning services or consultation services outside the scope of the managed investments. Investment Management Services are ongoing until terminated in writing by either party.

Investment Management Services begin only after the Client and Advisor formalize the relationship with a properly executed client agreement. After the formal engagement and depending upon the scope of the engagement, the Advisor and client will share in a data gathering and discovery process in an effort to determine the client's stated needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and the nature of services requested. The Advisor and its client will normally complete a risk assessment, investment policy statement ("IPS") or similar document, depending upon the scope of services to be provided.

After an analysis and data-gathering process and depending upon the nature of services requested, The Advisor may prepare reviews, analysis, asset allocation recommendations, and may recommend specific investments. The Advisor utilizes the information provided by the client to prepare portfolio recommendations or adjustments in an existing portfolio. The Advisor can tailor services as desired by the client, however where Investment Management Services or information are limited, clients must understand that comprehensive investment needs and or objectives may not be fully considered due to the client's option not to receive limited services, the lack of information received, and/or client disclosure.

Recommendations may include planning for long-range goals (i.e., retirement planning or college funding) or other segments of an investment plan that may be desired.

Recommended investments will normally include (as appropriate for each client's stated situation): exchange traded index funds, mutual funds, other similar equity related index funds, stocks, bonds, real estate investment trusts, master limited partnerships, money market funds, U.S. treasury funds, cash sweep accounts, and other liquid cash and cash-like vehicles.

In addition to its in-house investment management services, the Advisor has entered into an agreement with Betterment, LLC ("Betterment") to utilize among other things, Betterment's software, advice, and digital services on a sub-advisory basis. This means the Advisor maintains its role as your primary investment adviser while utilizing the investment platform available through Betterment. In order to utilize this program, clients will sign a client agreement with Betterment.

Betterment's program will recommend an investment plan via the digital interface that is based on Betterment's investment methodology regarding asset allocation strategies, ongoing portfolio management, and certain information and preferences provided by the Advisor and/or our client information (via the IPS). The Advisor and our client may adjust the IPS via the available options in the interface in order to provide further input for Betterment's discretionary investment management. The IPS memorializes the investment goals and strategic management policies governing our client's account.

Betterment may also make available certain model investment portfolios developed by third-party providers (each, a "Model Portfolio Provider") with products and/or allocations (a "Model Portfolio") that differ from the products and/or allocations Betterment has selected based on Betterment's investment methodology. These investment opportunities are outside the realm of Betterment's IPS, and management and certain features of Betterment's digital interface may not work in conjunction with a given model portfolio. In such cases, The Advisor shall be responsible for managing the assets in a selected model portfolio.



The ongoing Investment Management Services provided are based upon the client's stated individual needs and objectives. In each case, the stated individual needs, goals, and desires of clients are taken into consideration. Clients utilizing the Betterment program will grant Betterment limited discretionary authority to implement securities transactions via the Betterment service agreement. The Advisor may also maintain limited discretion (with the client's authorization in the Advisor's client agreement) in order to assist clients with the implementation of the investment recommendations and portfolio changes. Within the Betterment program, the Advisor is not be permitted to make withdrawals or deposits of funds, establish any sources for funding an account or destinations for withdrawals from an account, and will not have the authority to establish new Betterment accounts on a client's behalf.

Throughout its engagement, the Advisor will remain available for ongoing consultation, advice, and recommendations. The Advisor will provide ongoing monitoring of the portfolio in accordance with the directives provided. The underlying portfolio assets will be reviewed internally on a frequent basis (generally daily), the client's portfolio will be internally reviewed no less than quarterly, but reviews may occur more frequently, depending upon the types of investments, market conditions, when the client reports (actual or potential) changes in their financial condition, at the discretion of the Advisor, and in conjunction with significant deposits or withdrawals. The review process is discussed at Item 13 of this Brochure.

Clients engaging in investment advisory services must play an active role. The Advisor requires its client to participate in the formation of the investment plan, the development of investment advice and recommendations and the ongoing services provided. Clients may call the office during regular business hours to discuss their portfolio or ask questions, but the Advisor recommends that clients initiate a meeting with the Advisor no less than annually. *However, clients are obligated to immediately inform the Advisor of any changes in their financial situation to provide the Advisor with the opportunity to review the new data to ensure it the portfolio continues to be structured to help meet the client's stated needs and objectives.*

The Advisor is a fiduciary to its clients. As such, the Advisor is responsible for gathering an appropriate amount of information pertaining to its clients' financial situation, investment objectives, and any reasonable restrictions imposed (as well as changes thereto) When a client is utilizing our services with Betterment's management offerings, the Advisor is responsible for ensuring client data (and any material changes in data) is promptly provided to Betterment. The Advisor is also responsible for monitoring the client's account(s) on an ongoing basis. The Advisor will also help to ensure that its clients' personal data is accurate and current in-house and in Betterment's digital records. Betterment is solely responsible for investment management, best execution, portfolio reporting, fee calculation and withdrawals, and other services it agrees to provide within its respective program. Betterment's services are independent of any other services the Advisor may agree to provide to its client.

### **Consultation Services**

The Advisor offers hourly or project-based consultation services. Services can focus on topics of interest to the client such as certain components of financial planning, business planning, Qualified Opportunity Zone investments, or Delaware Statutory Trusts. The Advisor may also agree to provide consultations relating to non-managed investments ("assets under advisement") and in these cases, will not provide continuous monitoring nor maintain discretionary authority, thus clients make the ultimate decisions regarding these holdings. Specific consultation services and fees will be agreed upon at the time of engagement. Consultation services terminate on delivery unless otherwise agreed to in the Client Agreement.

### **3(21) Retirement Plan Services**

The Advisor may act as a co-fiduciary 3(21) adviser to retirement plan sponsors. In our role as a 3(21) adviser, we typically provide advice to the plan sponsor, who is free to accept or reject

those recommendations and who must then execute the decisions for the plan. Services are available through a negotiated fee as part of a written Agreement with the plan sponsor.

### **C. CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS**

The Advisor focuses on providing individualized services. The Advisor can tailor services to focus only on certain portfolio components, depending upon the client's wishes and/or the nature of the engagement. However, where client services or information are limited, clients must understand that comprehensive investment needs and objectives may not be fully considered due to the client's option to receive limited services, the lack of information received, and/or client disclosure. The Advisor and the client will share in a data gathering and discovery process in an effort to determine the client's stated needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and the nature of services requested. The client and Advisor may complete a risk assessment, investment policy statement ("IPS") or similar documentation, depending upon the nature of services to be provided.

Clients may impose reasonable restrictions pertaining to certain securities or types of securities in accordance with their values or beliefs and such instructions will be agreed to in writing between the client and the Advisor.

#### **Important Note About Retirement Plan Rollovers**

As noted throughout this Brochure, the Advisor is a fiduciary to each of its clients. This includes when we provide investment advice to you regarding your retirement plan account or individual retirement account, within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interests ahead of yours. At the time of a rollover recommendation, we will provide you with a written disclosure discussing the reasons the rollover is in your best interests. Also, under this special rule's provisions, we must:

- \* Meet a professional standard of care when making investment recommendations (give prudent advice).
- \* Never put our financial interests ahead of yours when making recommendations (give loyal advice).
- \* Avoid misleading statements about conflicts of interest, fees, and investments
- \* Follow policies and procedures designed to ensure that we give advice that is in your best interest.
- \* Charge no more than is reasonable for our services; and
- \* Give you basic information about conflicts of interest.

#### **Self-Directed Assets**

Clients may desire to place or keep certain assets within client's account(s) that have been / are selected by the client and are not the subject of investment advice by the Advisor. These are known as "self-directed" assets. The Advisor will not manage this facet of the client's portfolio. The Advisor will therefore have no responsibility to provide consultation, suitability reviews, due diligence research or any other services relating to the self-directed assets in client's account(s) and will therefore have no liability for any loss relating to self-directed assets. Should the Advisor ever agree to assist a client with a transaction involving a self-directed asset, it will do so only as a value-added service.

### **D. WRAP FEE PROGRAMS**

The Advisor does not manage or sponsor a wrap fee program. Betterment (an unaffiliated service provider) may offer various wrap fee investment programs as disclosed in their firm's

Form ADV 2A Brochure, but such services are separate and distinct from those provided by the Advisor.

## **E. AMOUNTS OF ASSETS UNDER MANAGEMENT**

The Advisor managed \$123,049,000 on a discretionary basis as of December 19, 2023. There are no non-discretionary assets to report.

## **ITEM 5: FEES, COMPENSATION AND TERMINATION OF SERVICES**

### **A. FEE SCHEDULES**

#### **Financial Planning**

The Advisor's negotiable hourly fee ranges between \$200 - \$400. The fee rate will be determined and agreed upon at engagement, based on the scope and/or complexity of services. The Advisor's ongoing services involves a one-time set up fee of \$250 and a \$50 monthly fee, in advance of services.

The Advisor offers a separate program for Army Rangers, other military members, and veterans. The initial setup fee is \$150 to \$250 and an ongoing monthly fee of \$50 starting in month 2.

#### **Investment Management Services**

The Advisor's Investment Management fees are calculated as a percentage of assets under management. The agreed upon annual fee is negotiable, based on the nature, complexity, and scope of services as well as the amount and nature of assets to be managed, pre-existing relationships, and other factors, at the discretion of the Advisor as follows:

<b>Account Value</b>	<b>Standard Fee Schedule</b>
\$0 - \$100,000	1.50%
\$100,001 - \$250,000	1.25%
\$250,001 - \$500,000	1.10%
\$501,000 - \$1,000,000	1.00%
\$1,000,001 and up	1.00% or Negotiable

The fees are charged based on a flat percentage using account value, as opposed to a tiered rate. The agreed upon fee schedule will be established in the Advisor's Client Agreement. Fees are paid monthly in arrears, and clients may terminate the agreement with five business days' written notice. Because fees are charged in arrears, no refund policy is necessary.

Clients who contracted with the Advisor *prior to December 19, 2023*, are grandfathered under the Advisor's prior fee schedule noted below:

<b>Asset Value</b>	<b>Standard Fee Schedule</b>
\$0 - \$250,000	1.10%
\$250,001 - \$500,000	1.00%
\$500,001 - \$1,000,000	.90%
\$1,000,001 - \$2,500,000	.80%
\$2,500,001 - \$5,000,000	.75%
\$5,000,001 +	.50%

For these engagements, the Advisor's management fee is invoiced monthly in advance and is calculated using the total managed portfolio's value rather than by the account value. Each

monthly fee is based on the portfolio value as determined by your custodian on the last market day of the previous month. This value is multiplied by 1/12th of the annual management fee.

A pro-rata fee is calculated for services initiated at any time other than at the beginning of a calendar month. If a pro-rata fee applies, we will calculate the initial fee using the assets deposited with your custodian, divided by 30 or 31 days to determine the daily rate. The daily rate is then multiplied by the number of days services are provided.

The investment management fee may be revised during the engagement, particularly if different needs and/or complexities arise, or the scope of services should change. In such cases, the Advisor will notify the client of its intention to modify the fee with at least 30 days written notice. Should the client decide not to accept the amended fee terms, the client is welcome to terminate services at any time without penalty.

While the Advisor takes the position that its fees are competitive, fees may be higher or lower than fees charged by other financial services providers for similar services.

For clients utilizing Betterment's services:

Betterment collects the total investment management fee of .75% and retains .25% for its sub-advisory services in accordance with its separate agreement with our clients. The Advisor is compensated for its investment management services at annual rate of .50% of the assets under management. Fees associated with this program are invoiced quarterly in arrears and are based on the portfolio value on the last market day of the prior quarter, as determined by the client's custodian. Each quarter's fee is calculated by multiplying the portfolio value by the annual fee and dividing the sum by 4. A pro-rata fee is calculated for services initiated at any time other than at the beginning of a calendar quarter.

#### **Consultation Services**

The Advisor's negotiable hourly fee ranges between \$200 - \$400. For larger projects, the Advisor may propose a project fee, using the Advisor's hourly rate as a guide. The Advisor's fee for consultation on Delaware Statutory Trusts involves a minimum fee of \$5000. The services and fee will be agreed upon at engagement, based on the scope and/or complexity of services.

## **B. PAYMENT OF FEES**

#### **Financial Planning**

The Advisor's fees are paid directly to the Advisor.

#### **Investment Management**

The Advisor's contractually agreed fees will be deducted from clients' custodial accounts with our client's authorization. The Advisor adheres to the following required criteria when payment is deducted from the client's account via a qualified custodian, as required by the SEC as follows: 1) The client provides written authorization permitting the fees to be paid directly from the client's account held by the independent qualified custodian and the authorization is limited to withdrawing contractually agreed upon investment advisor fees; (2) The client will directly receive regular account statements directly from the qualified custodian which reflect the Advisor's fee deduction; (3) The frequency of fee withdrawal shall be specified in the written authorization/client agreement; 4) The custodian of the account shall be advised in writing of the limitation on the Advisor's access to the account and; (5) The client shall be able to terminate the written billing authorization or agreement at any time.

Betterment's separate agreements with clients and the Advisor provide authority for Betterment to directly debit advisory fees from clients' accounts via the qualified custodian holding clients' funds and securities, and to disburse the Advisor's portion to the Advisor. Betterment is required to follow the same criteria outlined in the above paragraph when deducting fees via client accounts held at a qualified custodian.

It is important to note that custodial firms do not verify advisory fees. Therefore, clients should review their custodial statements carefully. If a client should have any questions or concerns in connection with an advisory fee deduction, they should promptly contact the Advisor and Betterment. If at any time during the engagement, the client fails to receive the regular statements produced by the custodian or they have new address information to report, it is important for the client to promptly notify the Advisor and their custodian.

#### **Consultation Services**

The Advisor's consultation fees are paid directly to the Advisor. For project-based services, the Advisor may request ½ of the proposed fee at the time of engagement, with the balance due at the conclusion of services. Because services relating to Delaware Statutory Trusts are time sensitive the entire project fee may be due at engagement. However, the Advisor does not collect fees of \$1200 or more for services to be performed six or more months in advance.

### **C. FEES ASSOCIATED WITH INVESTING**

Clients are responsible for the payment of all third-party fees associated with investing. Clients pay transaction and brokerage commissions to their broker/dealer or other service providers ("*Financial Institution[s]*") as well as any fees associated with their particular accounts (e.g., account opening, maintenance, transfer, termination, wire transfer, retirement plan, trust fees, and all such applicable third party fees, deferred sales charges, odd lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

All fees paid to the Advisor for advisory services are separate from the fees and expenses charged to shareholders of exchange traded funds (ETFs) or mutual fund shares offered by mutual fund companies. A complete explanation of the expenses charged by a mutual fund or ETF is contained in the respective fund prospectus. Clients are encouraged to read each prospectus and securities offering document. If a mutual fund previously purchased by or selected by a client should impose a sales charge, a client may pay an initial or deferred sales charge. The Advisor does not receive any portion of these investment-related fees. Such charges, fees and commissions are exclusive of and in addition to the Advisor's fees. However, in their separate capacities as registered representatives of an unaffiliated broker/dealer, the investment adviser representatives of the Advisor do accept commissions for securities recommendations as discussed at Item 10.C of this Brochure.

The Advisor recommends certain brokerage firms and custodians as discussed at Item 12.A of this Brochure.

### **D. PREPAYMENT OF FEES**

#### **Financial Planning**

Either party may terminate the financial planning agreement by written notice to the other. Clients may terminate the financial planning agreement without penalty or fees due within five business days of signing the Financial Planning Agreement if the Advisor's Form ADV 2A Brochure was not provided at least 48 hours prior to engagement. Thereafter, clients may terminate the Financial Planning Agreement upon written notice to the Advisor. Where services are terminated prior to the end of the conclusion of hourly services, the Advisor will only invoice for time and effort up until the effective date of termination. If the ongoing planning services are terminated by the client prior to the end of the pre-paid monthly billing, the fee will not be refunded. If the Advisor terminates the ongoing services prior to the end of the pre-paid billing, a pro-rated fee will be refunded.

**Investment Management**

The client may terminate services within five business days of signing the investment management agreement and without penalty or fees due if the Advisor's Form ADV 2 Brochure (and Betterment's Brochure, if applicable) was not delivered at least 48 hours prior to engagement. Alternatively, either party may terminate services with 5 days' notice. Since fees are invoiced in arrears, no refund applies.

Clients who contracted investment management services prior to December 19, 2023, may terminate services at any time by written notice to the other(s). Where services are terminated prior to the end of the billing period, the Advisor will return a pro-rated refund (where fees are invoiced in advance of services).

Betterment's services can be terminated in accordance with the termination provisions in the Betterment client agreement.

**Consultation Services**

Clients may terminate consultation services and receive a full refund of any pre-paid fees within five business days of signing the Consultation Agreement if the Advisor's Form ADV 2 Brochure was not delivered at least 48 hours prior to engagement. Alternatively, either party may terminate services at any time by written notice to the other. Where services are terminated prior to the end of the conclusion of hourly services, the Advisor will only invoice for time and effort up until the effective date of termination. If ongoing consultation services are terminated prior to the conclusion of services, the Advisor will invoice for service up until the effective date of termination or if any portion of the fee was prepaid, the Advisor will return a pro-rated refund.

**E. OTHER COMPENSATION FOR THE SALE OF SECURITIES OR OTHER INVESTMENT PRODUCTS TO CLIENTS**

The Advisor is a fee-based Registered Investment Advisor and only receives compensation in the form of investment advisory fees paid directly by clients.

Outside business activities (financial and investment related):

Adam R. Stalnaker, Joseph J. Kovach, and Michael A. Curley are separately engaged as registered representatives of an unaffiliated broker/dealer (Private Client Services LLC) and as disclosed at Item 10.C of this Brochure, receive commissions for securities transactions placed with this broker/dealer.

Adam R. Stalnaker, Joseph J. Kovach, Michael A. Curley, and Jon Arnold are separately engaged as independently licensed insurance agents and receive normal commissions paid by insurance companies when clients purchase insurance through them. This information is also discussed at Item 10.C of this Brochure.

**The outside business activities described above present a conflict of interest.** The Advisor's investment adviser representatives who are dually registered with an unaffiliated broker/dealer receive commissions for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds to investors in connection with these outside activities. In addition, if clients purchase insurance products from our personnel members who are licensed insurance agents, they will receive normal commissions paid by insurance companies. These activities present a conflict of interest and give our registered personnel an incentive to recommend products based on the compensation received rather than the client's needs.

It would be rare for the Adviser's insurance licensed personnel to recommend annuity products to the Advisor's clients.

**The Advisor is a fiduciary to each of its clients.** When making a recommendation to utilize the services associated with our investment adviser representatives' outside business activities to a the Advisor client, we must act in the best interest of that client and must exercise reasonable due diligence, care, and skill in making such a recommendation, without placing financial or other interest ahead of our client's interests. The Advisor would infrequently recommend a security product that involves a commission to an investor who is a client of the Advisor. However, certain clients, such as those who are new to investing and do not have investable assets of a size that is appropriate for investment management services may have engaged the Advisor for consultation or financial planning services. The Advisor would normally recommend that the investor establish an account with Charles Schwab & Co., Inc. and may provide specific recommendations (as to *no-load* mutual funds, etc.), depending on the scope of the engagement. In the rare instance a former planning or consultation client desires to purchase a commission-based product, a written commission disclosure statement is provided at the time of the recommendation.

Care obligation: In making annuity recommendations, the representative who is insurance licensed must exercise reasonable diligence, care, and skill to 1. Know the consumer's financial situation, insurance needs and financial objectives; 2. Understand the available recommendation options after making a reasonable inquiry into options available to the agent; 3. Have a reasonable basis to believe the recommended option effectively addresses the consumer's financial situation, insurance needs and financial objectives over the life of the product, as evaluated in light of the consumer profile information; and 4. Communicate the basis or bases of the recommendation. In the case of an exchange or replacement of an annuity, insurance agents must consider the whole transaction, which includes taking into consideration whether: 1. The advisory client / consumer will incur a surrender charge, be subject to the commencement of a new surrender period, lose existing benefits, such as death, living or other contractual benefits, or be subject to increased fees, investment advisory fees or charges for riders and similar product enhancements; 2. The replacing product would substantially benefit the consumer in comparison to the replaced product over the life of the product; and 3. The consumer has had another annuity exchange or replacement and, in particular, an exchange or replacement within the preceding 60 months.

**Commission Disclosure:** As noted above, in the rare instance a former planning or consultation client desires to purchase a commission-based product, a written commission disclosure statement is provided at the time of the recommendation. As to insurance products, the licensed agent will provide the commission and/or fee information to the client on a fully disclosed basis and the disclosure will include a statement referring the client to the disclosure documents and buyer's guide (prepared by the annuity company, which may be particular to Ohio and other states that adopt similar disclosure requirements) provided to the consumer at time of purchase as it these materials provide additional information about the annuity.

The Advisor has established, maintains, and enforces written policies and procedures reasonably designed to address conflicts of interest and fiduciary responsibilities. Further, the Advisor will maintain appropriate records pertaining to client recommendations and how the conflicts of interest were addressed.

## **2. Clients Have the Option to Purchase Recommended Products from Other Brokers.**

Clients are never obligated to purchase recommended products or services. Clients always have the option to purchase recommended products through other brokers or insurance agents that are not affiliated with the Advisor. Clients are also welcome to disregard recommendations in whole or in part, entirely at their discretion.

**3. The Advisor does not accept commissions.** Only those investment adviser representatives who are appropriately registered or licensed (as discussed in this section)

are eligible to receive commissions associated with their outside business activities. Commissions are not our investment advisor representative's primary source of revenue and any securities commissions associated with *advisory* clients would be negligible.

**4. Advisory Fees in Addition to Commissions or Markups.** The Advisor's fees charged to its clients are not reduced to offset the commissions associated with investment and insurance products that may be recommended to clients.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

The Advisor's fees associated with services are not "performance based" (based upon a share of capital gains or capital appreciation, or performance, for any portion of funds under an advisory contract). Therefore, the Advisor does not engage in side-by-side management services.

## **ITEM 7: TYPES OF CLIENTS AND MINIMUM CONDITIONS**

The Advisor offers investment advisory services to individuals and high net worth individuals.

The Advisor imposes a start-up fee of \$250 for ongoing financial planning services. The Advisor requires a minimum \$5000 fee for services pertaining to Delaware Statutory Trusts.

The Advisor does not impose a minimum relationship size for clients seeking to retain investment management services. Since ongoing investment management services may not be appropriate for some investors, the Advisor reserves the right to decline to provide services to any person or firm and for any reason.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

The Advisor provides personalized investment management services to its clients and portfolio advice is available for clients interested in conservative to moderately aggressive strategies; with advice designed to meet varying needs of and within the direction set forth by the investors. The Advisor seeks to design advice that is best suited to a client's stated unique needs after clients have defined their objectives, risk tolerance and time horizons and the selection is approved by the client.

Based on information provided by the client, the Advisor seeks to evaluate an investor's risk tolerance, time horizon, goals and objectives through an interview and data-gathering process in an effort to determine an investment strategy and portfolio design to best fit the investor's profile. The Advisor may recommend the investment management services offered by Betterment or the model portfolio offerings within Betterment's service offerings.

Client participation and the client's delivery of accurate and complete information are critical to the Advisor's process. In performing its services, the Advisor is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information.

The Advisor considers securities investments based on its professional judgment and the experience of its investment advisor representatives coupled with publicly available research and analysis. Asset allocation software and historical performance modeling software may also be utilized. Of course, no method of analysis can guarantee success. The Advisor's



recommended investment strategies may be based upon a number of concepts and determined by the type of investor. This process attempts to coordinate the client's objectives for risk vs. return with the Advisor's analysis of the macro environment. Registered funds are researched and monitored internally by the Advisor with a process that emphasizes investment philosophy, management quality, and overall expense ratios. The Advisor does not utilize market timing strategies. Portfolio holdings or recommendations are generally judged by track record and performance of like-kind investments. Investors should generally expect to remain fully invested within the ranges of their selected asset allocation plan at all times unless restated by the client. The Advisor does not recommend strategies that involve frequent trading.

Changing conditions in the client's financial life or significant changes in market conditions may warrant a collaborative effort with the client to modify their strategic investment framework, which consequently may also trigger changes to investment holdings within the portfolio.

The Advisor may recommend the services of itself as Investment Advisor, its Investment Advisor Representatives in their individual capacities as investment managers, and the services of other industry entities to implement recommendations (such as an unaffiliated sub-adviser and unaffiliated brokerage and custodial firms). Any other professional referrals (*i.e.*, accounting professionals, tax preparers, legal professionals, etc.) may be provided but *solely* a courtesy and the Advisor and its personnel receive no direct or indirect compensation as a result of referrals. Clients are welcome but are never under any obligation to act upon any of the recommendations made by the Advisor or to engage the services of any recommended service firm or professional including the Advisor itself. Clients should appropriately research other service providers before engaging those services.

*It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.*

## **B. MATERIAL RISKS INVOLVED**

The Advisor takes the general position that investors with diverse portfolios have a better chance of making a profit because it is difficult to accurately predict the movement of the economy. However, no single strategy can be relied upon to outperform the market. The Advisor does not attempt to time the market. Frequent trading is not recommended as it can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. The Advisor does not generally recommend short sales, margin transactions and options writing as they are generally associated with greater risk.

Clients may make additions to and withdrawals from the account at any time, subject to customary securities settlement procedures and the Advisor's right to terminate services (such as when assets dip so low as to make investment management inappropriate for the client). Asset withdrawals may impair the achievement of a client's investment objectives.

All investment strategies involve risk and may result in a loss of an investor's original investment. Many of these risks apply equally to stocks, bonds and any other investment or security. Identified material risks associated with the Advisor's investment strategies include:

Defensive Risk: To the extent that the strategy attempts to hedge or take defensive measures such as holding a significant portion of its assets in cash or cash equivalents, the objective may not be achieved.

External Events: As we know from the recent events, the market can be impacted by external events such as pandemic, supply chain issues, natural disasters, terrorism, war, etc.

Inflation: Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: Bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

International Investing Risk: Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social, or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, and regulatory and financial reporting standards, which differ from those of the U.S.

Investment Strategy Risk: This risk exists when an Advisor's strategy may fail to produce the intended results.

Legal or Legislative Risk: Legislative changes or court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

Market Risk: Market risk involves the possibility that an investment's current market value will decline due to general market decline, thus reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

Political Risk: The chance that a change in government may affect stock prices of domestic or international stocks.

Style Risk: The Advisor's strategy may consist of "value" and or "growth" investments. With respect to securities and investments considered undervalued by the Advisor, market prices may not reflect our determination that the security is undervalued, and its price may not increase to what we believe to be its full value and may even decrease in value. With respect to "growth" investments, the underlying earnings or operational growth anticipated may not occur, or the market price of the security may not increase as anticipated.

Margin Transactions: Investors utilizing margin accounts must carefully review the margin agreement provided by the selected brokerage firm. These firms charge interest on the funds loaned to purchase securities on margin and an investor needs to understand the additional charges he or she may incur by opening a margin account. Additionally, risks associated with margin accounts include: The loss of more funds that an investor deposits into the margin which may require the investor to deposit additional funds to avoid the forced sale of securities in the account. Additionally, if the equity in the account falls below the maintenance margin requirements under the law or the firm's higher "house" requirements, the firm can sell the securities in the account to cover the margin deficiency. Investors are also responsible for any short fall in the account after such a sale. Additionally, the selected firm can sell the securities in the account without contacting the investor (although as a courtesy many firms do attempt contact). Investors are not entitled to a time extension on margin calls. While extensions are sometimes given under certain conditions, investors do not automatically have a right to time extensions. An investor does not have a right to an extension of time to meet a maintenance margin call.

Other (non-securities)

Annuities are retirement products for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range

goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

*Clients are hereby advised to read each offering document carefully before investing. Past performance is not a guarantee of future returns.*

*Investing in securities involves a risk of loss that all clients should be prepared to bear.*

### **C. RISKS OF SPECIFIC SECURITIES UTILIZED**

The Advisor generally seeks investment management strategies that do not involve significant or unusual risk beyond that of the general domestic and / or international equity markets. Investing in the financial markets, including the securities The Advisor recommends to clients, involves the risk of loss—including loss of principal. While the Advisor attempts to manage risks associated with the financial markets and the securities it recommends to clients, the Advisor makes no guarantee or promise that advice given will not result in losses. Past investment performance of any investment is not a guarantee of future results.

Investments in mutual funds may bear a risk of investment loss. Clients who invest should also be prepared to bear a loss of investment proceeds. While the Adviser monitors underlying fund investments, it is possible that a fund manager's strategy will not provide desired results.

Exchange traded funds (ETFs) - ETF Risks, including Net Asset Valuations and Tracking Error: ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by the Advisor plus any management fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Investments in individual stocks can be risky. Some risks can be controlled, and some risks can be guarded against, but no investment strategy can carry guarantees from loss. Certain market risks cannot be controlled, such as market or economic conditions. Certain strategies may be employed to adjust portfolios, or the Adviser and client may agree to hold the portfolio's course. The Advisor designs portfolio strategies for the long-term, unless otherwise specifically requested in writing. Therefore, the Adviser does not attempt to time the market.

Fixed income investments generally are utilized as a portfolio diversification element as well as for income deriving investments outside of equity exposure.

There are certain risks involved in investing bonds: Government, Municipal, and Corporate and the following is an overview of the types of risks that one should consider: Interest rate risk;

reinvestment risk; inflation risk; mark risk, selection risk, timing risk, and price risk. Additional risks for some government agency, corporate and municipal bonds may include Legislative risk (a change in the tax code could affect the value of taxable/tax-exempt interest income); Call risk (some corporate, municipal and agency bonds have a "call provision" entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor's principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. If the bond is called at or close to par value, as is usually the case, investors who paid a premium for their bond also risk a loss of principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called. Additionally, there may be a liquidity risk involved if investors may have difficulty finding a buyer when they want to sell and may be forced to sell at a significant discount to market value. Liquidity risk is greater for thinly traded securities such as lower-rated bonds, bonds that were part of a small issue, bonds that have recently had their credit rating downgraded or bonds sold by an infrequent issuer. Bonds are generally the most liquid during the period right after issuance when the typical bond has the highest trading volume. Additional risks for corporate and municipal bonds may include Credit risk; default risk; event risk and duration risk.

Bank obligations, including bonds and certificates of deposit, may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are highly dependent upon short-term interest rates and may be adversely affected by downturns in the U.S. and foreign economies and/or changes in regulations.

Delaware Statutory Trusts. These investments have a unique set of risks and are only appropriate for accredited investors. Risks may include but are not limited to: Illiquidity risk (investment must be held for an extended period of time), loss of control (no decision making over property, sponsor controls management and selling of property), regulatory risk (change in tax rules which could result in tax liabilities), execution risk (operator competence) and economic risk. There can be no assurance that a property will perform as projected and Delaware Statutory Trusts are subject to economic volatility, tenants not paying their rent as expected, and other traditional risks of owning, selling, and operating real estate. The fees and expenses of each offering should be carefully evaluated. Multiple owner offerings typically have additional expenses versus owning real estate on your own and these fees should be weighed against specific capital gains tax liability. All investors are encouraged to have their tax and legal counsel advise them on taxes including any federal and state capital gains taxes, depreciation recapture and any other tax issues, which could be applicable.

*It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.*

## **ITEM 9: DISCIPLINARY INFORMATION**

Registered Investment Advisors are required to disclose legal and disciplinary events that may be material to a *client's* or prospective *client's* evaluation of the Advisor's practice or the integrity of its management. The Advisor has responded to each item below:

A. A criminal or civil action in a domestic, foreign, or military court of competent jurisdiction in which your firm or a *management person*:

1. was convicted of or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses. 2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of

these offenses. 3. was found to have been involved in a violation of an investment-related statute or regulation; or 4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

***Neither the Advisor nor its management persons have any disclosure information to report for Item 9.A.1., Item 9.A.2, Item 9.A.3, and Item 9.A.4.***

B. An administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which your firm or a *management person*:

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or 2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority (a) denying, suspending, or revoking the authorization of your firm or a *management person* to act in an *investment-related* business (b) barring or suspending your firm's or a *management person's* association with an *investment related* business (c) otherwise significantly limiting your firm's or a *management person's investment-related* activities; or (d) imposing a civil money penalty of more than \$2,500 on your firm or a *management person*.

***Neither the Advisor nor its management persons have any information to report for Items 9.B.1 and 9.B 2(a-d).***

C. A self-regulatory organization (SRO) *proceeding* in which your firm or a *management person*:

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or 2. was *found* to have been *involved* in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than \$2,500.

***Neither the Advisor nor its management persons have any information to report for Items 9.C.1 and 9.C.2.***

**Note:** Individual information about The Advisor's management persons and investment advisor representatives is contained in their Form ADV Part 2B Brochures which are attached directly behind this firm Brochure. One investment adviser representative (Mr. Curly) has a reportable event from 1972 when he was a college student. Mr. Arnold has a reportable event from 2012. If you did not receive these Brochures, please contact the Advisor via the contact information contained on the cover page of this Brochure.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **A. REGISTRATION AS A BROKER/DEALER OR BROKER/DEALER REPRESENTATIVE**

The Advisor is not registered as a broker/dealer and no such registration is pending.

As disclosed at Item 10.C below, Adam Stalnaker, Joseph Kovach, and Michael Curley are separately registered as registered representatives of Private Client Services and in this capacity, they accept commissions for the sale of securities.

## **B. REGISTRATION AS A FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR OR A COMMODITY TRADING ADVISER**

Neither the Advisor nor its Investment Advisor Representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor and no such registrations are pending.

## **C. REGISTRATION RELATIONSHIPS MATERIAL TO THIS ADVISORY BUSINESS AND CONFLICTS OF INTEREST**

Neither the Advisor nor its Investment Advisor Representatives have any registration relationships, legal affiliations or any association with the following businesses that would present a possible conflict of interest and no such relationships are pending.

- ❖ broker-dealer, municipal securities dealer, government securities dealer or broker
- ❖ investment company or other pooled investment vehicle (including a mutual fund, closed- end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
- ❖ futures commission merchant, commodity pool operator or trading advisor
- ❖ banking or thrift institution
- ❖ accountant or accounting firm
- ❖ lawyer or law firm
- ❖ insurance company or agency\*
- ❖ pension consultant
- ❖ real estate broker or dealer\*\*
- ❖ sponsor or syndicator of limited partnerships.

The Advisor does not operate and does not have a material relationship with a hedge fund or other type of private pooled investment vehicle.

Mr. Arnold is an investment adviser representative operating under the Advisor's trade name, J Arnold Wealth Management. Since 2011, Jon Arnold has been the sole owner of The J. Arnold Wealth Management Company, LLC, (“JAWMC”), a registered investment adviser. At this time, Mr. Arnold is dually registered with JAWMC and the Advisor to facilitate a transfer of business. JAWMC is no longer accepting new clients. In 2024, JAWMC will withdraw its registration and the dual registration status will end.

As disclosed at Items 5.E and 10.A of this Brochure, Adam Richard Stalnaker, Joseph J. Kovach and Michael A. Curley are separately engaged and dually registered as registered representatives of an unaffiliated broker/dealer (Private Client Services LLC) and receive commissions for securities transactions placed with this broker/dealer.

\*Adam R. Stalnaker, Joseph J. Kovach, Michael A. Curley, and Jon Arnold are separately engaged as independently licensed insurance agents and receive normal commissions paid by insurance companies when clients purchase insurance through them.

\*\*Jon Arnold holds a real estate license in Ohio and owns J. Arnold Real Estate Advisors, LLC. Mr. Arnold spends less than 1% of his time on this activity. Mr. Arnold also owns J. Arnold Mortgage and Loan Advisors, LLC and spends approximately 30 minutes of his time per month on this business.

**The Advisor is a fiduciary to each of its clients.** The receipt of commissions by its registrants poses a conflict of interest between the Adviser and its clients. *Please refer to the important disclosure at Item 5.E of this Brochure as it addresses the conflicts of interest, The*

Advisor's fiduciary duty to its clients and how the conflicts are managed.

Dave Dickinson, Rockport's Chief Compliance Officer (CCO) is otherwise engaged as a CCO for an unaffiliated registered investment adviser. The unaffiliated adviser is not connected with Rockport or its business activities.

#### **D. SELECTION OF OTHER ADVISERS OR MANAGERS AND HOW THIS ADVISER IS COMPENSATED FOR THOSE SELECTIONS**

As discussed at Item 4.B, the Advisor has entered into an agreement with Betterment, LLC ("Betterment") to utilize among other things, Betterment's software, advice, and digital services on a sub-advisory basis. This means the Advisor maintains its role as your primary investment adviser while utilizing the investment platform available through Betterment. The annual investment management fee charged to The Advisor's clients is 1.00% from which Betterment receives .25% as set forth in the client service agreement, as discussed at Item 5.A of this Brochure.

### **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

#### **A. CODE OF ETHICS**

The Advisor takes the issues of fiduciary duty and regulatory compliance seriously and is committed to maintain compliance with state and applicable federal securities laws. The Advisor has a position of public trust, and it is our goal to maintain that trust; provide excellent service, good investment performance; and advice that is suitable.

The Advisor places great value on ethical conduct. Therefore, the ultimate goal of our internal policies is to challenge our staff to live up not only to the letter of the law, but also to the ideals set forth by the Advisor. Clients may be familiar with the roles fiduciaries play in various legal situations and in certain industries. As a Registered Investment Advisor, the Advisor is a fiduciary to each and every client. As fiduciaries, Registered Investment Advisors owe their clients several specific duties. In accordance with the SEC's Regulation Best Interest, an Investment Advisor's fiduciary duties include:

- Providing advice that is suitable based on information gathered from the client
- Providing full disclosure of material facts and potential conflicts of interest (such that the client has complete and accurate disclosure in order to make an informed decision about services of the Advisor and about investment recommendations)
- The utmost and exclusive loyalty and good faith
- Best execution of transactions under the available circumstances
- The Advisor's reasonable care to avoid ever misleading clients
- Only acting in the best interests of clients.

It is The Advisor's policy to protect the interests of each of our clients and to place clients' interests first and foremost. The Advisor will abide by honest and ethical business practices to include, but not limited to:

- The Advisor will not induce trading in a client's account that is excessive in size or frequency in view of the financial resources and character of the account.
- The Advisor will make investment decisions with reasonable grounds to believe that the decisions are suitable for the client on the basis of information furnished by the client and we will document suitability.

- The Advisor and its Investment Advisor Representatives will not borrow money from clients, nor will they lend money to clients.
- The Advisor will not recommend the purchase of a security without the reasonable belief that the security is registered, or the security or transaction is exempt from registration in states where we provide investment advice and based upon information the Advisor receives.
- The Advisor will not recommend that a client place an order to purchase or sell a security through a broker/dealer or agent, or engage the services of an unlicensed brokerage firm, based upon information available to the Advisor.
- The Advisor's Member and staff (if applicable) will report all required personal securities transactions to C. David Dickinson, Chief Compliance Officer as required by securities rules and regulations. Reportable trades for the Advisor include all *but the following exceptions*:
  - ❖ Transactions effected pursuant to an automatic investment plan
  - ❖ Securities held in accounts over which the access person has no direct or indirect influence or control
  - ❖ Transactions/holdings in direct obligations of the US Government
  - ❖ Money market instruments — bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high- quality short-term debt instruments
  - ❖ Shares of money market funds
  - ❖ Transactions and holdings in shares of mutual funds, since the Advisor does not have a material relationship with an investment company
  - ❖ Transactions in units of a unit investment trust are not reportable if the UIT is invested exclusively in unaffiliated mutual funds.

All applicable securities rules and regulations will be strictly enforced. The Advisor will not permit and has instituted controls against insider trading. Investment Advisor Representatives and administrative personnel who do not follow the Advisor's Code of Ethics or who in any way violate securities rules and regulations, or who fail to report known or suspected violations will be disciplined or terminated, depending upon severity. Such persons could also face action by the SEC and/or state securities regulators.

Clients are welcome to request a copy of the Advisor's Code of Ethics by contacting the Rockport Wealth's office.

## **B. RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS**

The Advisor does not recommend that clients buy or sell any security in which any of The Advisor or its related persons have a material financial interest.

## **C. INVESTING PERSONAL MONIES IN THE SAME SECURITIES AS CLIENTS**

The Advisor and/or individuals associated with the Advisor may have similar investment goals and objectives and as a result may buy or sell securities for their personal accounts that may be identical to or different from those recommended to clients. Thus, at times the interests of staff members' accounts may coincide with the interests of clients' accounts. However, at no time will the Advisor or its related persons receive an added benefit or advantage over clients with respect to these transactions nor will the Advisor or nor its staff ever place themselves in a position to have added benefit as a result of advice given to clients. The Advisor's Chief Compliance Officer monitors access person's personal trading activities.



## **D. TRADING SECURITIES AT / AROUND THE SAME TIME AS CLIENTS**

The Advisor acknowledges the Advisor's fiduciary responsibility to place the investment needs of clients ahead of the Advisor and its staff. The interests of clients are held in the highest regard. At no time will the Advisor or its personnel receive an added benefit or advantage over clients with respect to these transactions. The Advisor and its personnel will not place itself in a position to have added benefit as a result of advice given to clients. The Advisor and its personnel will not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. The Advisor has established trading policies for its access persons. The Advisor's Chief Compliance Officer is responsible for the monitoring of personal trading conducted by staff.

## **ITEM 12: BROKERAGE PRACTICES**

### **A. FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER/DEALERS**

The Advisor is not a broker/dealer or custodian. In order to manage your assets, you will need to establish an account with a qualified custodian. Your custodian will take custody of your funds and securities.

The Advisor considers the full range and quality of a brokerage firm's services including, among other things, the value of services provided to clients, execution capability, services provided to the Advisor, commission rate and financial responsibility. In this light, the determinative factor is not necessarily the lowest possible commission costs but whether the selection offers the best qualitative execution for the supervised account.

The Advisor suggests the brokerage and custodial services of Charles Schwab & Co. a FINRA registered broker-dealer and Member SIPC (or Schwab) and AXOS Clearing, LLC doing business as "AXOS Advisor Services" (or "AXOS"). Member SIPC. We also recommend MTG, LLC dba "Betterment Securities", a FINRA registered broker-dealer and Member SIPC, as the qualified custodian for clients utilizing the Betterment investment platform. If clients engage in transactional business via Private Client Services, LLC, this firm clears through Pershing, LLC.

The Advisor recognizes its duty to recommend brokerage firms that execute securities transactions in such a manner that the clients' total costs or proceeds in each transaction are the most favorable under the circumstances. Recommendations are based on the reputation of the broker, quality and promptness of execution services and quality of account reporting, commission rates, creditworthiness, financial condition, and business reputation, customer service, reliability and professionalism, ability to access various market centers, and available technology. Ultimately, the client will have the final decision on brokerage selection.

The Advisor is independently owned and operated and is not affiliated with the recommended custodians. Our clients enter into an account agreement directly with their selected custodian. The Advisor does not maintain authority to open the account for you, although we may assist you with the paperwork, if requested. Your selected custodian hold your assets in a brokerage account and securities will be purchased or sold from your account(s) when we and/or you instruct them to do so.

The Advisor recognizes its duty to recommend brokerage firms that execute securities transactions in such a manner that the clients' total costs or proceeds in each transaction are the most favorable under the circumstances. Recommendations are based on the reputation of the broker, quality and promptness of execution services and quality of account reporting, commission rates, creditworthiness, financial condition, and business reputation, customer

service, reliability and professionalism, ability to access various market centers, and available technology. Ultimately, the client will have the final decision on brokerage selection.

The Advisor monitors the recommended service provider's best execution documentation and anticipates that current execution information will also be provided on request. The recommended firms are large and sophisticated order senders. While it is possible that clients may pay higher commission or transactions fee through the recommended service providers, the Advisor has determined AXOS, Schwab, and Betterment Securities currently offer the best overall value to clients for the service, brokerage and technology provided.

For our clients' accounts that Betterment Securities maintains, Betterment Securities does not charge you separately for custody/brokerage services but is compensated as part of the Betterment for Advisors (defined below) platform fee, which is charged for a suite of platform services, including custody, brokerage, and sub-advisory services provided by Betterment and access to the Betterment for Advisors platform. The platform fee is an asset-based fee charged as a percentage of assets in your Betterment account. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the investment management, brokerage, and other platform services are purchased separately. Nonetheless, for those clients participating in the Betterment for Advisors platform, we have determined that having Betterment Securities execute trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

For Delaware Statutory Trusts, the Advisor will generally recommend the services of Inland Securities Corporation, Member FINRA/SIPC.

## **1. RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

The receipt of support services, investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest. The Advisor does not receive research and has not entered into soft dollar agreements with any of the recommended brokerage firms. Generally speaking, soft dollars are benefits (primarily investment research and brokerage services) that investment advisors may receive in exchange for directing trade activity to a particular brokerage firm.

### **SERVICES AVAILABLE TO THE ADVISOR**

Our recommended custodians typically provide various support services which help us to manage or administer our clients' accounts, while others help us manage and grow our business. The Advisor may receive general research, business-related products and back-office administrative support services in addition to execution from its recommended broker/dealers in connection with client securities transactions. Therefore, we receive benefits from its selected custodial firms that it would not otherwise receive if it were not a Registered Investment Advisor. The Advisor and its clients may pay slightly more than the lowest rate of commissions available in order to obtain various administrative and research services. However, the Advisor has determined in good faith and after periodic (and ongoing) review, that the fees are reasonable in relation to the full range and quality of the brokerage, administrative and research services provided, viewed in terms of either particular transactions or the Advisor's overall responsibilities with respect to the accounts over which it exercises investment discretion. The determinative factor is whether transaction fees represent the best qualitative execution services for our managed accounts.

### **SERVICES THAT BENEFIT YOU**

Services that benefit clients include access to a broad range of investment products, execution of securities transactions and custody of client assets. The investment products available through our recommended services provides may include some which we might not otherwise have access or that would require a significantly higher minimum investment by our clients.

Our recommended relationships provide access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Betterment for Advisors includes access to a globally diversified, low-cost portfolio of ETFs, execution of securities transactions, and custody of client assets through Betterment Securities. In addition, a series of model portfolios created by third-party providers are also available on the platform. Betterment Securities' services described in this paragraph generally benefit you and your account.

The Advisor can also expect to receive, without cost to the Advisor, computer software and related systems support, which allow the Advisor to better monitor client accounts maintained at the recommended custodian. The Advisor may receive the software and related support at a discount or without cost because the Advisor renders investment management services to clients that maintain assets at the recommended custodian(s). The software and related systems support may benefit the Advisor, but not its clients directly. Additionally, the Advisor may receive duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional advisor program participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. These services assist the Advisor in coordinating its services with the custodial firms in a more efficient manner.

#### **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU**

Our preferred custodians also make available other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts, such as software and technology that may:

- Assist with back-office functions, recordkeeping, and client reporting of our clients' accounts.
- Provide access to client account data (such as duplicate trade confirmations and account statements).
- Provide pricing and other market data.

#### **SERVICES THAT GENERALLY BENEFIT ONLY US**

The Advisor may be offered other services intended to help us manage and further develop our business enterprise. These services include: Consulting (including through webinars) on technology and business needs and access to publications and conferences on practice management and business succession.

The availability of services from our preferred custodians benefit us because we do not have to produce or purchase them. In addition, we do not have to pay for Betterment Securities' services. However, certain services may be contingent upon us committing a certain amount of business to Betterment Securities in assets in custody, in which case, such arrangements will be disclosed when it is applicable. We may have an incentive to recommend that you maintain your account with our recommended custodian or Betterment Securities, based on our interest in receiving services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions and this presents a conflict of interest with our clients. We believe, however, that our selection of service providers is in the best interests of our clients. ( Our selection is primarily supported by data discussed at Item 12.A of this Brochure).

In fulfilling its duties to its clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware however, that the Advisor's receipt of economic benefits from a broker-dealer or other service provider(s) creates a conflict of interest since these benefits may influence the Advisor's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services

## **BETTERMENT FOR ADVISORS' TRADING POLICY**

When using the Betterment for Advisors platform, we and you are subject to the trading policies and procedures established by Betterment. These policies and procedures limit our ability to control, among other things, the timing of the execution of certain trades (including in response to withdrawals, deposits, or asset allocation changes) within your account.

You should not expect that trading on Betterment is instant, and, accordingly, you should be aware that Betterment does not permit you or us to control the specific time during a day that securities are bought or sold in your account (i.e., to "time the market"). Betterment describes its trading policies in Betterment LLC's Form ADV Part 2A. As detailed in that document, Betterment generally trades on the same business day as it receives instructions from you or us. However, transactions will be subject to processing delays in certain circumstances. In particular, orders initiated on non-business days and after markets close generally will not transact until the next business day. Betterment also maintains a general approach of not placing securities orders during approximately the first thirty minutes after the opening of any market session. Betterment also generally stops placing orders arising from allocation changes in existing portfolios approximately thirty minutes before the close of any market session. Betterment continues placing orders associated with deposit and withdrawal requests until market close. Betterment maintains a general approach of not placing orders around the time of scheduled Federal Reserve interest rate announcements. Furthermore, Betterment may delay or manage trading in response to market instability. For further information, please consult Betterment LLC's Form ADV Part 2A.

## **2. BROKERAGE FOR CLIENT REFERRALS**

The Advisor does not receive referrals from a broker/dealer or third party in exchange for using that broker/dealer or third party.

## **3. CLIENTS DIRECTING BROKER/DEALER / CUSTODIAN SELECTIONS**

Financial Planning clients are welcome to utilize their preferred service provider and are welcome to implement recommendations in whole or in part, entirely at their discretion. In such cases, the client will negotiate terms and arrangements for their account(s) with their service provider. The client may pay higher or lower commissions or costs or receive less favorable net pricing than may otherwise be available.

## **B. AGGREGATION (BLOCK) TRADING FOR MULTIPLE CLIENT ACCOUNTS**

The Advisor does not engage in block trading or aggregation. Transactions for each client generally will be effected independently. Clients can refer to Betterment's Form ADV 2A Brochure for the platform's trading policies.

# **ITEM 13: REVIEW OF ACCOUNTS**

## **A. FREQUENCY AND NATURE OF PERIODIC REVIEWS AND WHO CONDUCTS**

Hourly or project-based financial planning services do not involve ongoing services or reviews. Rockport Wealth's ongoing planning services include:

- ✓ Quarterly check-ins with our client to assess the financial plan, implementation of the plan, limitations, adjustments needed, and assess new variables in a client's financial picture.
- ✓ Year-end review and discussion pertaining to the plan and identify necessary updates based on input from our client
- ✓ A new/updated financial plan annually

Investment Management Services involve frequent monitoring of portfolios. Portfolios are reviewed no less than quarterly and underlying securities are generally reviewed daily. Reviews are performed by The Advisor's Investment Advisor Representatives under the supervision of its Chief Compliance Officer. Portfolios are analyzed in relation to the client's stated investment objectives, risk profile, tax situation and market conditions.

Individual client reviews are conducted no less than annually in order to provide the client with the opportunity to review their profile data and investment strategies. Investment Advisor Representatives conduct periodic client meetings and have frequent telephonic contacts in which investment objectives, market conditions and other factors are discussed with clients.

Clients are welcome to initiate meetings (telephonically, electronically or in person) throughout the year. However, clients are obligated to promptly contact the Advisor when there exists a real or potential change in the clients' financial condition or if a change in strategy may be contemplated. This prompt notification gives the Advisor the opportunity to review the clients' new information and determine if it impacts the advice and recommendations prepared for the client.

## **B. FACTORS THAT MAY TRIGGER NON-PERIODIC REVIEWS OF ACCOUNTS**

Additional reviews may be triggered by material market, economic or political events or in conjunction with significant deposits or withdrawals. Reviews may also occur as a result of reported changes in the client's financial situation (which may include but are not limited to: Termination of employment, a change in the family dynamic, relocation, inheritance, or retirement).

## **C. CONTENT AND FREQUENCY OF REGULAR REPORTS PROVIDED**

Clients can expect to receive confirmation statements from all transactions and a monthly/quarterly statement, directly from their custodial firm. The custodian's quarterly reports detail account value, net change, portfolio holdings, and all account activity.

# **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

## **A. ECONOMIC BENEFITS PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS (INCLUDES SALES AWARDS OR OTHER PRIZES)**

The Advisor does not receive any economic benefit, directly or indirectly from any third party in connection with advisory services provided to its clients.

## **B. COMPENSATION TO NON-ADVISORY PERSONNEL FOR REFERRALS**

The Advisor may contract unaffiliated persons or firms to act as solicitors and as such they may refer prospective clients. The compensation may involve a one-time or ongoing fee. The terms of services and compensation paid by the Advisor to its solicitors are established in an agreement between the Advisor and the solicitor. The solicitor compensation arrangement is disclosed to prospective clients at the time of the referral via a compensation disclosure document presented by the solicitor along with the Advisor's Form ADV 2 Brochure, as required by securities rules which govern referral activities. There is a conflict of interest that exists between the solicitor and Advisor clients since the solicitor receives the referral-based compensation from the Advisor when a prospective client engages the Advisor for advisory services and in most cases, for so long as the client agreement continues. It is important to understand that The Advisor's compensation arrangements with contracted solicitors to market

the Advisor's services do not impact the fees our clients pay to the Advisor for advisory services.

The Advisor receives non-economic benefits from Betterment for Advisors and Betterment Securities in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Betterment Securities. These products and services, how they benefit us, and the related conflicts of interest are described in Item 12 of this Brochure. The availability to us of Betterment for Advisors' and Betterment Securities' products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## **ITEM 15: CUSTODY**

The Advisor does not accept custody of client funds or securities. Your selected custodian maintains actual custody of your assets. The Advisor's clients have a direct and beneficial interest in their securities (individual ownership), rather than an undivided interest in a pool of securities.

The Advisor deducts its contractually agreed investment management fees from clients' custodial accounts with client authorization. Advisers are deemed to have constructive custody when fees are deducted directly from custodial accounts. However, the Advisor is not subject to custody reporting requirements because the Adviser deducts fees via qualified custodians and clients receive account statements directly from the custodian which reflect account deductions. Clients should carefully review those statements promptly and report any questions, concerns, or absence of statements to the Adviser and their custodial firm.

The Advisor does not charge fees of \$1200 or more for services to be performed six or more months in advance of services.

## **ITEM 16: INVESTMENT DISCRETION**

With the client's authorization as provided in the custodial account forms and the Advisor's client agreement, the Advisor will maintain limited discretionary trading authority to execute securities transactions in the investor's portfolio within investor's designated investment objectives, to include the securities to be bought and sold, and the amount of securities to be bought and sold. The Advisor will not hold full power of attorney, nor will the Advisor ever have authority to withdraw funds or to take custody of investor funds or securities other than the ability to deduct contractually agreed advisory fees via investor's qualified custodian with the client's authorization. Investment Management clients may establish reasonable written directives to invest in limited amounts of securities and/or refrain from investing in particular industries.

## **ITEM 17: VOTING CLIENT SECURITIES (PROXIES)**

**For clients engaging the Advisor for services on or after December 19, 2023**, the Advisor will not proxy vote. Clients will retain voting authority and can expect to receive voting materials directly from their custodian.

The Advisor is available to assist clients with questions and concerns relating to proxies. The Advisor does not engage in proxy-related discussions with non-clients and does not solicit proxies

**For clients who engaged the Advisor for investment management services prior to December 19, 2023**, the Adviser may be authorized by the client to vote proxies on behalf of

managed accounts where it holds discretionary authority. Joe Kovach votes proxies on behalf of clients, under the supervision of the Advisor's chief compliance officer. In connection with its voting services:

It is the Advisor's policy to: 1) votes proxies in the best interests of clients, 2) disclose information about its proxy voting policies and procedures, 3) disclose how clients may obtain information regarding individual security proxy votes cast on their behalf, and 4) maintain appropriate records relating to actual proxy voting.

The Advisor's policies and procedures are reasonably designed to enable the Advisor to ethically and effectively discharge its fiduciary obligation to vote all applicable proxies on behalf of all discretionary client accounts and ensure compliance with all of the requirements. At least annually, the Advisor's members and chief compliance officer will review, reaffirm and/or amend guidelines, strategies, and proxy policies for all client accounts.

The Advisor will vote proxies in a manner deemed to be in the best economic interest of its clients, as a whole, as shareholders and beneficiaries of those actions. Mr. Kovach recognizes that each proxy vote must be evaluated on its own merits. Factors such as a company's organizational structure, executive and operational management, Board of Directors structure, corporate culture and governance process, and the impact of economic, environmental, and social implications remain key elements in all voting decisions. However, in most cases, the Advisor will vote with management. If there were material disagreements with management, the Advisor would not be likely to continue to recommend holding the investment in client portfolios.

Exceptions: The Advisor's proxy policies will not be applied where the Advisor has further delegated discretionary investment management and the authority to vote shares to a client's properly appointed third-party manager, if applicable. In those situations, proxy votes cast by the unaffiliated third-party manager may be governed by the manager's proxy voting policies and procedures.

The Advisor may choose not to vote proxies in certain situations, or for certain accounts, such as, but not limited to, when the cost of voting would exceed any anticipated benefit to the respective client(s); when a proxy is received for a client account that has been terminated; when a proxy is received for a security no longer managed; and/or when the exercise of voting rights could restrict the ability of an account's portfolio manager to freely trade the security in question (for example, in certain foreign jurisdictions known as "blocking markets").

Conflicts of Interest: Due to its diversified client base, the Advisor determine a potential conflict exists in connection with a proxy vote. The Advisors members and its chief compliance officer will determine how to address the conflict and that may include voting strictly in accordance with policy, and/or returning proxy voting authority to the client(s) involved. Although the Advisor does its best to alleviate or diffuse known conflicts, there is no guarantee that all situations have been or will be mitigated through proxy policy incorporation. Clients may request to receive a copy of The Advisor's proxy voting policies and procedures as well as information concerning votes cast, by submitting a request to the Advisor's Chief Compliance Officer at the address, email, or telephone number indicated on the cover page of this Brochure.

The Advisor does not use a third-party proxy service provider and will maintain records relating to how proxies were voted.

Deviations from these policies will result in a prompt amendment of this Form ADV 2A Brochure and may require the Advisor to comply with SEC Proxy Registration Rules.

## **ITEM 18: FINANCIAL INFORMATION**

### **A. BALANCE SHEET**

The Advisor does not accept fees for services that involve \$500 or more for services to be performed six or more months in advance. The Advisor does not maintain custody of client funds and securities and therefore is not required to include a balance sheet with this Brochure.

### **B. FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR THE ADVISER'S ABILITY TO MEET CONTRACTUAL COMMITMENTS TO CLIENTS**

Neither the Advisor nor its management have a financial condition that is reasonably likely to impair the Advisor's ability to meet contractual commitments to clients. In light of the recent COVID-19 pandemic, as a precautionary measure, the entities that own the Advisor applied for and received a potentially waivable Paycheck Protection Program loan. The decision to apply for the PPP loan was based upon future uncertainty and volatility in the financial markets. Further, consideration was given to the potential of long-term financial stress and the potential for having to hire temporarily professional staff in the event Rockport Wealth's team succumbed to COVID-19 or complications arising from the disease.

### **C. BANKRUPTCY PETITIONS IN PREVIOUS TEN YEARS**

The Advisor, its owners and its investment adviser representatives have not been party to a bankruptcy petition during the previous 10 years.

## **PRIVACY POLICY**

The Advisor is covered under the definition of a "financial institution" as defined by the Federal Gramm-Leach-Bliley Act (the "Act"). The Advisor is therefore subject to Act and the privacy rules established by the SEC (Regulation S-P known as the "Privacy Rule").

Privacy of nonpublic personal information is an issue that the staff of The Advisor takes seriously. In compliance with privacy rules, The Advisor has adopted policies and procedures reasonably designed to safeguard client and consumer records and information.

In its role as Investment Advisor, the Advisor routinely collects nonpublic personal information from clients and prospective clients. This information generally will include but is not limited to:

- Information provided in applications, forms and other data provided to us either verbally or in writing, and include but are not limited to your name, address, phone number, account information, social security number, assets, employment, income and debt, email address, etc.
- Information about your transactions, accounts, trading activity and parties to transactions; health and beneficiary information (such as may pertain to investment planning issues)
- Information from other outside sources
- Any other data that is deemed to be nonpublic personal information as defined by the Act and state privacy rules.



The Advisor values our clients' trust and confidence. We will never sell our client's nonpublic personal information. All information provided by clients or prospective clients to the Advisor, (including the Advisor's personnel), and information and advice furnished by the Advisor to clients, shall be treated as confidential and shall not be disclosed to unaffiliated third parties, except as directed by clients with written authorization, by application to facilitate the investment advisory services offered by the Advisor via an unaffiliated financial services provider (such as Betterment and the client's custodial firm or an unaffiliated broker/dealer), or as required by any rule, regulation, or law to which the Advisor or its staff may be subject.

The Advisor maintains client's records in a controlled environment and records (electronic and otherwise) are only available to authorized persons of the Advisor who have a need to access client information in order to deliver advisory services, provide administrative support, or to respond to client requests.

The Advisor has made reasonable efforts and conducts periodic tests to ensure that its electronic workstations are secure.

The Advisor's position on protecting non-public personal information extends beyond the life of the client agreement. Client information is retained in a protected manner for the time period required by regulators (five years from the data of last use) and thereafter is safely destroyed via electronic means or via in-house shredding.

Consumers (who are not clients) who provide information during an initial consultation or for other purposes but do not go on to become clients of the Advisor also receive privacy protection. Original information will be promptly returned in person. Alternatively, if nonpublic personal information is contained in copies of documents, notes or some other media, this information will be securely filed for a period of up to one year (depending upon likelihood of engagement) before being shredded in-house.

Clients are encouraged to discuss any questions regarding The Advisor's privacy policies and procedures with C. David Dickinson, Chief Compliance Officer.