

# **ROCKPORT WEALTH, LLC**

## **CLIENT BROCHURE**

*This Brochure provides information about the qualifications and business practices of Rockport Wealth, LLC. 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 the State of Ohio's Division of Securities or the United States Securities and Exchange Commission ("SEC"). Registration does not imply a certain level of skill or training. Additional information about Rockport Wealth is available on the Adviser Search website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

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October 30, 2020

Item 1 – Cover page

## ITEM 2: MATERIAL CHANGES

Rockport Wealth, LLC most recently amended this Form ADV 2A Brochure on October 30, 2020. The material changes in this Brochure since prior amendments on July 31, 2020 and March 31, 2020 are described below.

Items 4 and 5 were updated to remove the July disclosure concerning investment management services and the fees associated with those services. In July, we had modified our termination policy for ongoing financial planning services to reflect that the pre-paid monthly fee will not be refunded if clients terminate the service prior to the end of the billing period.

Item 10.D has been updated to reflect that Rockport Wealth no longer refers investors to Betterment for Advisors. The prior data was added in July 2020.

Item 12 has been amended to remove the prior (July) addition of MTG, LLC *dba* Betterment Securities, in its list of brokerage recommendations.

Item 13 has been updated to remove the discussion pertaining to Rockport Wealth's review process in connection with managed accounts.

Item 14 has been amended to remove references to the disclosure of non-economic benefits in relation to Betterment for Advisors and Betterment Securities since these services no longer apply.

Item 15 has been updated to delete the information added in July concerning fee deduction from managed accounts as this service has been discontinued.

Item 16: In conjunction with the above-noted changes, this section has been updated to delete references to limited discretionary management services.

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*Form ADV 2B Brochures follow*

## ITEM 4: ADVISORY BUSINESS

### A. DESCRIPTION OF THE ADVISORY FIRM.

Rockport Wealth, LLC (“*Rockport Wealth*” or “*Adviser*”) was formed in May 2018. The Adviser 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.

“*Investment Adviser Representatives*” are those persons authorized to deliver investment advisory services on behalf of the Adviser. Rockport Wealth’s Investment Adviser Representatives are not registered representatives of any broker/dealer firm. Therefore, these persons do not accept commissions in exchange for securities recommendations.

### B. TYPES OF ADVISORY SERVICES

Rockport Wealth offers *fee-based Financial Planning Services* and is only compensated in the form of fees paid by its clients. Rockport Wealth is a Registered Investment Adviser and is not a broker/dealer or custodial firm.

Rockport Wealth 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-Adviser relationship.

#### Financial Planning Services

Rockport Wealth’s Financial Planning Services may be comprehensive in nature or services 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 Rockport Wealth can be engaged to provide ongoing services. The services to be provided and the Adviser’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 Rockport Wealth’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 plan:

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:

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.

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, if provided during the course of services, will normally include (as may be 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.

For clients engaging Rockport Wealth's ongoing financial planning service, the Adviser will remain available for ongoing consultations as may be requested by our client.

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

Rockport Wealth is a fiduciary to its clients. Among other duties, the Adviser is responsible for gathering an appropriate amount of information pertaining to its clients' financial situation and investment objectives and ensuring its advice is suitable based on known information..

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

Rockport Wealth focuses on providing individualized services. Rockport Wealth can tailor services to focus only on certain components of financial planning or we can provide comprehensive planning services, 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 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. Rockport Wealth 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-related objectives, based upon information provided by the client and the nature of services requested. The client and Adviser may complete a risk assessment or similar documentation, depending upon the nature of services to be provided.

Clients may impose reasonable restrictions pertaining to services and/or investment-related recommendations in accordance with their values or beliefs and such instructions will be agreed to in writing between the client and the Adviser.

Clients may hold certain assets within their account(s) that have been / are selected by the client and are not the subject of advice by Rockport Wealth. These are known as "self-directed" assets. Rockport Wealth 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.

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

Rockport Wealth does not manage or sponsor a wrap fee program manager or sponsor.

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

Not applicable

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

### **A. FEE SCHEDULES**

#### **Financial Planning**

Rockport Wealth's negotiable hourly fee ranges between \$150 - \$250. The fee rate will be determined and agreed upon at engagement, based on the scope and/or complexity of services.

The Adviser's ongoing services involves a one-time set up fee of \$250 and a \$50 monthly fee, in advance of services.

Clients may terminate the financial planning agreement without penalty and receive a full refund of the Adviser's fees, within five business days of signing the Financial Planning Agreement with written notice to the Adviser. Thereafter, clients may terminate the Financial



Planning Agreement upon written notice to Rockport Wealth. 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 prior to the end of the pre-paid monthly billing, the fee will not be refunded.

## **B. PAYMENT OF FEES**

### **Financial Planning**

Rockport Wealth's fees for financial planning are paid directly to Rockport Wealth.

## **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, oddlot 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 Adviser 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. Rockport Wealth does not receive any portion of these investment-related fees. Such charges, fees and commissions are exclusive of and in addition to the Adviser's fees. However, in their separate capacities as registered representatives of an unaffiliated broker/dealer, the investment adviser representatives of Rockport Wealth do accept commissions for securities recommendations as discussed at Item 10.C of this Brochure.

## **D. PREPAYMENT OF FEES**

As noted at Item 5.A, Rockport Wealth collects fees monthly and in advance for its ongoing financial planning services. At any time during the engagement, either party may immediately terminate services with written notice to the other. Where services are terminated prior to the end of a billing period, pro-rated refunds are not provided.

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

Rockport Wealth is a *fee-based* Registered Investment Adviser and only receives compensation in the form of advisory fees paid directly by clients.

Outside business activities (financial and investment related): Adam R. Stalnaker and Joseph J. Kovach are separately engaged as registered representatives of an unaffiliated broker-dealer (Cetera Advisors LLC) broker-dealer and are both dually registered as investment adviser representatives of Cetera Advisors. Adam R. Stalnaker and Joseph J. Kovach are also separately engaged as independently licensed insurance agents.

**1. The Outside Business Activities Present a Conflict of Interest.** The outside business activities described above present a conflict of interest. Rockport Wealth's investment adviser representatives may accept compensation 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 gives our registered personnel an incentive to recommend products based on the compensation received rather than the client's needs.

Rockport Wealth 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 Rockport Wealth 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. In such cases, Rockport Wealth will provide the commission and/or fee information to the client on a fully disclosed basis. In addition, Rockport Wealth has established, maintains, and enforces written policies and procedures reasonably designed to address conflicts of interest and fiduciary responsibilities. Further, Rockport Wealth will maintain appropriate records pertaining to client recommendations and how the conflicts of interest were handled.

**2. Clients Have the Option to Purchase Recommended Products from Other Brokers.** Our 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 Rockport Wealth.

**3. Rockport Wealth does not accept commissions.** Only those investment adviser representatives who are separately and appropriately registered or licensed are eligible to receive commissions associated with their outside business activities.

**4. Advisory Fees in Addition to Commissions or Markups.** Rockport Wealth's advisory fees charged to its clients are not reduced to offset the commissions or markups investment or insurance products recommended to clients.

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

Rockport Wealth'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). The Adviser does not engage in side-by-side management services.

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

Rockport Wealth offers advisory services to individuals and high net worth individuals. We impose a start-up fee of \$250 for ongoing financial planning services.

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

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

Rockport Wealth provides personalized services to its clients works with clients interested in conservative to moderately aggressive strategies; with advice designed to meet varying needs of and within the direction set forth by the client. The Adviser 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 advice and recommendations are subsequently approved by the client.

Based upon information provided by the client, the Adviser seeks to evaluate a client's stated risk tolerance, time horizon, goals and objectives through an interview and data-gathering process in an effort to determine financial and investment strategies designed to best fit the client's profile.

Client participation and the client's delivery of accurate and complete information are critical to the Adviser's process. In performing its services, the Adviser 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.

When planning services involve investment recommendations, Rockport Wealth considers securities investments based on the experience of its Investment Adviser Representatives coupled with publicly available research and analysis. Asset allocation software and historical performance modeling software may also be utilized. Recommended strategies may be based upon a number of concepts and determined by the type of investor. Services and recommendations are customized for each individual client. This process attempts to coordinate the client's objectives for risk vs. return with the Adviser's analysis of the macro environment. The Adviser does not consider market timing strategies. Portfolio holdings or recommendations are generally judged by track record and performance of like-kind investments. Of course, no method of analysis can guarantee success.

The Adviser may consult with its clients about the options and ramifications of transferring securities. However, clients are hereby advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charge) and/or tax ramifications.

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 planning and investment framework, which consequently may also trigger changes to investment holdings.

Rockport Wealth may recommend the services of itself as Investment Adviser, its Investment Adviser Representatives in their individual capacities as financial planners, and the services of other industry entities to implement recommendations (such as an unaffiliated non-affiliated 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 Adviser and its personnel receive no direct or indirect compensation as a result of referrals. Clients should ensure they appropriately research other service providers before engaging services. Clients are welcome but are never under any obligation to act upon any of the recommendations made by the Adviser or to engage the services of any recommended service firm or professional including the Adviser itself. Please refer to Item 10.D of this Brochure as it includes a discussion about our Investment Adviser Representative's outside business activities.

*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**

Rockport Wealth 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. No single strategy can be relied upon to outperform the market. In formulating advice and recommendations, Rockport Wealth 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 Adviser does not generally recommend short sales, margin transactions and options writing as they are generally associated with greater risk.

In terms of investment-related risks, many of these risks apply equally to stocks, bonds and any other investment or security. Identified material risks associated with the Adviser's investment strategies include:

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.

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

Style Risk: The Adviser's strategy may consist of "value" and or "growth" investments. With respect to securities and investments considered undervalued by the Adviser, 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.

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.

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.

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.

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

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

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.

In the case of previously held investments purchased through a financial services firm (not the Adviser), investors should be aware that when transferred securities are liquidated, they may

be subject to transaction fees, fees assessed at the mutual fund level (*i.e.*, contingent deferred sales charge) and/or tax ramifications.

Annuities are a retirement product 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.

### C. RISKS OF SPECIFIC SECURITIES UTILIZED

Rockport Wealth generally seeks to recommend strategies that do not involve significant or unusual risk beyond that of the general domestic and / or international equity markets. *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 Advisers are required to disclose legal and disciplinary events that may be material to a *client's* or prospective *client's* evaluation of the Adviser's practice or the integrity of its management. Rockport Wealth 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 Rockport Wealth nor its Investment Adviser Representatives 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 Rockport Wealth nor its Investment Adviser Representatives 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 Rockport Wealth nor its Investment Adviser Representatives have any information to report for Items 9.C.1 and 9.C.2.**

**Please note:** Individual information about Rockport Wealth's Investment Adviser Representatives is contained in their Form ADV Part 2B Brochures which is attached directly behind this firm Brochure. If you did not receive these Brochures, please contact Rockport Wealth 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**

Rockport Wealth is not registered as a broker/dealer and no such registration is pending. As disclosed at Item 5.E and below, Adam Stalnaker and Joseph Kovach are separately registered as registered representatives of Cetera Advisors 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 Rockport Wealth nor its Investment Adviser Representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser and no such registrations are pending.

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

Neither Rockport Wealth nor its Investment Adviser 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)
- ❖ other investment adviser or financial planner
- ❖ 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.

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

As disclosed at Item 5.E, Adam Richard Stalnaker and Joseph Kovach are separately registered representatives and investment adviser representatives of Cetera Advisors and are independently licensed insurance agents. These gentlemen will, from time to time, offer clients advice or products associated with those activities. Clients should be aware that these services pay a commission or fee-based compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Please refer to the disclosure at Item 5.E of this Brochure which discusses Rockport Wealth's conflicts of interest with respect to the sale of commissionable products to advisory clients and its fiduciary duty to the Adviser's clients. Clients are in no way required to implement a financial or investment plan through any representative of Rockport Wealth or in such individual's capacity as a registered representative.

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

Rockport Wealth does not recommend other managers. Please reference the paragraph immediately above this item which discusses the other investment-related registrations held by Adam Stalnaker and Joseph Kovach.

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

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

Rockport Wealth takes the issues of fiduciary duty and regulatory compliance seriously and is committed to maintain compliance with state and applicable federal securities laws. Rockport Wealth 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 Adviser places great value on ethical conduct and 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 Adviser. Clients may be familiar with the roles fiduciaries play in various legal situations and in certain industries. As a Registered Investment Adviser, Rockport Wealth is a fiduciary to each and every client. As fiduciaries, Registered Investment Advisers owe their clients several specific duties. According to the SEC (to which Ohio and other states defer on this topic), an Investment Adviser's fiduciary duties include:

- Providing advice that is suitable

*(continued)*

- 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 Adviser and about investment recommendations)
- The utmost and exclusive loyalty and good faith
- Best execution of transactions under the available circumstances (in terms of our recommendations since the Adviser does not place transactions for its clients)
- The Adviser's reasonable care to avoid ever misleading clients
- Only acting in the best interests of clients.

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

- The Adviser 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 Adviser 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 Adviser and its Investment Adviser Representatives will not borrow money from clients.
- Rockport Wealth 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 Adviser receives.
- The Adviser 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 Adviser.
- The Adviser's Member and staff (if applicable) will report all required personal securities transactions to Adam Stalnaker, Chief Compliance Officer as required by securities rules and regulations. Reportable trades for Rockport Wealth 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 are not reportable, since the Adviser 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. Rockport Wealth will not permit and has instituted controls against insider trading. Investment Adviser



Representatives and administrative personnel who do not follow the Adviser'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 Adviser's Code of Ethics by contacting the Rockport Wealth's office. Our contact information is located on the cover page of this Brochure.

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

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

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

Rockport Wealth and/or individuals associated with Rockport Wealth 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 the Adviser's or staff members' accounts may coincide with the interests of clients' accounts. However, at no time will the Adviser or any related persons receive an added benefit or advantage over clients with respect to these transactions nor will the Adviser or its associated persons ever place itself in a position to have added benefit as a result of advice given to clients. The Adviser's Chief Compliance Officer monitors the personal trading activities of advisory personal.

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

Rockport Wealth acknowledges the Adviser's fiduciary responsibility to place the investment needs of clients ahead of the Adviser and its staff. The interests of clients are held in the highest regard. At no time will the Adviser or its personnel receive an added benefit or advantage over clients with respect to these transactions. Rockport Wealth and its personnel will not place itself in a position to have added benefit as a result of advice given to clients. The Adviser 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. Rockport Wealth has established trading policies for its access persons. The Adviser'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**

Rockport Wealth is not a broker/dealer or custodian. Our clients are free to select their preferred financial services firms.

The Adviser 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 Adviser, 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.

Rockport Wealth suggests the services of Cetera Advisors, a FINRA registered broker-dealer, SIPC member, and an SEC registered Investment Adviser which utilizes the brokerage and custodial services of Pershing, LLC. Rockport Wealth is independently owned and operated and is not affiliated with Cetera Advisors or Pershing. As noted at Item 10.D in this Brochure, two of our Investment Adviser Representatives are dually registered with Cetera Advisors.

Rockport Wealth 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.

Rockport Wealth monitors the recommended service provider's best execution documentation. Pershing, LLC is a large and sophisticated order sender. While it is possible that clients may pay higher commission or transactions fee through the recommended service providers, Rockport Wealth has determined that these firms currently offer the best overall value to clients for the service, brokerage and technology provided.

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

Rockport Wealth does *not* receive research or other soft dollars from the recommended brokerage firms.

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

Rockport Wealth 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.

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

Rockport Wealth does not engage in block trading or aggregation since it does not provide discretionary investment management services.

## **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

Clients are obligated to promptly contact the Adviser 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 Adviser 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**

For our ongoing planning clients, 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 normally 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)**

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

Please reference our disclosure at Item 10.D of this Brochure concerning separate registration and licensing statuses for two of Rockport Wealth's investment adviser representatives. These registrants do not participate in sales awards or prizes involving these outside business activities but will earn normal commissions when securities or insurance products are purchased through them.

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

Rockport Wealth does not directly or indirectly compensate non-advisory personnel, other persons, or firms for client referrals.

## **ITEM 15: CUSTODY**

Rockport Wealth does not accept custody of client funds or securities. The Adviser does not deduct its fees from custodial accounts and does not charge fees of \$500 or more for services to be performed six or more months in advance of services.

In all cases, Rockport Wealth's clients have a direct and beneficial interest in their securities (individual ownership), rather than an undivided interest in a pool of securities.

## **ITEM 16: INVESTMENT DISCRETION**

Rockport Wealth does not maintain limited discretion and does not manage investment accounts.

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

Clients retain the authority to vote proxies. Rockport Wealth requests that investors ensure proxy materials are mailed directly to each investor or an authorized third party. Rockport Wealth will not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

While Rockport Wealth does not vote proxies for clients, it is available to assist clients with questions and concerns relating to proxies. The Adviser does not engage in proxy-related discussions with non-clients and does not solicit proxies.

In the event Rockport Wealth' advice is solicited by its clients the Adviser shall abide by the following conditions:

- Rockport Wealth will disclose any significant relationship with the issuer, its affiliates, or a security holder proponent of the matter on which proxy voting advice is given, as well as any material interest of our Adviser in the matter
- The Adviser will not accept any form of special consideration from any person, other than the security holder recipient thereof, in exchange for furnishing voting advice; and
- Voting advice will not be furnished on behalf of any person soliciting proxies, or on behalf of a participant in an election contest subject to SEC Rule 14a-11
- Rockport Wealth shall not communicate with the press concerning a proxy
- Rockport Wealth does not solicit proxies

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

## **ITEM 18: FINANCIAL INFORMATION**

### **A. BALANCE SHEET**

Rockport Wealth does not accept fees for services that involve \$500 or more for services to be performed six or more months in advance. The Adviser does not maintain custody 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 Rockport Wealth nor its management have a financial condition that is reasonably likely to impair the Adviser'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 Adviser 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

Rockport Wealth, its owners and its investment adviser representatives have never been party to a bankruptcy petition.

## ITEM 19: REQUIREMENTS FOR STATE REGULATED ADVISERS

### A. Principal executive officers and management persons, formal education, and business background.

For information about Rockport Wealth's owners, its Investment Adviser Representatives, and its Chief Compliance Officer, please refer to the Form ADV 2B Brochures which accompany this Brochure.

### B. Describe any business in which you are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.

Rockport Wealth is solely engaged in the business of providing financial planning services. As described at Item 5.E and 10.C of this Brochure, certain Investment Adviser Representatives of the Adviser are otherwise engaged in other financial and insurance services as noted at Item 10.D. These activities involve less than 45% of their time.

### C. In addition to the description of your fees in response to Item 5 of Part 2A, if you or a *supervised person* are compensated for advisory services with *performance-based fees*, explain how these fees will be calculated. Disclose specifically that performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the *client*.

Rockport Wealth and its Investment Adviser Representatives do not accept performance-based fees.

### D. If you or a *management person* has been *involved* in one of the events listed below, disclose all material facts regarding the event.

***Rockport Wealth, its owners and investment adviser representatives have never been named in any of the following:***

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, *involving* any of the following:

- (a) an investment or an *investment-related* business or activity
- (b) fraud, false statement(s), or omissions
- (c) theft, embezzlement, or other wrongful taking of property
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or administrative *proceeding involving* any of the following:

- (a) an investment or an *investment-related* business or activity
- (b) fraud, false statement(s), or omissions
- (c) theft, embezzlement, or other wrongful taking of property
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**D. In addition to any relationship or arrangement described in response to Item 10.C. of Part 2A, describe any relationship or arrangement that you or any of your management persons have with any issuer of securities that is not listed in Item 10.C. of Part 2A.**

Rockport Wealth is a **fee-based** and independent Registered Investment Adviser. The Adviser and its Investment Adviser Representatives do not have any relationship or arrangement with any issuers of securities.

## **PRIVACY POLICY**

Rockport Wealth is covered under the definition of a “financial institution” as defined by the Federal Gramm-Leach-Bliley Act (the “Act”). The Adviser is therefore subject to Act and the privacy rules established by the State of Ohio and other states where we may do business.

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

In its role as Investment Adviser, Rockport Wealth 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, health and beneficiary information (such as may pertain to financial and 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.

Rockport Wealth values our clients’ trust and confidence. We will never sell client or consumer nonpublic personal information.

All information provided by clients or prospective clients to Rockport Wealth, (including the Adviser’s personnel), and information and advice furnished by the Adviser 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 Adviser via an unaffiliated financial services provider or as required by any rule, regulation or law to which the Adviser or its staff may be subject.

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

The Adviser has made reasonable efforts and conducts periodic tests to ensure that its electronic workstations are secure and hack-proof.

Rockport Wealth'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 Adviser 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 Rockport Wealth's privacy policies and procedures with Adam Stalnaker, Chief Compliance Officer.