



About Us

Cherry Bekaert Wealth Management

Part 2A of Form ADV The Brochure | July 2020

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This brochure provides information about the qualifications and business practices of Cherry Bekaert Wealth Management LLC (“Cherry Bekaert Wealth Management,” “Us,” “We,” the “Firm,” or the “Company”). If you have any questions about the contents of this brochure, please contact us at 804-673-5700. Additional information about us is also available on the SEC’s website at: www.adviserinfo.sec.gov. The Firm’s CRD Number is 108504.

Cherry Bekaert Wealth Management is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.



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Material Changes

This publication of the Form ADV Part 2A contains highlights of the changes that have been made to this brochure since the last annual updating amendment in in July 2019. Some of these items may be deemed material changes from our last filing.

There have been no material changes to this Brochure since the July 2019 annual amendment filing.

Advisory Business

Cherry Bekaert Wealth Management commenced business in August of 1998 and registered as an investment adviser with the U.S. Securities and Exchange Commission in June of 2005. The Firm is wholly owned by the accounting firm Cherry Bekaert LLP. As of April 30, 2020 the Firm managed approximately \$493 million on a discretionary basis and \$8.7 million on a non-discretionary basis.

Private Client Services

Portfolio Management

Cherry Bekaert Wealth Management works with clients to develop a strategic asset allocation plan consistent with the client's investment objective, time horizon, desired rate of return and risk tolerance.

Our Process

- ▶ **Financial Analysis.** Our Financial Advisors work with the client to establish financial goals. We analyze and evaluate the client's current financial status by reviewing the client's current investment strategy and investment objectives. We assess the client's risk tolerance based upon age, income, education, need for cash flow and emotional tolerance for volatility.
- ▶ **Asset Allocation Strategy.** After reviewing the client's current situation, we develop an investment planning strategy that meets the client's stated goals and objectives.
- ▶ **Investment Policy Statement.** We then set forth the client's objectives in a written Investment Policy Statement which describes an asset allocation strategy that conforms to a client's risk tolerance and objectives.
- ▶ **Implementation.** We work with the client to develop a plan to transition from the client's existing portfolio to the portfolio recommended by Cherry Bekaert Wealth Management. We assist the client in establishing an account at the agreed-upon qualified custodian and begin the transition process.
- ▶ **Monitoring and Advice.** Once it is funded, we monitor the portfolio regularly, and rebalance as needed to adhere to the Investment Policy Statement. We are always available to meet with clients as necessary regarding their portfolio.

Implementation

A Cherry Bekaert Wealth Management Financial Advisor will typically recommend a model portfolio of open-end mutual funds consistent with the client's investment policy. The Financial Advisor also recommends certain investment-grade fixed income securities, as well as Private Placement securities should they be appropriate for the client. The Financial Advisor may also recommend independent third-party investment managers should a client wish to invest in individual securities for which we do not provide advice. The client's unique circumstances and needs will be considered, and the client has the ability to place certain investment restrictions over the account.

- ▶ **Use of Mutual and Exchange Traded Funds.** Most mutual funds and exchange traded funds are available directly to the public. Thus, a prospective client can obtain many of the funds that may be utilized by Cherry Bekaert Wealth Management independent of engaging Cherry Bekaert Wealth Management as an investment advisor. However, if a prospective client determines to do so, they will not receive Cherry Bekaert Wealth Management's initial and ongoing investment advisory services. Cherry Bekaert Wealth Management also uses mutual funds advised by Dimensional Fund Advisors ("DFA"). DFA funds are generally only available through registered investment advisers approved by DFA. If a client terminates Cherry Bekaert Wealth Management's services, restrictions regarding additional purchases of, or reallocation among other DFA funds, may apply.
- ▶ **Cash Positions.** At any time and for a substantial length of time, Cherry Bekaert Wealth Management may hold a significant portion of a client's assets in cash or cash equivalents. Investments in these assets may cause a client to miss upswings in the markets. Unless Cherry Bekaert Wealth Management expressly agrees otherwise in writing, account assets consisting of cash and cash equivalents are included in the value of an account's assets for purposes of calculating its advisory fee. A client can advise Cherry Bekaert Wealth Management, in writing, not to maintain (or to limit the amount of) cash and cash equivalents in the client's account
- ▶ **Retirement Plan Rollovers.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Cherry Bekaert Wealth Management recommends that a client roll over their retirement plan assets into an account to be managed by Cherry Bekaert Wealth Management, such a recommendation creates a conflict of interest if Cherry Bekaert Wealth Management will earn a new (or increase its current) advisory fee as a result of the rollover. No client is under any obligation to roll over retirement plan assets to an account managed by Cherry Bekaert Wealth Management.
- ▶ **Private Placement Securities.** Cherry Bekaert Wealth Management may also provide investment advice regarding unaffiliated private securities. In particular, Cherry Bekaert Wealth Management may recommend that certain qualified clients consider an investment in unaffiliated securities (i.e. Delaware Statutory Trusts) on a non-discretionary basis. Cherry Bekaert Wealth Management's role relative to the private placement securities will be limited to planning and/or implementation of recommendations and decisions associated with these securities. If a client determines to become an investor, the amount of assets invested in any security will not be included as part of "assets under management" for purposes of Cherry Bekaert Wealth Management's calculating its investment advisory fee. Cherry Bekaert Wealth Management' clients are under absolutely no obligation to consider or make an investment in any private placement securities.

Cherry Bekaert Wealth Management also provides consolidated reporting services for certain clients. Consolidated financial account reporting provides a single document that combines information regarding certain of the client's financial holdings, such as 401(K) holdings, regardless of where those assets are held or managed.

Financial Planning Services

Cherry Bekaert Wealth Management also provides financial planning services. We work with clients to design a customized strategy developed around the client's stated financial goals and objectives.

Areas of Financial Planning services include:

- ▶ Retirement (Financial Independence) Planning
- ▶ Personal Risk Management
- ▶ Estate Planning
- ▶ Insurance Needs Analysis
- ▶ Investment Planning
- ▶ Business Succession Planning

Our Financial Advisors often team with members of Cherry Bekaert LLP ("Cherry Bekaert") who specialize in services such as estate and trust planning. We also offer specific consultation and administrative services regarding investment and financial concerns. Additionally, we provide advice on non-securities matters, generally in connection with the rendering of estate planning, insurance, and annuity advice. We provide Financial Planning Services under a separate Engagement Letter or ongoing planning services as stated in our Investment Advisory Agreement.

Investment Advisory Oversight Services

Cherry Bekaert Wealth Management also provides Investment Advisory Oversight services. This service offering provides ongoing oversight of client portfolios and accounts, unrelated to portfolio management services which are provided under the terms of our Investment Advisory Agreement. This service is designed for clients with a net worth greater than \$5,000,000. This service is approved on an exception basis for clients with a net worth of less than \$5,000,000

Investment Advisory Oversight Services may consist of any of the following services subject to the needs and desires of the client:

- ▶ Investment aggregation, performance reporting and risk metrics
- ▶ Asset allocation and strategy reviews
- ▶ Investment manager due diligence and evaluation
- ▶ Fee analysis and verification
- ▶ Tracking of inflows/outflows to investment funds and brokerage accounts
- ▶ Liaison with agents, attorneys, investment advisors, insurance brokers and banks
- ▶ Coordination and facilitation of periodic meetings with investment advisors and other affiliated parties
- ▶ Tax basis analysis and verification
- ▶ Monitoring private equity, alternative investments and commitments

Reporting and investment recommendations, if applicable, shall be written and provided in printed or electronic format.

1031 Like-Kind Exchange Advisory Services

Cherry Bekaert Wealth Management provides consulting services to select clients on a non-discretionary basis providing planning and/or implementation of recommendations and decisions associated with 1031 like-kind exchanges arising from the sale of real estate. Like-kind exchange transactions are only appropriate for certain sophisticated investors having a need for this type of specialized real estate and tax transaction.

Our Planning Process

Our primary planning objective during the Planning Process is to assist clients in evaluating the appropriateness, based on their goals and objectives, of entering into an IRC Section 1031 like-kind exchange related to the future sale of real estate currently owned and the benefits and risks associated with the purchase of fractional ownership interests in Delaware Statutory Trusts (“DSTs”) designed to qualify as like-kind property. We provide 1031 Like-Kind Exchange Planning Advisory Services under a separate Engagement Letter.

Our Implementation Process

Our primary objective during the Implementation Process is to assist the client with the implementation of recommendations and decisions associated with an IRC Section 1031 like-kind exchange arising from the sale of real estate, and purchase of fractional ownership interests in Delaware Statutory Trusts (“DSTs”) designed to qualify as like-kind replacement property under IRC Section 1031. We provide 1031 Like-Kind Exchange Implementation Advisory Services under a separate Engagement Letter.

Retirement Plan Services

Plan Consulting

Cherry Bekaert Wealth Management and its affiliates also provide certain investment advisory and consulting services to employer-sponsored pension and profit-sharing retirement plans. Consulting services generally include: creating and monitoring an Investment Policy Statement; providing direction to the plan trustees regarding mutual fund mix selection; conducting an investment annual review; supporting ongoing participant education; and providing overall annual review of the plan, including benchmarking fee and value for reasonableness.

The assets of the plans for which we provide consulting services total approximately \$294 million as of April 30, 2020 and are not included in our calculation of assets under management as disclosed above.

Portfolio Management

Cherry Bekaert Wealth Management serves as investment manager to certain retirement plans. In such circumstances, the Firm accepts discretion to select available investments for the plan. We include such plans in our calculation of assets under management as disclosed above.

Fees and Compensation

Fees for Portfolio Management Services

We base the annual fee for investment management services on a percentage of assets under management and generally charge as follows:

Aggregate Account Value	Flat Fee
\$0 to \$1,000,000	1.50%
\$1,000,001 to \$5,000,000	1.25%
5,000,001 to \$10,000,000	1.00%
\$10,000,001 +	0.85%

We outline specific annual fees in the Investment Advisory Agreement signed by the client and Cherry Bekaert Wealth Management; this chart serves as a guideline. We negotiate fees case by case based on the client facts, circumstances, and needs, and at times charge different fees for similar services, some less than the stated fee schedule. Fees may be reviewed and may be re-negotiated with the client depending on the size of account, time spent, or other services provided.

We generally bill clients in advance at the beginning of each calendar quarter based upon the value of the account(s) at the end of the previous quarter. If the client does not have a Schwab account, we will send the invoice directly to the client. In addition, some custodians bill in arrears monthly or quarterly. New clients normally pay pro-rated fee based upon the number of days we managed or advised the account during the quarter.

Fees for Third-Party Investment Managers

We typically charge an annual fee ranging from 0.10% to 1.0% of the account value as negotiated with the client. The fee will vary depending on the account size, the option selected, and the complexity of your situation. In addition to our fee, the third-party investment advisor charges a management fee typically ranging from 0.10% to 1.0% of the assets in the account. These “layered” fees are cumulative and the Client will pay both. Information on the fees charged by the third-party investment advisor can be found in its ADV Part 2A. Clients are billed in advance at the beginning of each calendar quarter based upon the value of the client's account at the end of the previous quarter. We pro-rate the quarterly fee for new accounts based on the date of initial deposit or when the account is fully funded.

Fee Schedule for Financial Planning Services

The Financial Planning Services fee is based on the services provided and the complexity of each client's circumstances, as outlined in an Engagement Letter. The fee is typically charged upon completion of the service; however fees can be charged quarterly depending on the services provided.

- ▶ A fixed fee with the total depending on the specific service requested and the nature and complexity of each client's circumstances.
- ▶ An hourly fee ranging from \$100–\$500 per hour, depending on the nature and complexity of each client's circumstances and the individual performing the work.

Fee Schedule for Investment Advisory Oversight Services

The Investment Advisory Oversight Services fee is based on the services provided and the complexity of each client's circumstances, as outlined in an Engagement Letter. The fee is typically charged quarterly depending on the services provided.

- ▶ An annual advisory fee ranging from 0.10% to 1.40% of the account value as negotiated with the client. The fee will vary depending on the account size, the services provided, and the complexity of your situation. Clients are billed in advance at the beginning of each calendar quarter based upon the value of the client's account at the end of the previous quarter. We pro-rate the quarterly fee for new accounts based on the date the Engagement Letter is signed.
- ▶ A fixed fee with the total depending on the specific service requested and the nature and complexity of each client's circumstances.
- ▶ An hourly fee ranging from \$100–\$500 per hour, depending on the nature and complexity of each client's circumstances and the individual performing the work.

Fees for 1031 Like-Kind Exchanges

Cherry Bekaert Wealth Management charges consulting fees for its 1031 like-kind exchange advisory services. Consulting fees are charged on an hourly or per project basis. Overall consulting fees vary from client to client depending on scope, complexity and duration of services. CBWM does not charge ongoing asset management or monitoring fees in connection with 1031 investments on which CBWM advises clients, unless specifically agreed with the client. CBWM does not receive compensation from 1031 investment sponsors, brokers or service providers in connection with these consulting services. As with other fees charged by CBWM, CBWM mitigates potential conflicts of interest in connection with fees charged for 1031 like-kind exchange advisory services by adhering to the American Institute of Certified Public Accountants ("AICPA") Code of Ethics.

Fees for Direct Investments in to Delaware Statutory Trusts ("DST's")

Cherry Bekaert Wealth Management charges consulting fees when clients invest in Delaware Statutory Trusts. Consulting fees are charged on an hourly or per project basis. Overall consulting fees vary from client to client depending on scope, complexity and duration of services. CBWM does not charge ongoing asset management or monitoring fees in connection cash investments in to DST's on which CBWM advises clients, unless specifically agreed with the client. CBWM does not receive compensation from DST investment sponsors, brokers or service providers in connection with these consulting services.

Fee Schedule for Plan Consulting Services

The annual fee for Plan Services is based on a percentage of assets under advisement up to 1.40% percent. The fee is negotiable and depends on the services requested and the size of the plan. Accounts are generally billed in arrears at the end of the quarter for which services were rendered based upon the value of the account as of the last business day of the fee period. For new accounts, the initial fee will be pro-rated from the effective date of the Plan Consulting Agreement.

Termination of Advisory Relationship

Our services can be terminated by the client or us upon thirty (30) days' written notice in accordance with the Investment Advisory Agreement. Upon termination, the fees charged for advisory services will be pro-rated and a

refund for any unearned fees will be issued. The client is responsible to pay for services rendered until the termination of the agreement.

General Fee Information

Direct Debiting of Client Accounts

Advisory fees are invoiced or direct debited from the client's account. We direct debit our advisory fee only if the following conditions are met: (1) the client provides written authorization permitting our fees to be paid directly from the client's account; (2) the client verifies the accuracy of the fee calculation submitted by Cherry Bekaert Wealth Management and promptly notifies us and the custodian of any discrepancy; and (3) the custodian agrees to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid to us.

Mutual Fund Fees and Other Transaction Costs

In addition to Cherry Bekaert Wealth Management's investment management fees, clients bear trading costs and custodial fees. Our fees are also separate and distinct from the fees and expenses mutual funds charge to their shareholders. Each mutual fund prospectus describes these fees and expenses, which generally include a management fee, other fund expenses, and in some cases a distribution fee. If the fund also imposes sales charges, a client will pay an initial or deferred sales charge.

Additional Fees Arising from Dually Registered Representatives

Financial Advisors who are dually registered with Purshe Kaplan Sterling Investments ("PKS") occasionally recommend brokerage products to our clients. These brokerage products charge a commission at the time of sale. Depending on the date of the sale, if an advisory fee has previously been collected by Cherry Bekaert Wealth Management on the assets used to purchase the product; we will review the timing and circumstance and determine whether to rebate part or all of advisory fee. Commissions on the sale of securities or investment products also create a conflict of interest because the Financial Advisor has an incentive to recommend products based on compensation rather than the client's needs. Cherry Bekaert Wealth Management addresses this conflict of interest by requiring the Financial Advisor to act in the client's best interest at all times, regardless of the services provided or recommended. We also restrict the type of brokerage products that Financial Advisors recommend to advisory clients. Clients should be aware that they have the option to purchase brokerage products from other brokers or agents not affiliated with Cherry Bekaert Wealth Management.

Cherry Bekaert Benefits Consulting, LLC ("CBBC")

CBBC is a joint venture affiliate of Cherry Bekaert LLP and Chernoff Diamond & Co. CBBC has employees who are registered with M Holdings Securities, Inc., which is also a FINRA-registered broker-dealer. There are times when CBWM employees refer advisory clients to CBBC for consulting administration and brokerage services that are not otherwise available. In these cases, our employees will, subject to proper licensing if and as required, receive referral fees. In order to manage potential conflicts of interest, CBWM performs a product and services cost-benefit analysis. We also have policies which restrict the types and limits of brokerage products that can be sold to clients. In some cases, clients pay advisory fees on assets used to purchase one or more brokerage products in the quarter in which the purchase recommendation was made. Clients should be aware that they have the option to purchase brokerage products from other brokers or agents as well. Cherry Bekaert Wealth Management and CBBC are affiliated companies, but CBWM is not affiliated with M Holdings Securities, Inc.

Additional Compensation.

See Other Financial Industry Activities and Affiliations for information on the receipt of commissions.

Performance-Based Fees and Side-by-Side Management

Performance-based fees are fees based on a share of capital gains on or capital appreciation of a client's assets. Cherry Bekaert Wealth Management does not charge performance-based fees. Therefore, the Firm does not manage or advise client accounts that would result in conflicts created with the side-by-side management of client accounts.

Types of Clients

Cherry Bekaert Wealth Management provides advice to individuals, including high-net-worth individuals; pension, profit sharing and 401(k) plans; trusts; estates; charitable organizations; corporations, and other business entities.

We typically impose a minimum account size requirement of \$500,000 for investment management services, which is waived under certain circumstances. The minimum is negotiable at our discretion and we may impose minimum annual advisory fees.

The client is responsible for notifying the Financial Advisor when there is any change in financial circumstances, investment time horizon, investment objectives or other information that affects the Investment Policy Statement.

Methods of Analysis, Investment Strategies and Risk of Loss

In providing investment advice to our clients, we incorporate the principles of Modern Portfolio Theory, which is based on four premises: clients are inherently risk-averse; markets are basically efficient; the investment focus should shift from an individual securities analysis toward consideration of the portfolio as a whole; and for any level of risk a client is willing to accept, there is a corresponding target rate of return. Our model allocation strategies are structured for the long term.

We have established equity and fixed income allocation strategies made up of mutual funds vetted and approved by our Investment Committee. A strategy can be modified should a client not want exposure to a specific style (e.g., emerging markets), if a client has exposure to a specific style directly (e.g., REITs), or for certain reasons agreed upon between the client and the Financial Advisor. In addition, Financial Advisors are permitted to recommend certain investment-grade fixed income securities or other investment vehicles depending on the client's needs. In some cases, clients hold securities not recommended by us. These securities are typically held pursuant to a portfolio implementation plan.

The Investment Committee meets regularly, but no less than quarterly, to review among other things general market and financial information; the allocation strategies employed by the Firm, including benchmark comparisons; and the approved mutual fund list. Changes are incorporated as market conditions warrant. To conduct initial and ongoing due diligence, the Investment Committee uses such various tools and information as

security rating services, commercially available software, market and financial information, issuer-prepared information, mutual fund performance, and prospectuses.

Risk of Loss

Investing in securities involves risks of loss that clients should be prepared to bear. Performance could be hurt by a number of different factors including:

Loss of Principal

All investments present the risk of loss of principal. We cannot give any guarantee that a client will achieve the stated investment objectives. The value of a client's investment could decline and be worth less than the principal initially invested. In addition, mutual funds are not insured or guaranteed by an agency of the U.S. government.

Management Fees

Investing in mutual funds and third-party investment advisors generate multiple levels of fees and expenses. A client investing in mutual funds will pay management fees to us and the mutual fund. Thus, the client will be subject to higher management fees.

Market Risk

The return on and value of an investment in each account fluctuates in response to stock market movements. Mutual funds invest in common stocks and other securities which are in turn subject to market risks, such as a rapid increase or decrease in a security's value or liquidity, and fluctuations in price due to earnings, economic conditions and other factors beyond our control. A company's share price may decline if a company does not perform as expected, if it is not well-managed, if there is a decreased demand for its products or services, or during periods of economic uncertainty or stock market turbulence, among other conditions. The stock markets can be volatile and stock prices can change dramatically.

Interest Rate Risk

Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Currency Risk

Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Liquidity Risk

Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Inflation Risk

The impact of inflation will erode purchasing power over time.

Reinvestment Risk

This risk is presented when capital is re-invested at lower rates of return, which commonly occurs with fixed income securities, or bonds, purchased when capital market assumptions are lower.

Diversification Risk

Concentrated investments in one or few specific segments in a particular sector, industry, or company within a specific industry present risk in excess of diversified investments, which includes the potential for higher levels of volatility.

Equity Risk

Equity securities generally entail a higher degree of risk. Price volatility and market fluctuations are difficult to predict. Movement in equity prices can result from factors affecting individual companies or industries. Price changes can be temporary or last for extended periods of time. In addition to, or because of, the aggregate impact on market movements, the value of investments can decline if particular investments within the portfolio do not perform well. Investment prices can fall or fail to increase regardless of market fluctuations.

Fixed Income Risk

Fixed income securities represent multiple risks such as credit, interest rate, reinvestment, prepayment risk, and default risk. Each risk factor influences the price, or value of a fixed income security, and impose the potential for a large amount of price volatility. Generally, securities with longer maturities come with greater sensitivity to price changes, which often results from changes in interest rates. Additionally, the prices of higher yielding fixed income securities fluctuate more than high quality debt issuances, including sudden price movements that are more closely correlated to factors contributed to movements in equity markets. Furthermore, developments in credit markets can have a substantial impact on the companies our Clients have investments in and will affect the success of investments as such. In the adverse event of default, the investment can suffer a partial or full loss of investment principal.

Risk of Investing in Mutual Funds

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

Private Placement Securities Risk

Private placement securities generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client will establish that he/she is qualified for investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

Economic Risk

The success of investments will be affected by the general economic health and activity both on a domestic and global scale. Examples of factors that can result in the decline of an investments value include items such as interest rates, availability of credit, inflation rates, commodity prices, economic uncertainty, changes in regulation, trades barriers, currency controls, as well as political circumstances and policy intervention.

Investment Style and Management Risk

Our method of security selection has not always been successful, and accounts have underperformed and outperformed relative to other advisors that employ similar investment strategies.

Margin Loans and Securities Based Loans

Cherry Bekaert Wealth Management may provide information to a client regarding margin loans or securities-based loans (collectively, "SBLs") which the client clients may access through their account's broker-dealer/custodian or their affiliated banks (each, an "SBL Lender"). SBLs may be used for financial planning, college planning or cash flow management among other things. Cherry Bekaert Wealth Management typically will only provide this information upon request from a client. Cherry Bekaert Wealth Management does not recommend the use of margin for investment purposes. For example, a client may request information about borrowing money on margin to pay bills or other expenses such as financing the purchase, construction, or maintenance of a real estate project. Unlike a traditional real estate backed loan, an SBL has the potential benefit of enabling borrowers to access to funds in a shorter period of time, providing greater repayment flexibility, and may also result in the borrower receiving certain tax benefits. Clients interested in learning more about the potential tax benefits of borrowing money on margin should consult with an accountant or tax advisor. Cherry Bekaert Wealth Management does not conduct diligence on any issuer or the available rates in the market, across SBL Lenders or in comparison to other lenders.

Borrowing funds on margin is not suitable for all clients and is subject to certain risks, including but not limited to: increased market risk, increased risk of loss, especially in the event of a significant downturn; liquidity risk; the potential obligation to post collateral or repay the SBL if the SBL Lender determines that the value of collateralized securities is no longer sufficient to support the value of the SBL; the risk that the SBL Lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment / the risk that the SBL Lender may terminate the SBL at any time. Cherry Bekaert Wealth Management does not provide any offset or reduce its investment advisory fee as a result of a client's decision to enter into an SBL and charges its fees based on the market value of the securities held in a client's account.

Cherry Bekaert Wealth Management has a conflict of interest with respect to SBLs, because it has an incentive to recommend or make available SBLs to clients instead of recommending that a client sell securities in their account. If a client sold securities in their account (instead of leveraging those securities to access an SBL) it would reduce the amount of fees collected by Cherry Bekaert Wealth Management. This conflict persists as long as Cherry Bekaert Wealth Management has an economic disincentive to recommend that the client terminate the use of SBLs. Clients are therefore reminded that they are not under any obligation to use SBLs, and are solely responsible for determining when to use, reduce, and terminate the use of SBLs.

Cybersecurity Risk

Investment advisers, including Cherry Bekaert Wealth Management, must rely in part on digital and network technologies (“cyber networks”) to maintain substantial computerized data about activities for Client accounts and otherwise conduct their businesses. Such cyber networks might in some circumstances be subject to a variety of possible cybersecurity incidents or similar events that could potentially result in the inadvertent disclosure of confidential computerized data or Client data to unintended parties, or the intentional misappropriation or destruction of data by malicious hackers seeking to compromise sensitive information, corrupt data, or cause operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Cherry Bekaert Wealth Management maintains policies and procedures on information technology security, has implemented certain technical and physical safeguards intended to protect the confidentiality of its internal data, and takes other reasonable precautions to limit the potential for cybersecurity incidents and to protect data from inadvertent disclosure or wrongful misappropriation or destruction. Nevertheless, despite reasonable precautions, the risk remains that cybersecurity incidents could potentially occur, and such incidents, in some circumstances, might result in unauthorized access to sensitive information about Cherry Bekaert Wealth Management or its Clients or their investors, and/or cause damage to Client accounts or Cherry Bekaert Wealth Management’s activities for Clients or their investors. Cherry Bekaert Wealth Management will seek to notify affected Clients and investors of any known cybersecurity incident that could pose a substantial risk of exposing confidential personal data about such Clients or investors to unintended parties.

Disciplinary Information

Cherry Bekaert Wealth Management is required to disclose any legal or disciplinary events that would be material to your evaluation of us. We have no legal or disciplinary events to disclose.

Other Financial Industry Activities and Affiliations

Cherry Bekaert LLP (“Cherry Bekaert”)

We are a wholly owned subsidiary of Cherry Bekaert, a firm engaged in the practice of public accounting. We do not believe the relationship between us and Cherry Bekaert presents any material conflicts of interest. Clients of the accounting firm who need portfolio management plan services are often referred to us for assistance. Employees of the accounting firm are not compensated for client referrals.

Cherry Bekaert Benefits Consulting, LLC (“CBBC”)

CBBC is a joint venture affiliate of Cherry Bekaert, LLP and Chernoff Diamond & Co. CBBC provides consulting, administrative, implementation and procurement services for group health and benefit plans, qualified and non-qualified retirement plans, executive compensation and human capital, risk management/property and casualty insurance, and private client insurance. In certain circumstances, CBWM provides investment advisory services to retirement plans such as 401(K)s and defined benefit plans, while CBBC provides consulting, actuarial, recordkeeping and/or Third-Party Administrator services to those plans. CBBC and CBWM charge a separate and

unique fee for the services each provides. We do not compensate CBBC for any services, nor are CBWM clients obliged to use CBBC's services.

Purshe Kaplan Sterling Investments ("PKS")

PKS is a FINRA-registered broker-dealer. We have employees who are registered representatives of PKS and are eligible to receive commissions for selling security products to investors. In order to manage potential conflicts of interest, we have established policies which restrict the types and limits of brokerage products that are sold to clients. Employees cannot earn a commission from an advisory client unless the amount of the commission has been fully disclosed to the client in writing. Clients can pay advisory fees on assets used to purchase brokerage product in the quarter in which the recommendation to purchase the brokerage product was made. Cherry Bekaert Wealth Management and PKS are not affiliated companies.

Insurance Agency

In addition to Cherry Bekaert Wealth Management LLC being a registered investment adviser, we are also a licensed insurance agency in certain states where we conduct business. We have employees who are licensed as insurance agents and are eligible to receive commissions for selling insurance products to clients. Employees cannot earn a commission from an advisory client unless the amount of the commission has been disclosed to the client in writing. In addition, the client is under no obligation to purchase insurance products through us.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Cherry Bekaert Wealth Management has adopted a Code of Ethics (the "Code") expressing the Firm's commitment to ethical conduct. The Code is designed to, among other things, ensure that employees comply with applicable federal securities laws and that decisions about the best interests of our clients will not be compromised or appear to be compromised by the personal interests of any employee. The Code requires that employees provide annual securities holdings reports and quarterly transactions reports to the Chief Compliance Officer and that any transactions in initial public offerings or private placements be pre-approved. Cherry Bekaert Wealth Management employees are permitted to invest in the same securities recommended for clients. Because we primarily recommend open-end mutual funds, which trade once per day, the risk of front-running client accounts is not probable. Employee trades should be executed in a manner consistent with the Firm's fiduciary obligation to our clients. Trades should avoid actual improprieties as well as the appearance of impropriety.

Cherry Bekaert Wealth Management will provide a copy of its Code of Ethics to any client or prospective client upon request. The Code can be requested by calling the number on the cover of this brochure.

Brokerage Practices

When managing client accounts, Cherry Bekaert Wealth Management will generally utilize the custody, brokerage and clearing services of any firm that a Client chooses. However, Cherry Bekaert Wealth Management generally recommend that clients arrange for their assets to be held with Charles Schwab & Co., Inc. ("Schwab"). Schwab generally does not charge clients separately for custody services but is compensated by charging transaction fees on trades that it executes or that settle into the Schwab account. Please review the Terms in Schwab's account

application. On a no less than annual basis, we perform due diligence of the services, related costs, etc. provided by Schwab and other custodians to ensure that our recommendation of Schwab as custodian remains in the best interest of the client.

Certain client accounts are not custodied at Schwab. For these accounts, trades are generally placed directly with the client's custodian. Examples of such accounts are plan consulting and advisory services for employer-sponsored retirement plan accounts.

Schwab makes various support services available to both Cherry Bekaert Wealth Management and our clients. Some of these services help us to manage or administer our clients' accounts, while others help us to manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The availability of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Services that Benefit Clients

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit clients and their accounts.

Services that Do Not Always Benefit Clients

Schwab also makes available to us other products and services that benefit us but do not always directly benefit clients or their accounts. These products and services assist us in managing and administering clients' accounts. They include investment research, both Schwab's own and that of third parties. We use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- ▶ provide access to client account data (such as duplicate trade confirmations and account statements);
- ▶ provide pricing and other market data;
- ▶ facilitate payment of our fees from our clients' accounts; and
- ▶ assist with back-office functions, recordkeeping and client reporting.

Services that Generally Benefit Only Us

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- ▶ educational conferences and events;
- ▶ technology, compliance, legal and business consulting; and
- ▶ publications and conferences on practice management and business succession.

Schwab provides some of these services directly. In other cases, it will arrange for third-party vendors to provide such services. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel. All of the benefits highlighted do not depend on the amount of transactions directed by us to Schwab.

Clients should be aware that the receipt of economic benefits by Cherry Bekaert Wealth Management described above, in and of itself, creates a potential conflict of interest and may directly or indirectly influence our recommendation of Schwab for custody and brokerage services.

While Cherry Bekaert Wealth Management has the ability to use other brokers to place trades, currently all trades are placed through Schwab since they also serve as the custodian. Any time the Company places trades with other brokers, Schwab charges clients trade-away fees, and the Company believes these fees outweigh any benefits when placing trades with other brokers.

Directed Brokerage

Clients have the ability to direct us to use particular brokers for executing transactions. Clients who direct us to use particular brokers sometimes pay higher transaction fees and/or commissions than those who do not. For any trades of fixed income or other non-mutual fund products, if a client directs us to use a particular brokerage firm it could result in an unfavorable trade execution when compared to the trades that are run through Schwab. We reserve the right to decline acceptance of any client account that directs the use of a broker dealer other than Schwab, if we believe that the broker-dealer would adversely affect our fiduciary duty to the client and or the ability to effectively service the client portfolio.

Aggregate Trading

Since we primarily invest in mutual funds we do not typically aggregate trades when buying or selling the same mutual fund across client accounts. Instead we communicate individual orders directly to the broker dealer, e.g. Schwab, and all clients receive the same closing price. Should it be in the client's best interest, we will in certain circumstances allocate trades across multiple accounts.

Review of Accounts

Client accounts are continually monitored. The Financial Advisor's review process includes:

- ▶ Assessing client goals and objectives;
- ▶ Reviewing the client's financial situation;
- ▶ Evaluating the employed strategy;
- ▶ Monitoring the performance and asset class exposures; and
- ▶ Addressing the need to rebalance the portfolio.

Performance reports are provided upon request and custodial statements are provided by the custodian no less than quarterly.

Client Referrals and Other Compensation

We compensate third parties (the "Solicitor") for client referrals. The Solicitor's primary role is to introduce us to prospective clients ("Solicited Client"). For each Solicited Client referred to us, the Solicitor receives a percentage of all investment management fees we collect. The Solicitor is required to provide a written solicitor disclosure statement at the time of the solicitation. The statement will disclose many items including the amount of compensation the Solicitor will receive.

Custody

Cherry Bekaert Wealth Management does not physically hold Client assets. All Client assets are held in custody by unaffiliated broker dealers, however a registered investment adviser that can debit accounts to collect fees is considered to have custody. Rule 206(4)-2 imposes a number of requirements on an SEC-registered investment adviser that is deemed to have custody of its clients' funds and securities.

In addition to debiting accounts to collect advisory fees, Cherry Bekaert Wealth Management has entered into certain signed third-party standing letters of authorization ("SLOAs") that allow us to transfer funds to select third-party accounts based on instructions provided in writing by and verbally confirmed by our Clients. Based upon SEC guidance, this arrangement causes us to have limited access (or "custody") to our Clients' accounts for the limited purpose of initiating transfers from the accounts, based both on Clients' written and verbal direction. Cherry Bekaert Wealth Management is not subject to an independent surprise audit of its Clients' custodial accounts by an independent accounting firm that is registered with and frequently reviewed by the Public Company Accounting Oversight Board ("PCAOB"), as would customarily be required under SEC custody rules for advisers who maintain SLOAs, because the conditions set forth in the no-action letter dated February 21, 2017, addressed to the Investment Adviser Association, have been met. Our Clients' custodian(s) (Financial Institutions), who are solely responsible for the safekeeping of client assets, has represented to Cherry Bekaert Wealth Management that they have achieved compliance with all applicable conditions (6 out of 7) of the SEC's no-action letter. In satisfying the remaining 7th condition in the SEC no-action letter Cherry Bekaert Wealth Management is not affiliated with, nor are we located at the same address of our clients custodians. Further, the custodian must confirm these instructions at least annually with the Client. Cherry Bekaert Wealth Management has no ability change any aspect of a SLOA or routing information regarding such disbursements and the Client can terminate such instruction at any time.

To comply with Rule 206(4)-2 and to provide meaningful protection to our clients' accounts, the account custodians send statements directly to the account owners at least quarterly. Clients should carefully review these statements, and should compare these statements to any account information we provide. Any fees we deduct from the account will appear on the client's custodial statement.

Investment Discretion

Cherry Bekaert Wealth Management generally receives discretionary authority in writing from each client at the outset of an advisory relationship, when a client signs an Investment Advisory Agreement which gives us the power to direct trades in their account(s). Discretionary authority generally allows us to execute and make the following determinations about securities transactions without obtaining the client's consent: (1) which securities are bought and sold for the account; (2) the total amount of securities to be bought and sold. Our authority to make investment-related decisions is, in some cases limited by account guidelines, investment objectives and trading restrictions, as agreed between the client and Cherry Bekaert Wealth Management.

With respect to any account for which Cherry Bekaert Wealth Management meets the definition of a fiduciary under Department of Labor rules, Cherry Bekaert Wealth Management acknowledges that Cherry Bekaert Wealth Management and its Related Persons are acting as fiduciaries.

Additional disclosure is found elsewhere in this Brochure or in the written agreement between Cherry Bekaert Wealth Management and the Client.

Voting Client Securities

As a matter of Firm policy and practice, we do not exercise proxy-voting authority. Clients maintain exclusive responsibility for 1) directing the manner in which proxies solicited by issuers or securities owned by the client will be voted, and 2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive applicable proxies directly from the custodian.

Financial Information

Cherry Bekaert Wealth Management is required to provide certain financial information or disclosures about our financial condition. We are not aware of any financial condition that impairs our ability to meet contractual commitments to our clients and have not been the subject of any bankruptcy proceedings.

Cherry Bekaert Wealth Management LLC

Part 2B of Form ADV
The Brochure Supplement
July 2020

PRINCIPAL OFFICE 200 South 10th Street, Suite 900 Richmond, VA 23219 804.673.5700 www.cbhwealth.com

This brochure supplement provides information about Registered Investment Advisor Representatives of Cherry Bekaert Wealth Management. It supplements the accompanying Form ADV brochure. Please contact Cherry Bekaert Wealth Management's Chief Compliance Officer, Christopher Hill, at 703-584-0234 if you have any questions about the Form ADV brochure or this supplement, or if you would like to request additional or updated copies of either document.

Additional information about each representative is available on the SEC's website at www.adviserinfo.sec.gov.

Key Employee Biographical Information



Wesley H. Watkins

Born 1962

Education

- ▶ Virginia Commonwealth University, Masters of Taxation (1994)
- ▶ Radford University, B.S. Accounting (1984)

Employment History

- ▶ Managing Director, Cherry Bekaert Wealth Management LLC (formerly CB&H Wealth Management Services, LLC) (2008 to Present)
- ▶ Managing Director, Cherry Bekaert LLP (formerly Cherry, Bekaert & Holland, LLP) (2019 to Present)
- ▶ Partner, Cherry Bekaert LLP (formerly Cherry, Bekaert & Holland, LLP) (2008 to 2019)
- ▶ Registered Representative, Cambridge Investment Research (2008-2012)
- ▶ RSM McGladrey, Inc. (2002 to 2007)

Designations

- ▶ Certified Public Accountant (CPA)¹
- ▶ Personal Financial Specialist (PFS)²

Disciplinary Information

Mr. Watkins has not been involved in any legal or disciplinary events.

Other Business Activities

Mr. Watkins is an employee of Cherry Bekaert LLP, a firm engaged in the practice of public accounting. Accordingly, Mr. Watkins is engaged in accounting and tax practices and devotes approximately 20 percent of his time to these activities.

Additional Compensation

Mr. Watkins does not receive economic benefits from any person or entity in connection with the provision of investment advice to clients.

Supervision

Mr. Watkins' investment recommendations are supervised by our Investment Committee. Mr. Watkins' activities are also overseen by the Chief Compliance Officer, Mr. Hill. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.



Mark T. Maund

Born 1960

Education

- ▶ Augusta University, BBA, Finance, Real Estate and Insurance (1983)
- ▶ University of Georgia, Finance (1978 - 1980)

Employment History

- ▶ Senior Financial Advisor, Cherry Bekaert Wealth Management LLC (formerly CB&H Wealth Management Services, LLC and CB&H Business Services, LLC) (2000-Present)
- ▶ Purshe Kaplan Sterling Investments (2012 to 2016)
- ▶ Registered Representative, Cambridge Investment Research (2005-2012)

Disciplinary Information

Mr. Maund has not been involved in any legal or disciplinary events.

Other Business Activities

Mr. Maund is licensed to sell insurance products for various insurance companies. These other business activities create a potential conflict of interest because Mr. Maund receives commissions based on the sale of insurance products through various insurance companies. These practices may give Mr. Maund an incentive to recommend investment products based on the compensation received, rather than on the client's needs. We have addressed these conflicts of interest by requiring Mr. Maund to act solely in your best interest at all times. Mr. Maund is also Pastor at Riverview United Methodist Church in Evans, Georgia.

Additional Compensation

Mr. Maund does not receive economic benefits from any person or entity in connection with the provision of investment advice to clients.

Supervision

Mr. Maund's investment recommendations are supervised by our Investment Committee. Mr. Maund's activities are also overseen by the Chief Compliance Officer, Mr. Hill and the President, Mr. Watkins. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.



Kevin M. Shea

Born 1969

Education

- ▶ Clemson University, B.S. Accounting (1991)

Employment History

- ▶ Senior Financial Advisor, Cherry Bekaert Wealth Management LLC (formerly CB&H Wealth Management Services, LLC) (2004-Present)
- ▶ Purshe Kaplan Sterling Investments (2012 to Present)
- ▶ Registered Representative, Cambridge Investment Research (2005-2012)
- ▶ Registered Representative, Cap Pro Brokerage Services, Inc. (2004-2005)

Designations

- ▶ Certified Public Accountant (CPA)¹
- ▶ Certified Financial Planner (CFP®)³

Disciplinary Information

Mr. Shea has not been involved in any legal or disciplinary events.

Other Business Activities

Mr. Shea is a registered representative with Purshe Kaplan Sterling Investments and is licensed to sell insurance products for various insurance companies. These other business activities create a potential conflict of interest because Mr. Shea receives commissions based on the sale of securities or insurance products through Purshe Kaplan Sterling Investments and the insurance companies. This practice may give Mr. Shea an incentive to recommend investment products based on the compensation received, rather than on the client's needs. We have addressed these conflicts of interest by requiring Mr. Shea to act solely in your best interest at all times. .

Additional Compensation

Mr. Shea does not receive economic benefits from any person or entity in connection with the provision of investment advice to clients.

Supervision

Mr. Shea's investment recommendations are supervised by our Investment Committee. Mr. Shea's activities are also overseen by the Chief Compliance Officer, Mr. Hill and the President, Mr. Watkins. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.



Jeffery A. Gump

Born 1972

Education

- ▶ Virginia Polytechnic Institute & State University (Virginia Tech), B.S. Sports Management (1994)

Employment History

- ▶ Financial Advisor, Cherry Bekaert Wealth Management LLC (formerly CB&H Wealth Management Services, LLC) 2010-Present)
- ▶ Purshe Kaplan Sterling Investments (2012 to Present)
- ▶ Registered Representative, Cambridge Investment Research (2010-2012)
- ▶ Registered Investment Advisor, Level Four Advisory Services, L.L.C, (2008-2010)
- ▶ Registered Representative, Lincoln Financial Securities Corp. (2008-2010)
- ▶ Financial Services Professional, H & R Block Financial Advisors, Inc. (formerly Olde Discount Stockbrokers) (1999-2008)

Disciplinary Information

Mr. Gump has not been involved in any legal or disciplinary events.

Other Business Activities

Mr. Gump is a registered representative with Purshe Kaplan Sterling Investments and is licensed to sell insurance products for various insurance companies. These other business activities create a potential conflict of interest because Mr. Gump receives commissions based on the sale of securities or insurance products through Purshe Kaplan Sterling Investments and the insurance companies. This practice may give Mr. Gump an incentive to recommend investment products based on the compensation received, rather than on the client's needs. We have addressed these conflicts of interest by requiring Mr. Gump to act solely in your best interest at all times.

Additional Compensation

Mr. Gump does not receive economic benefits from any person or entity in connection with the provision of investment advice to clients.

Supervision

Mr. Gump's investment recommendations are supervised by our Investment Committee. Mr. Gump's activities are also overseen by the Chief Compliance Officer, Mr. Hill and the President, Mr. Watkins. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.



Richard D. Cundey

Born 1960

Education

- ▶ Augusta State University, Specialist in Education, 1990
- ▶ Augusta State University, Master of Education, 1988
- ▶ University of Georgia, Bachelor of Science, Education, 1982

Employment History

- ▶ Senior Financial Advisor, Cherry Bekaert Wealth Management LLC (formerly CB&H Wealth Management Services, LLC) (2004-Present)
- ▶ Purshe Kaplan Sterling Investments (2012 to Present)
- ▶ Registered Representative, Cambridge Investment Research (2005-2012)
- ▶ Registered Representative, Cap Pro Brokerage Services, Inc. (2004-2005)
- ▶ First Vice President- Investments, Smith Barney (1994-2004)

Designations

- ▶ Certified Financial Planner (CFP®)³
- ▶ Accredited Investment Fiduciary (AIF®)⁴
- ▶ Chartered Life Underwriter (CLU®)⁵
- ▶ Chartered Financial Consultant (ChFC)⁹
- ▶ Retirement Income Certified Professional (RICP®)¹⁰

Disciplinary Information

Mr. Cundey has not been involved in any legal or disciplinary events.

Other Business Activities

Mr. Cundey is a registered representative with Purshe Kaplan Sterling Investments and is licensed to sell insurance products for various insurance companies. These other business activities create a potential conflict of interest because Mr. Cundey receives commissions based on the sale of securities or insurance products through Purshe Kaplan Sterling Investments and the insurance companies. This practice may give Mr. Cundey an incentive to recommend investment products based on the compensation received, rather than on the client's needs. We have addressed these conflicts of interest by requiring Mr. Cundey to act solely in your best interest at all times.

Additional Compensation

Mr. Cundey does not receive economic benefits from any person or entity in connection with the provision of investment advice to clients.

Supervision

Mr. Cundey's investment recommendations are supervised by our Investment Committee. Mr. Cundey's activities are also overseen by the Chief Compliance Officer, Mr. Hill and the President, Mr. Watkins. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.



Peter W. Tomasch

Born 1982

Education

- ▶ Virginia Commonwealth University, B.S. Finance (2006)

Employment History

- ▶ Financial Advisor, Cherry Bekaert Wealth Management, LLC (2015-Present)
- ▶ Senior Associate Financial Counselor, The Colony Group (2015)
- ▶ Financial Planner, CapGroup Advisors (2006-2015)

Designations

- ▶ Certified Financial Planner (CFP®)³

Disciplinary Information

Mr. Tomasch has not been involved in any legal or disciplinary events.

Other Business Activities

Mr. Tomasch has no other business activities to report.

Additional Compensation

Mr. Tomasch does not receive economic benefits from any person or entity in connection with the provision of investment advice to clients.

Supervision

Mr. Tomasch's investment recommendations are supervised by our Investment Committee. Mr. Tomasch's activities are also overseen by the Chief Compliance Officer, Mr. Hill and the President, Mr. Watkins. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.



Tessie Yuste

Born 1959

Education

- ▶ University of Miami, Masters of Business Administration (1987)
- ▶ University of Miami, Bachelor of Science, Electrical Engineering (1982)

Employment History

- ▶ Purshe Kaplan Sterling Investments (2018 to Present)
- ▶ Senior Financial Advisor, Cherry Bekaert Wealth Management LLC (2016 to Present)
- ▶ First Vice-President, Client Advisor SunTrust Banks, Inc. (2013–2016)
- ▶ Registered Representative, SunTrust Investment Services (2013-2016)
- ▶ Client Advisor, The Lubitz Financial Group (2007-2013)
- ▶ Registered Representative, The Lubitz Financial Group (2007-2013)
- ▶ Vice-President, Nortel Networks (1988–2002)
- ▶ Senior Advisor, AT&T Inc. (1982-1988)

Designations

- ▶ Certified Financial Planner (CFP®)³
- ▶ Accredited Investment Fiduciary (AIF®)⁴
- ▶ Certified Investment Management Analyst (CIMA®)⁶
- ▶ Chartered Divorce Financial Analyst (CDFA™)⁷
- ▶ Certified Trust and Financial Advisor (CTFA)⁸

Disciplinary Information

Ms. Yuste has not been involved in any legal or disciplinary events.

Other Business Activities

Ms. Yuste is a registered representative with Purshe Kaplan Sterling Investments and is licensed to sell insurance products for various insurance companies. These other business activities create a potential conflict of interest because Ms. Yuste receives commissions based on the sale of securities or insurance products through Purshe Kaplan Sterling Investments and the insurance companies. This practice may give Ms. Yuste an incentive to recommend investment products based on the compensation received, rather than on the client's needs. We have addressed these conflicts of interest by requiring Ms. Yuste to act solely in your best interest at all times.

Additional Compensation

Ms. Yuste does not receive economic benefits from any person or entity in connection with the provision of investment advice to clients.

Supervision

Ms. Yuste's investment recommendations are supervised by our Investment Committee. Ms. Yuste's activities are also overseen by the Chief Compliance Officer, Mr. Hill and the President, Mr. Watkins. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

¹Certified Public Accountant (CPA) - CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

²Personal Financial Specialist (PFS) - The PFS credential demonstrates that an individual has met the minimum education, experience and testing required of a CPA in addition to a minimum level of expertise in personal financial planning. To attain the PFS credential, a candidate must hold an unrevoked CPA license, fulfill 3,000 hours of personal financial planning business experience, complete 80 hours of personal financial planning CPE credits, pass a comprehensive financial planning exam and be an active member of the AICPA. A PFS credential holder is required to adhere to AICPA's Code of Professional Conduct and is encouraged to follow AICPA's Statement on Responsibilities in Financial Planning Practice. To maintain their PFS credential, the recipient must complete 60 hours of financial planning CPE credits every three years. The PFS credential is administered through the AICPA.

³Certified Financial Planner (CFP®) - The CFP designation is issued by the Certified Financial Planner Board of Standards, Inc. CFP candidates must have a bachelor's degree (or higher) from an accredited college or university and three years of full-time personal financial planning experience. Candidates must complete a CFP-Board registered program or hold on of the following CPA, ChFC, CLU, CFA, Ph.D. in business or economics, Doctor of Business Administration, or an Attorney's License. To maintain a CFP license, CFPs must complete 30 hours of continuing education every two years.

⁴Accredited Investment Fiduciary (AIF®) - The AIF® Designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF Designation, the individual must meet prerequisite criteria based on a combination of education, relevant industry experience, and/or ongoing professional development, complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the Code of Ethics and Conduct Standards. In order to maintain the AIF Designation, the individual must annually attest to the Code of Ethics and Conduct Standards and accrue and report a minimum of six hours of continuing education. The Designation is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

⁵Chartered Life Underwriter (CLU®) – The CLU® Designation is one of the oldest and most respected credentials in financial services dating back to the late 1920's. It represents a thorough understanding of a broad array of personal risk management and life insurance planning issues and stresses ethics, professionalism, and in-depth knowledge in the delivery of financial advice. To receive the CLU Designation, the candidates must complete eight college-level courses, five required and three electives. Candidate must complete three-years of full-time,

relevant business experience. The candidate must adhere to The American College's Code of Ethics, which includes the following professional pledge: "I shall, in light of all conditions surrounding those I serve, which I shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, I would apply to myself." The CLU must complete 30 houses of continuing education every two years. The Designation may be removed for unethical conduct through the certification committee of The American College's Board of Trustees. The Designation is administered by The American College.

⁶Certified Investment Management Analyst (CIMA®) - The CIMA® Designation is designed specifically for financial professionals who want to attain a level of competency as an advanced investment consultant. Educational component is offered through Wharton School at the University of Pennsylvania. Topics include modern portfolio theory, asset allocation, manager search and selection, investment policy, and performance measurement. Candidates must pass a Qualification Examination prior to enrolling in the education program and undergo a background check through IMCA. CIMA® designees must abide by the Code of Professional Responsibility and the Standards of Practice. 40 hours of continuing education, including two ethics courses, required every two years. The CIMA® credential is accredited by the American National Standards Institute (ANSI). The Investment Management Consultants Association grants the CIMA designation.

⁷Certified Divorce Financial Analyst (CDFA) – The CDFA Designation is designed to prepare the candidate as an expert on the financial aspects of divorce. For many clients, divorce is the largest financial transaction of their lives. The role of the CDFA professional is to address the special financial issues with data to help achieve equitable settlements. Individuals must have a minimum of three years of professional experience in finance or divorce as a financial professional, accountant, or matrimonial lawyer. The course includes 3 Modules exams and Module 4 concludes with a comprehensive case-study exam. To retain the CDFA designation, the professional must also obtain 15 divorce-related hours of continuing education every two years. The Designation is administered through the Institute for Divorce Financial Analysts.

⁸Certified Trust and Financial Advisor (CTFA) – The CTFA Designation helps clients and employers identify you as a skilled, knowledgeable trust and wealth advisor. The CTFA Designation experience required includes five years' experience in wealth management and a bachelor's degree, or 10 years in wealth management, or a minimum of three years' experience in wealth management and completion of an ICB-approved wealth management training program. Each candidate must sign ICB's Professional Code of Ethics statement. The CTFA must complete 45 credits of continuing education every three years including 3 credits in Ethics. The CTFA certification is administered by the American Bankers Association.

⁹Chartered Financial Consultant (ChFC®) – The Chartered Financial Consultant is a professional designation representing completion of a comprehensive course consisting of financial education, examinations, and practical experience. Chartered Financial Consultant designations are granted by The American College upon completion of nine college-level courses. One must have three years of full-time business experience and the three-year period must be within the five years preceding the date of the award. Those who earn the designation are understood to be knowledgeable in financial matters and to have the ability to provide sound advice. The professional must agree to comply with The American College Code of Ethics and Procedures. 30 CE credits are required every two years. The issuing organization (The American College) is accredited by the Middle States Commission on Higher Education Agency.

¹⁰Retirement Income Certified Professional(RICP®) – The RICP® is a professional designation for experienced financial professionals to become experts in retirement income planning. A Retirement Income Certified Professional helps retirees and near retirees develop a plan for managing and using the assets they have

accumulated for retirement in order to live within a realistic budget and not run out of money prematurely. The RICP program consists of three courses: Retirement Income Process Strategies and Solutions; Source of Retirement Income; and Managing the Retirement Income Plan. It is designed for financial professionals who already have a broad-based financial planning credential such as a Certified Financial Planner®. Certificants must have three-plus years of relevant work experience, complete the three courses, and pass exams. The RICP® must adhere to a code of ethics and meet continuing education and reporting requirements. The American College in Bryn Mawr, Pennsylvania, created the RICP designation to serve the financial planning needs of America's increasing population of retirees and near-retirees. The knowledge required to accumulate retirement savings and knowledge required to use that savings to generate a comfortable and lasting income in retirement are two separate entities. While many financial professionals are experienced in advising and helping individuals to accumulate retirement assets, the increasing number of retirees means there is a large demand for expertise in how to manage and use those assets, and fewer advisers have expertise in subjects like how to determine when a client is financial prepared to retire, the rate at which retirement savings should be withdrawn, how an individual's asset allocation should change during retirement, the best age for an individual to start claiming Social Security benefits, how to pay for health care and nursing home care, late-in-life tax planning and retirement housing. The RICP® certificant receive specific training to help clients maintain their customary standard of living throughout retirement, to address income gaps, to create an estate plan and to limit risk.