



FORM ADV PART 2A

Brochure

HERITAGE WEALTH ADVISORS, LLC

**919 EAST MAIN ST
SUITE 950
RICHMOND, VA 23219**

(804) 643-4080

**725 JACKSON STREET
SUITE 202
FREDERICKSBURG, VA 22401**

(540) 376-3500

WWW.HERITAGEWEALTH.NET

Brochure updated

MARCH 29, 2018

This brochure provides information about the qualifications and business practices of Heritage Wealth Advisors, LLC ("Heritage Wealth Advisors" or "HWA"). If you have any questions about the contents of this brochure, please contact us at 804-643-4080. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Heritage Wealth Advisors is also available on the SEC's website at www.adviserinfo.gov

ITEM 2 - MATERIAL CHANGES

- Please see Item 15 for disclosure regarding custody of client assets.
- Laura Bacon has departed Heritage Wealth Advisors. She served in the capacity of COO.

ITEM 3 - TABLE OF CONTENTS

<i>Item 2 - Material Changes</i>	<i>2</i>
<i>Item 3 - Table Of Contents</i>	<i>3</i>
<i>Item 4 - Advisory Business</i>	<i>4</i>
<i>Item 5 - Fees and Compensation</i>	<i>5</i>
<i>Item 6 - Performance-Based Fees and Side-By-Side Management</i>	<i>7</i>
<i>Item 7 - Types of Clients</i>	<i>7</i>
<i>Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss</i>	<i>8</i>
<i>Item 9 - Disciplinary Information</i>	<i>10</i>
<i>Item 10 - Other Financial Industry Activities and Affiliations</i>	<i>10</i>
<i>Item 11 - Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading</i>	<i>11</i>
<i>Item 12 - Brokerage Practices</i>	<i>12</i>
<i>Item 13 - Review of Accounts</i>	<i>15</i>
<i>Item 14 - Client Referrals and Other Compensation</i>	<i>16</i>
<i>Item 15 - Custody</i>	<i>16</i>
<i>Item 16 - Investment Discretion</i>	<i>17</i>
<i>Item 17 - Voting Client Securities</i>	<i>17</i>
<i>Item 18 - Financial Information</i>	<i>17</i>

Item 4 - Advisory Business

Heritage Wealth Advisors is an SEC registered investment adviser (“RIA”) that offers investment advisory and consulting services to high net worth individuals, families, trusts and estates and other institutions, including 401(k), 403(b), 457, and other profit sharing plans. The company is organized as a Limited Liability Company (LLC) and has been in business since 2005. The principal owners of the company are Delores Ann Remo, John Gwyn Jordan III, Charles Thomas Hill, Jr., and Marshall Ogden Chambers.

Investment Advisory Services

HWA offers independent investment strategies designed to meet the specific needs of each client. Heritage Wealth Advisors considers the client’s time horizon, risk tolerance, cash flow needs and other personal preferences when designing an investment portfolio. The firm designs more conservative investment allocations for clients who are more risk adverse or more aggressive investment allocations for clients that desire a more growth-oriented portfolio. When the firm designs and reviews a client’s portfolio, careful consideration is also given to which type of assets are held in each account to maximize tax-efficiencies and keep costs to a minimum. Clients may impose restrictions on investing in certain securities or types of securities within their portfolio.

Financial Planning and Tax Services

HWA offers comprehensive and integrated financial and tax planning services as well as tax preparation (“Consulting Services”). HWA tailors engagement to individual clients based on their needs and requested scope of services. These services may include but are not limited to:

- a. Financial planning
- b. Cash flow analysis
- c. Retirement planning
- d. Insurance planning
- e. Estate planning
- f. Charitable giving planning
- g. Income tax planning
- h. Income tax preparation
- i. Family education

The financial and tax planning process, while customized for each client’s needs, generally involves the following steps:

- Heritage Wealth Advisors holds a preliminary meeting with the client to understand the client’s short- and long-range goals. HWA’s client service team gathers information about the client including the client’s family situation, retirement goals, and major anticipated financial obligations.
- After the introductory meeting(s), HWA will make a proposal in the form of an engagement letter to the client to prepare a financial plan that may include tax planning and tax preparation services.
- HWA organizes and reviews the client’s current financial data. The firm analyzes the quantitative information in terms of tax liability (both income and estate), cash flow, net worth, risk management, investments, and insurance needs.
- Based on analysis of the data, HWA outlines alternative strategies or courses of action intended to help meet the client’s immediate and long-term goals and objectives and to mitigate any potential problems the

firm identifies. HWA then tests the various alternatives to determine their potential impact on the projections.

- At the conclusion of the engagement, HWA prepares and discusses with the client a report that includes recommendations and projections. Heritage Wealth Advisors is available to assist in implementing the actions agreed upon, including investment advisory services and selection of other outside advisers including insurance providers and legal counsel.
- If the client chooses to engage the firm for Investment Advisory Services, the firm and the client sign an investment advisory agreement. The nature and extent of the implementation services are established at that time.

HWA may provide retirement planning services to individuals including managing roll-overs of retirement plan assets into an HWA managed account which could create a conflict of interest. When deciding what to do with retirement assets, an individual generally has four options: (1) leave the money in the former employer's plan; (2) roll over the assets to the new employer's plan if there is one and it permits rollovers; (3) roll over the assets to an Individual Retirement Accounts ("IRA"); or (4) cash out the account value which could have adverse tax consequences depending on the individual's age. If HWA recommends a client roll over its retirement assets to an HWA managed account, such a recommendation creates a conflict of interest if HWA will earn an advisory fee on the rolled over assets. Depending on the options available to the individual, rolling over assets to an HWA managed account could incur higher fees than leaving it in a current plan or moving to another employer-sponsored plan. No client is under any obligation to roll over retirement plan assets to an account managed by HWA. To the extent HWA recommends a client roll over assets from a retirement plan to an IRA managed by HWA, HWA represents it is and its investment adviser representatives are fiduciaries under the Employment Retirement Income Security Act of 1974, or the Internal Revenue Code, or both.

As of March 21, 2018, Heritage Wealth Advisors managed \$604,060,702 on a discretionary basis and \$769,893,187 on a non-discretionary basis.

ITEM 5 - FEES AND COMPENSATION

For Consulting Services, Heritage Wealth Advisors is compensated through fixed fees or hourly charges. These fees are negotiated with the client based on the level and scope of the services to be delivered and the HWA professionals involved with the engagement. Fixed fee Consulting Services engagements are generally paid quarterly in advance. Hourly Consulting Services fees are generally billed upon completion of the engagement. For some large or lengthy projects, HWA may send progress bills when certain milestones are achieved as outlined in the engagement letter. Clients may choose to have Consulting Services bills paid from an investment account by signing a letter of authorization form from the custodian or they may pay by check. A letter of authorization for payment of additional services must be signed by the client for each separate invoice and cannot be made standing for payment of future invoices.

HWA provides discretionary and non-discretionary advisory services to clients on a fee-only basis based on a percentage of assets under management. The compensation for our services, which include monitoring a client's investment results, selecting and monitoring investments, and reporting to the client on a quarterly basis, asset based fees are charged based on the following schedule:

Assets Under Management	Advisory Fee
First \$2 Million	100 bps (1.00%)
Next \$3 Million	80 bps (0.80%)
Next \$15 Million	60 bps (0.60%)
> \$20 Million	50 bps (0.50%)

Under special circumstances, such as the "house holding" of accounts for clients with multiple family members or entities, HWA may negotiate the amount of the fee. HWA determines the fee based upon a number of factors including the amount of work involved, the assets placed under management and the attention needed to manage the account. In some cases, HWA negotiates a flat rate on the portfolio. Heritage reserves the right to negotiate fees for accounts depending on the size and type of account, the investments in the account, and the services required.

Clients agree to the compensation method in advance before HWA provides any Investment Advisory Services or Consulting Services other than initial introductory and information gathering meetings.

Heritage Wealth Advisors charges fees for Investment Advisory Services in advance during the first week of each calendar quarter based on the value of accounts on the last day of the previous quarter. If a client makes contributions and/or withdrawals during a calendar quarter, a pro-rata adjustment for the fee will be made based on the number of days remaining in the quarter multiplied by the quarterly rate for the client. HWA will deduct the fee directly from the client's brokerage or custodial account, pursuant to the written agreement between HWA and the client, unless the client requests HWA send an invoice to the client to pay directly. Regardless of the payment method, HWA sends a statement on a quarterly basis reflecting the fees charged.

Investment advisory services begin with the effective date of a signed Investment Advisory Agreement and in conjunction with the transfer of assets to one of the qualified custodians used by HWA. For the calendar quarter in which investment advisory services begin, fees will be adjusted pro rata based on the number of calendar days in the calendar quarter for which the Agreement was effective.

The fees described above are for advisory services only and do not include other costs that clients may incur. Fees and expenses that mutual funds or unaffiliated investment managers charge, transaction fees, commissions, and custodial fees, are in addition to the Heritage Wealth Advisors fee for advisory services (See section titled *Brokerage Practices* for additional information about client transactions). For example, certain share classes of mutual fund investments can incur an additional commission charge for each transaction. HWA considers all costs associated

with an investment when determining whether it is appropriate for a client and may use different share classes of the same mutual fund in order to achieve optimal cost efficiency on behalf of clients.

A portion of a client's portfolio may be invested in an account known as the HWA Master Limited Partnership ("HWA MLP") portfolio. HWA charges an additional fee of 35ps (0.35%) for assets invested in this model in recognition of the additional supervisory, portfolio allocation, and administrative services required in maintaining the separate account. This fee is deducted on a quarterly basis, in arrears. Each client to whom this additional advisory fee pertains signs an investment advisory addendum in advance of implementation of the separate account. HWA recognizes this is a potential conflict of interest.

Heritage Wealth Advisors or a client may terminate an Investment Advisory Agreement in writing at any time. Because HWA charges investment advisory fees in advance, when an Agreement is terminated, HWA will pro-rate the fees charged for advisory services and refund any unearned fees to the client. HWA calculates the refund owed to client by multiplying the number of calendar days remaining in the quarter in which the Agreement is terminated by the client's quarterly rate. The client is responsible to pay for services rendered until the termination of the Agreement.

Neither Heritage Wealth Advisors nor its employees accept compensation for the sale of securities or other investment products.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Neither Heritage Wealth Advisors nor its employees accept performance-based fees. Performance-based fees are fees based on a share of capital gains or capital appreciation of the assets of a client.

ITEM 7 - TYPES OF CLIENTS

Heritage Wealth Advisors offers investment advisory services to individuals, high net worth individuals, families, trusts and estates, business entities, non-profit organizations, and retirement plans such as 401(k), 403(b), 457, and other profit sharing plans. Heritage Wealth Advisors does not generally require an annual minimum fee or asset level for investment advisory services. HWA, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.)

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Heritage Wealth Advisors utilizes mutual funds, exchange traded funds (ETFs), separately managed accounts, individual equities, and private investments to invest clients' assets in its discretionary accounts. The firm first designs a personalized target asset allocation model based on a client's time horizon, risk tolerance, and other client criteria and then selects specific investments for each asset class. Portfolios are reviewed at least once per quarter. When the Investment Policy Committee determines that a change in the asset allocation model is warranted due to changes in the economic environment, perceived risks or a client's individual situation, HWA will make changes to the percentage of assets that are allocated to each asset class.

Before selecting a mutual fund or separately managed account for use in clients' portfolios, HWA screens funds utilizing risk and return parameters as well as other key data points including alpha, beta, standard deviation and other data metrics. The firm then analyzes an investment company's history of regulatory compliance, investment philosophy, management tenure, investment process, and fee structure. The investment advisory team conducts conference calls and/or in-person interviews with the portfolio managers and runs hypothetical scenarios of the blended portfolios to analyze the risk and return data before utilizing an investment.

Heritage Wealth Advisors monitors mutual funds and separately managed accounts on an ongoing basis for changes in risk and performance. If the Investment Policy Committee determines that an investment is no longer in clients' best interests due to unsubstantiated poor performance, unacceptable changes in how the fund is managed, such as departure of the fund manager, or changes in investment strategy due to market risks or opportunities, a mutual fund or separately managed account may be removed from client portfolios.

In addition to using mutual funds and separately managed accounts, Heritage Wealth Advisors may use other investment strategies within client portfolios. The firm may utilize an options strategy to protect a concentrated position of stock from a sudden price change. When appropriate, the firm will offer advice on individual securities including exchange-listed securities, securities traded over-the-counter, certificates of deposit, municipal securities, United States government securities or interests in partnerships including hedge funds, though this is not the primary function of HWA.

Investing in securities involves risk of loss that clients should be prepared to bear. Heritage Wealth Advisors investment strategies entail substantial risks and it cannot assure its clients will achieve their investment objectives. Heritage Wealth Advisors does not represent, warrant or imply that the services or methods of analysis used by Heritage Wealth Advisors can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to major market corrections or crashes. No guarantees can be offered that clients' goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Heritage Wealth Advisors will provide a better return than other investment strategies. Material risks include:

Risk of Loss: Investing in securities involves risk of loss that clients should be prepared to bear. All investments in securities and other financial investments involves substantial risk of volatility arising from numerous factors that are beyond the control of Heritage Wealth Advisors and investment managers utilized by Heritage Wealth Advisors,

including market conditions, changing domestic or international economic or political conditions, changes in tax laws and government regulation and other factors.

Multiple Manager Risks: Heritage Wealth Advisors generally uses a “manager-of-managers” approach in allocating client assets. Heritage Wealth Advisors will invest client assets with investment managers who make their trading decisions independently. It is possible that one or more investment managers may take investment positions that are opposite of positions taken by other investment managers. Some investment managers may have overlapping strategies or portfolios and thus could accumulate large positions in the same or related instruments at the same time. HWA may not have access to information regarding the underlying investments made by the investment managers or investment funds and thus may not be able to mitigate the associated risks of concentration or exposure to specific markets or strategies. Because each investment manager will trade independently of the others, the trading losses of some investment managers could offset trading profits achieved by other investment managers. In addition, investment managers may compete with each other for similar positions at the same time.

Activities of Investment Managers and Investment Funds: Heritage Wealth Advisors will have no control over the day-to-day operations of any unaffiliated investment fund or investment manager. As a result, there can be no assurance that every investment fund or investment manager will invest on the basis expected by HWA. Furthermore, because Heritage Wealth Advisors will have no control over any investment fund’s or investment manager’s day-to-day operations, clients may experience losses due to the fraud, poor risk management or recklessness of the investment funds or the investment managers.

Allocation Risks: Investment performance will depend largely on Heritage Wealth Advisors decisions as to strategic asset allocation and tactical adjustments made to the asset allocation. At times, Heritage Wealth Advisors judgments as to the asset classes in which clients should invest may prove to be wrong, as some asset classes may perform worse than others or the equity markets generally from time to time or for extended periods of time.

Exchange Traded Funds: ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF.

Equity Securities: Common stocks and other equity securities, including Master Limited Partnerships (“MLP”), generally increase or decrease in value based on the earnings of a company and on general industry and market conditions. The value of a company’s share price may decline as a result of poor decisions made by management, lower demand for the company’s services or products or if the company’s revenues fall short of expectations. There are also risks associated with the stock market overall; in particular, the stock market may experience periods of turbulence and instability.

Fixed Income Securities: A bond’s market value is affected significantly by changes in interest rates. Generally, when interest rates rise, the bond’s market value declines and when interest rates decline, its market value rises. Generally, a bond with a longer maturity will entail greater interest rate risk but have a higher yield. Conversely, a

bond with a shorter maturity will entail less interest rate risk but have a lower yield. A bond's value may also be affected by changes in its credit quality rating or the issuer's financial condition.

Options: Options can be highly volatile investments and involve special risks. Successful investment strategies using options require the ability to predict future movements in securities prices, interest rates and other economic factors. Heritage Wealth Advisors or an investment manager's efforts to use options (even for hedging purposes) may not be successful. Heritage Wealth Advisors or an investment manager may invest in options based on any type of security, index or currency, including options traded on foreign exchanges and options not traded on exchanges. If the Adviser or an investment manager applies a hedge at an inappropriate time or judges market conditions incorrectly, options strategies may reduce a client's return. A client may also experience losses if the prices of option positions were to be poorly correlated with its other investments, or if it could not close its positions because of an illiquid secondary market.

Other Instruments: Heritage Wealth Advisors or an investment manager may take advantage of opportunities with other derivative instrument such as swaps, options on various underlying instruments and other customized "synthetic" or derivative instruments which will be subject to varying degrees of risk.

Duplicate Investment Management Fees: The risk that the investment management fees paid to separate account or mutual fund managers that are in addition to Heritage Wealth Advisors investment management fees could materially reduce investment performance below results experienced by similarly managed accounts without duplicate management fees charged.

ITEM 9 - DISCIPLINARY INFORMATION

Neither Heritage Wealth Advisors nor its management personnel have been subject to any legal or disciplinary action.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Heritage Wealth Advisors utilizes the services of Charles Schwab and Fidelity to custody and trade client assets. Neither the firm nor its employees receives commissions, bonuses, or other incentives from Charles Schwab or Fidelity. Clients may choose to use either custodian when establishing an investment account.

Investment companies that manage mutual funds or separately managed accounts for client assets are independent of Heritage Wealth Advisors. Neither the firm nor its employees receives commissions or bonuses from any investment company. From time to time, we may receive expense reimbursement for travel expenses from certain mutual funds that we have recommended to clients. Travel expense reimbursements are typically a result of attendance at

due diligence and/or investment training events hosted by the mutual fund. The purpose of attending these events are research related. Although receipt of these travel expense reimbursements are not predicated upon specific sales quotas, the reimbursements are typically made by mutual funds for whom sales have been made or it is anticipated sales will be made. We will not recommend mutual funds simply because they pay for our travel costs. Instead, we have a fiduciary duty to our clients to act in good faith and with fairness in all of our dealings with them, and will take such duties into account in dealing with all actual and potential conflicts of interest including receiving payment for travel expenses. Mutual funds recommendations are based on the needs of the client and not the ability of mutual funds to pay for our travel expenses.

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

Code of Ethics

Heritage Wealth Advisors has adopted a Code of Ethics that all employees must sign and adhere to. The firm will provide a copy of the full Code of Ethics to clients or prospective clients at the initiation of an Investment Advisory Agreement or at any time upon request.

The Code of Ethics requires, among other things, that all employees of Heritage Wealth Advisors:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of Heritage Wealth Advisors above one's own personal interests;
- Adhere to the fundamental standard that you should not take inappropriate advantage of your position;
- Avoid or disclose any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on yourself and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve your professional competence and strive to maintain and improve the competence of other investment professionals.
- Comply with applicable provisions of the federal securities laws.

Employee Trading

The principals and employees of Heritage Wealth Advisors may buy and sell the same securities in their own personal accounts as those in client accounts. To avoid any potential conflicts of interest involving personal trades, Heritage Wealth Advisor's Code of Ethics requires employees to:

- 1) Pre-clear certain personal securities transactions
- 2) Report personal securities transactions on at least a quarterly basis
- 3) Provide Heritage Wealth Advisors with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest.

Employees of Heritage Wealth Advisors are prohibited from:

- Trading opposite of the company's recommendations or front-running client accounts, which is a practice generally understood to be employees personally trading ahead of proposed client transactions
- Engaging in short-term trades of mutual fund shares, also known as market timing
- Engaging in the following insider trading activities:
 - Trading by an insider while in possession of material non-public information.
 - Trading by a non-insider while in possession of material non-public information.
 - Communicating material non-public information to others in breach of a fiduciary duty.

ITEM 12 - BROKERAGE PRACTICES

Custodial Firm Selection

Heritage Wealth Advisors utilizes the services of Fidelity and Charles Schwab to custody client assets. Heritage Wealth Advisors will assist clients in selecting which custodian to use after evaluating the client's preferences, anticipated trading patterns, and fees. Heritage Wealth Advisors does not receive compensation or other incentives for recommending a custodian to a client.

Block Trading

When placing trades, orders for the same security entered on behalf of more than one client using the same custodian will generally be aggregated (bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders; filled orders shall be allocated separately from subsequent orders. All clients participating in each aggregated order shall receive the average price and if applicable, pay a pro rata portion of commissions. Transactions are usually aggregated to seek a more advantageous net price and/or to obtain better execution for all clients.

If an aggregated order is executed in its entirety, it will be allocated in accordance with the allocation established for the trade. If the order is partially filled, we will, to the extent practicable, allocate the order on a pro rata basis among participating accounts, which may be subject to rounding to ensure that accounts receive round lots. When pro rata

allocation is not practicable, we will allocate the order in a fair and equitable manner as determined by Heritage Wealth Advisors.

Charles Schwab

Charles Schwab & Co., Inc. (Charles Schwab” or “Schwab” provides Heritage Wealth Advisors and its clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to retail customers. Schwab also makes available various support services. Some of these services help Heritage Wealth Advisors manage or administer clients’ accounts while others help manage and grow our business. These support services are generally available on an unsolicited basis and at no charge to the firm as long as Heritage Wealth Advisors keeps a total of at least \$10 million of clients’ assets in accounts at Schwab. The availability of Schwab’s products and services is not based on Heritage giving particular investment advice, such as buying particular securities for clients.

Services that Benefit Our Clients. Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and the 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.

Services that May Not Directly Benefit Our Clients. Schwab also makes available other products and services that benefit the firm but may not directly benefit a client. These products and services assist us in managing and administering clients’ accounts. They include investment research from Schwab and that of third parties. We may use this research to service all or some substantial number of clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provides access to client account data (such as duplicate trade confirmations and account statements);
- Provides pricing and other market data;
- Facilitates payment of our fees from clients’ accounts; and
- Assists with back-office functions, recordkeeping and client reporting.

Services that Generally Benefit Only HWA. Schwab also offers other services intended to help HWA manage and further develop its business enterprise. These services include:

- Educational conferences and events
- Technology, compliance, legal, and business consulting;
- Publications and conferences on practice management and business succession; and
- Access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services. In other cases, they will arrange for third-party vendors to provide the services to HWA. Schwab may also discount or waive their 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. Heritage Wealth Advisors and Charles Schwab are not affiliates.

As a result of receiving such services for no additional cost, Heritage Wealth Advisors may have an incentive to continue to use or expand the use of Schwab's services. Heritage examined this potential conflict of interest when it chose to enter into the relationship with Schwab and has determined that the relationship is in the best interests of the firm's clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where HWA determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although HWA will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Heritage Wealth Advisors and Charles Schwab are not affiliates.

Fidelity

Heritage Wealth Advisors also has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides Heritage with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Heritage Wealth Advisors to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. Heritage Wealth Advisors does not receive any of the commissions that Fidelity charges.

As part of the arrangement, Fidelity also makes available to Heritage Wealth Advisors, at no additional charge, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies. In other cases, they will arrange for third-party vendors to provide the services to us. Fidelity may also discount or waive their fees for some of these services or pay all or a part of a third party's fees. Fidelity may also provide us with other benefits such as occasional business entertainment of our personnel.

As a result of receiving such services for no additional cost, Heritage Wealth Advisors may have an incentive to continue to use or expand the use of Fidelity's services. Heritage examined this potential conflict of interest when it chose to enter into the relationship with Fidelity and has determined that the relationship is in the best interests of the firm's clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Heritage Wealth Advisors determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Heritage will seek competitive rates, to the benefit of all clients, it may

not necessarily obtain the lowest possible commission rates for specific client account transactions. Heritage Wealth Advisors and Fidelity are not affiliates.

Discount on eMoney Products and Services. Heritage has entered into a contractual relationship with eMoney Advisor, Inc. (“eMoney”) to license technology products and services from eMoney (the “eMoney Services”). eMoney is an affiliate of National Financial Services LLC (“NFS”) and Fidelity Brokerage Services LLC (“FBS” and together with NFS, “Fidelity”).

The eMoney Services assist Heritage in running its operations more efficiently and help enhance and improve Heritage’s communication with its clients. Fidelity has agreed to subsidize a portion of the cost of the eMoney Services as part of its overall business relationship with Heritage (the “Subsidy”). As a result of the Subsidy, Heritage may have a potential conflict of interest with respect to its decision to use Fidelity for execution, custody and clearing for certain client accounts, and Heritage may have a potential incentive to suggest the use of FBS and its affiliates to its advisory clients. However, entering into a contractual relationship with eMoney does not limit Heritage’s duty to select brokers on the basis of best execution. While Fidelity may provide the Subsidy, it is not a party to the contract between Heritage and eMoney. Further, there is no form of legal partnership, agency, affiliation, or similar relationship between Heritage and Fidelity Investments, nor is such a relationship created or implied in the provisions of the Subsidy.

ITEM 13 - REVIEW OF ACCOUNTS

Heritage Wealth Advisors reviews client accounts four times per year at a minimum, following the end of each calendar quarter. Client accounts are reviewed on a more frequent basis as economic and market environments warrant or if a client’s personal financial situation changes. Where applicable, client accounts are also reviewed to harvest tax losses on a periodic basis.

During an account review, Heritage Wealth Advisors considers each client’s appropriate risk and return parameters, whether the account should be rebalanced, and cash flow needs of the client. The underlying investments within client accounts are also reviewed four times per year at a minimum. For additional information about the review of accounts’ underlying investments, please see the section on Methods of Analysis, Investment Strategies and Risk of Loss.

Client account reviews are conducted by the firm’s Investment and Relationship Managers.

Heritage Wealth Advisors provides written consolidated quarterly performance reports to clients regarding their investment accounts. These reports are in addition to account statements provided by Charles Schwab or Fidelity, the firm’s custodians.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Heritage Wealth Advisors occasionally offers professional referrals to clients for services it does not provide such as legal services, insurance, banking services, etc. The firm does not receive any financial incentive for providing these referrals.

Other professionals or clients occasionally refer prospective clients to Heritage Wealth Advisors. Other professionals or clients are never compensated for referring a prospective client to the firm.

ITEM 15 - CUSTODY

The firm's qualified custodians, Charles Schwab and Fidelity, hold client assets and send monthly account statements directly to the firm's clients. HWA encourages its clients to carefully review the statement and confirmations sent to them by their custodian, and to compare the information on their quarterly report prepared by HWA against the information provided by the custodian.

As previously disclosed under "Fees and Compensation," HWA may deduct fees directly from the client's brokerage or custodial account, pursuant to the written agreement between HWA and the client. Clients will receive a statement directly from either Schwab or Fidelity itemizing the fees deducted from their accounts. The invoice will also state that the fee was not independently calculated or verified by Schwab or Fidelity.

We assist clients with the transfer of their assets between two or more of a client's accounts maintained at the client's custodian or maintained with multiple custodians. This ability to transfer a client's assets between the client's accounts, provided the client has authorized the adviser in writing to make such transfers, causes Heritage to exercise limited custody over these funds or securities.

With respect to third party standing letters of authorization ("SLOA"), where a client may grant Heritage Wealth Advisors the authority to direct custodians to disburse funds to one or more third party accounts, including taxing authorities for certain tax payments, we are deemed to have limited custody. However, we are not required to comply with the surprise examination requirement of the Custody Rule on these specific transaction if we are otherwise in compliance with the seven representations noted in the February 21, 2017, no-action letter.

Heritage Wealth Advisors offers a bill-paying service to certain clients and is subject to an annual surprise audit by a PCAOB independent public accountant in accordance with SEC regulations. Certain estimated quarterly tax payments Heritage Wealth Advisors makes on behalf of its clients are also subject to an annual surprise audit in accordance with SEC regulations.

ITEM 16 - INVESTMENT DISCRETION

Heritage Wealth Advisors accepts discretionary authority to manage securities accounts on behalf of clients. Clients may place limitations on this authority such as restrictions on selling or buying specific securities or types of securities. An investment advisory agreement and account application must be signed and initialed by the client before discretionary authority is assumed over client assets.

ITEM 17 - VOTING CLIENT SECURITIES

It is the policy of Heritage Wealth Advisors not to vote proxies on behalf of clients. HWA will allow contracted third party portfolio managers to vote proxies for clients. In the event a third party portfolio manager votes proxies for clients, a summary of the manager's proxy voting policy is included in the manager's disclosure brochure, Form ADV Part 2. For individually held positions, clients will receive proxies by mail or email from the custodian holding the securities. Clients are able to vote on these proxies on their own behalf. Clients may wish to have their proxies voted by an independent third party or other named fiduciary or agent, at the client's cost.

Heritage Wealth Advisors will provide a copy of the full Proxy Voting Policy to clients or prospective clients upon request.

ITEM 18 - FINANCIAL INFORMATION

Heritage Wealth Advisors has never been subject to a bankruptcy petition and is not aware of any financial condition that is expected to affect its ability to manage client accounts.