

**Brochure**

**Form ADV Part 2A**

**Item 1 - Cover Page**



CRD #150821

509 Fenton Place  
Charlotte, North Carolina 28207

(704) 336-6818

[www.EastoverCapital.com](http://www.EastoverCapital.com)

**August 7, 2018**

This Brochure provides information about the qualifications and business practices of Eastover Investment Advisors, LLC (DBA Eastover Capital Management). If you have any questions about the contents of this Brochure, please contact us at (704) 336-6818 or [wmackey@eastovercapital.com](mailto:wmackey@eastovercapital.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Eastover Capital Management is an investment advisory firm registered with the appropriate regulatory authority. Registration does not imply a certain level of skill or training. Additional information about Eastover Capital Management also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

**Item 2 - Material Changes**

This Brochure is prepared in the revised format required beginning in 2011. Registered Investment Advisors are required to use this format to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The Brochure requirements include the annual provision of a Summary of Material Changes (the "Summary") reflecting any material changes to our policies, practices, or conflicts of interest made since our last required "annual update" filing. In the event of any material changes, such Summary is provided to all clients within 120 days of our fiscal year-end. Our last annual update was filed on March 12, 2018. Of course the complete Brochure is available to clients at any time upon request.

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#### ***Item 4 - Advisory Business***

##### **General Information**

Eastover Investment Advisors, LLC, was formed in 2009, when it purchased Eastover Capital Management. Eastover Capital Management was originally formed in 1988 by Donald Toney, who continues to serve on Eastover's Investment Committee. Eastover Investment Advisors, LLC uses the d/b/a of Eastover Capital Management ("Eastover"), and provides portfolio management services to its clients.

Yancey Williams ("Will") Mackey is the sole principal owner of Eastover. Please see ***Brochure Supplement***, Exhibit A, for more information on Mr. Mackey and other individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

As of December 31, 2017 Eastover managed \$170,289,070 on a discretionary basis and \$11,612,438 assets on a non-discretionary basis.

#### **SERVICES PROVIDED**

At the outset of each client relationship, Eastover spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and reviewing options for the client. Based on its reviews, Eastover generally develops with each client:

- a financial outline for the client based on the client's financial circumstances and goals, and the client's risk tolerance level (the "Financial Profile" or "Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan" or "Plan").

The Financial Profile is a reflection of the client's current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments Eastover will make on behalf of the client to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

##### **Financial Planning**

Eastover offers limited financial planning services to those clients in need of such service in conjunction with Portfolio Management services. Eastover's limited financial planning services normally address areas such as general cash flow planning, retirement planning, and insurance analysis. The goal of this service is to assess the financial circumstances of the client to more effectively develop the client's Investment Plan. Financial Planning is not offered as a stand-alone service or for a separate fee, but is typically provided in conjunction with the management of the portfolio.

##### **Portfolio Management**

As described above, at the beginning of a client relationship, Eastover meets with the client, gathers information, and performs research and analysis as necessary to develop the client's Investment Plan. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by Eastover based on updates to the client's financial or other circumstances.

To implement the client's Investment Plan, Eastover will manage the client's investment portfolio on a discretionary basis. As a discretionary investment adviser, Eastover will have the authority to supervise and direct the portfolio without prior consultation with the client.<sup>1</sup>

Notwithstanding the foregoing, clients may impose certain written restrictions on Eastover in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of Eastover.

#### Retirement Plan Advisory Services

Establishing a sound fiduciary governance process is vital to good decision-making and to ensuring that prudent procedural steps are followed in making investment decisions. Eastover will provide Retirement Plan consulting services to Plans and Plan Fiduciaries as described below. The particular services provided will be detailed in the consulting agreement. The appropriate Plan Fiduciary(ies) designated in the Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of the recommendations that we may provide. The Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Plan. Retirement Plan consulting services may be offered individually or as part of a comprehensive suite of services.

The Employee Retirement Income Security Act of 1974 ("ERISA") sets forth rules under which Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, Eastover will be considered a fiduciary under ERISA. For example, Eastover will act as an ERISA § 3(21) fiduciary when providing non-discretionary investment advice to the Plan Fiduciaries by recommending a suite of investments as choices among which Plan Participants may select. Also, to the extent that the Plan Fiduciaries retain Eastover to act as an investment manager within the meaning of ERISA § 3(38), Eastover will provide discretionary investment management services to the Plan. With respect to any account for which Eastover meets the definition of a fiduciary under Department of Labor rules, Eastover acknowledges that both Eastover and its Related Persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between Eastover and Client.

#### Fiduciary Management Services

- *Discretionary Management Services*

When retained as an investment manager within the meaning of ERISA § 3(38), Eastover provides continuous and ongoing supervision over the designated retirement plan assets.

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<sup>1</sup> Eastover has a legacy fee-sharing arrangement with a Separate Account Manager ("Manager") to provide discretionary investment management services to a few of Eastover's clients. Eastover does not select or recommend Managers to new clients.

Eastover will actively monitor the designated retirement plan assets and provide ongoing management of the assets. When applicable, Eastover will have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for the designated retirement plan assets in our sole discretion without first consulting with the Plan Fiduciaries. We also have the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Plan for our management of the designated retirement plan assets.

- *Discretionary Investment Selection Services*

Eastover will monitor the investment options of the Plan and add or remove investment options for the Plan without prior consultation with the Plan Fiduciaries. Eastover will have discretionary authority to make and implement all decisions regarding the investment options that are available to Plan Participants.

- *Investment Management via Model Portfolios.*

Eastover will provide discretionary management of Model Portfolios among which the participants may choose to invest as Plan options. Plan Participants will also have the option of investing only in options that do not include Model Portfolios (i.e., the Plan Participants may elect to invest in one or more of the mutual fund options made available in the Plan, and choose not to invest in the Model Portfolios at all).

#### *Non-Fiduciary Services*

- *Participant Education*

Eastover will provide education services to Plan Participants about general investment principles and the investment alternatives available under the Plan. Education presentations will not take into account the individual circumstances of each Plan Participant and individual recommendations will not be provided unless a Plan Participant separately engages Eastover for such services. Plan Participants are responsible for implementing transactions in their own accounts.

- *Participant Enrollment*

Eastover will assist with group enrollment meetings designed to increase retirement Plan participation among employees and investment and financial understanding by the employees.

### ***Item 5 - Fees and Compensation***

#### General Fee Information

Fees paid to Eastover are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third party consultants. Please see ***Item 12 – Brokerage Practices*** for additional information. Fees paid to Eastover are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, Eastover and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

### Portfolio Management Fees

The annual fee schedule, based on a percentage of assets under management, is as follows:

| <b>Asset Amount</b> | <b>Annual Fee</b> |
|---------------------|-------------------|
| First \$2,500,000   | 1.00%             |
| Over \$2,500,000    | 0.75%             |

The minimum annual fee for any portfolio is \$5,000. Eastover may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where Eastover deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in advance. If management begins after the start of a quarter, fees will be prorated accordingly. With client authorization, unless other arrangements are made fees are normally debited directly from client account(s).

Either Eastover or the client may terminate their Investment Advisory Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to Eastover from the client will be invoiced or deducted from the client's account prior to termination.

### Other Compensation

Certain individuals are licensed to sell insurance in North Carolina and are entitled to receive commissions or other remuneration on the sale of insurance products. As such, these individuals are able to effect insurance transactions and will receive separate, yet customary compensation. To protect client interests, Eastover's policy is to disclose all forms of compensation before any such transaction is executed. Under no circumstance will the client pay both a commission to these individuals and a management fee to Eastover on the same pool of assets.

### ***Item 6 - Performance-Based Fees and Side-By-Side Management***

Eastover does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because Eastover has no performance-based fee accounts, it has no side-by-side management.

### ***Item 7 - Types of Clients***

Eastover serves individuals, high net worth individuals, pension and profit-sharing plans, and charitable organizations. With some exceptions, the annual minimum fee charged is \$5,000. Under certain circumstances and in its sole discretion, Eastover may negotiate such minimums.

### ***Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss***

#### Methods of Analysis

Eastover typically invests for conservative growth. Using a top-down approach that looks at the "big picture" in the global and domestic markets, we breakdown the components into finer details. Absolute risk is assessed based on the current environment, allowing for hedging against fundamental risks in the global market place.

After evaluating the big picture conditions, different sectors are then evaluated to select volatility resistant sectors within the marketplace which are then over weighted within the portfolio. To select individual equities within each sector, we conduct bottom-up fundamental analysis to identify companies that we believe have the potential to outperform. Eastover generally favors volatility resistant large-cap companies with strong revenue generation, a history of increasing yield and good capital management.

Eastover will primarily invest in stocks and fixed income securities. In limited instances where appropriate, ETFs, mutual funds and other securities may also be utilized.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. Eastover may evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

#### Investment Strategies

Eastover's strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for each client. Securities are typically purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

#### Risk of Loss

While Eastover seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While Eastover manages client investment portfolios based on Eastover's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that Eastover allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that Eastover's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, Eastover may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* Eastover will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* Eastover may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* Eastover may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

*Margin Risk.* Eastover does not use margin as an investment strategy. However, clients may elect to borrow funds against their investment portfolio. When securities are purchased, they may be paid for in full or the client may borrow part of the purchase price from the account custodian. If a client borrows part of the purchase price, the client is engaging in margin transactions and there is risk involved with this. The securities held in a margin account are collateral for the custodian that loaned the client money. If those securities decline in value, then the value of the collateral supporting the client's loan also declines. As a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in the client's account. The brokerage firm may issue a margin call and/or sell other assets in the client's account to accomplish this. It is important that clients fully understand the risks involved in trading securities on margin, including but not limited to:

- It is possible to lose more funds than is deposited into a margin account;
- The account custodian can force the sale of assets in the account;
- The account custodian can sell assets in the account without contacting the client first;
- The account holder is not entitled to choose which assets in a margin account may be sold to meet a margin call;
- The account custodian can increase its "house" maintenance margin requirements at any time without advance written notice; and
- The accountholder is not entitled to an extension of time on a margin call.



### ***Item 9 - Disciplinary Information***

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of Eastover or the integrity of Eastover's management. Eastover has no disciplinary events to report.

### ***Item 10 - Other Financial Industry Activities and Affiliations***

Eastover is affiliated with another registered investment advisory firm, Myers Park Capital Management, LLC, which is currently inactive.

Certain personnel are also licensed insurance agents. In their separate and individual capacities, they may sell insurance products for which they earn commissions or earn compensation for referring clients to other third-party insurance agents. Please see ***Item 5 - Fees and Compensation*** for more information.

### ***Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

#### Code of Ethics and Personal Trading

Eastover has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. Eastover's Code has several goals. First, the Code is designed to assist Eastover in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, Eastover owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated with Eastover (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for Eastover's associated persons. Under the Code's Professional Standards, Eastover expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, Eastover associated persons are not to take inappropriate advantage of their positions in relation to Eastover clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time Eastover's associated persons may invest in the same securities recommended to clients. Under its Code, Eastover has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading. These policies are designed to discourage and prohibit personal trading that would disadvantage clients.

#### Participation or Interest in Client Transactions

As outlined above, Eastover has adopted procedures to protect client interests when its associated persons invest in the same securities as those selected for or recommended to clients. In the event of any identified potential trading conflicts of interest, Eastover's goal is to place client interests first.

Consistent with the foregoing, Eastover maintains policies regarding participation in initial public offerings ("IPOs") and private placements to comply with applicable laws and avoid conflicts with client transactions.

Finally, if associated persons trade with client accounts (i.e., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with Eastover's written policy.

### ***Item 12 - Brokerage Practices***

#### **Best Execution and Benefits of Brokerage Selection**

When given discretion to select the brokerage firm that will execute orders in client accounts, Eastover seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, Eastover may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of Eastover's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

Eastover participates in the Fidelity Institutional Wealth Services ("FIWS") program. While there is no direct link between the investment advice Eastover provides and participation in the FIWS program, Eastover receives certain economic benefits from the FIWS program. These benefits may include software and other technology that provides access to client account data (such as trade confirmations and account statements), facilitates trade execution (and allocation of aggregated orders for multiple client accounts), provides research, pricing information and other market data, facilitates the payment of Eastover's fees from its clients' accounts, and assists with back-office functions, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of Eastover's accounts, including accounts not held at Fidelity. Fidelity may also make available to Eastover other services intended to help Eastover manage and further develop its business. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Fidelity may make available, arrange and/or pay for these types of services to be rendered to Eastover by independent third parties. Fidelity may discount or waive fees it would otherwise charge for some of these services, pay all or a part of the fees of a third-party providing these services to Eastover, and/or Fidelity may pay for travel expenses relating to participation in such training. Finally, participation in the FIWS program provides Eastover with access to mutual funds which normally require significantly higher minimum initial investments or are normally available only to institutional investors.

The benefits received through participation in the FIWS program do not necessarily depend upon the proportion of transactions directed to Fidelity. The benefits are received by Eastover, in part because of commission revenue generated for Fidelity by Eastover's clients. This means that the investment activity in client accounts is beneficial to Eastover, because Fidelity does not assess a fee to Eastover for these services. This creates an incentive for Eastover to continue to recommend Fidelity to its clients. While it may be possible to obtain similar custodial, execution and other services elsewhere at a lower cost, Eastover believes that Fidelity provides an excellent combination of these services. These services are not soft dollar arrangements, but are part of the institutional platform offered by Fidelity.

### Directed Brokerage

On a limited basis, clients may direct Eastover to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that Eastover has with Fidelity is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers can in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing Eastover to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with Eastover that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

### Aggregated Trade Policy

Eastover typically directs trading in individual client accounts as and when trades are appropriate based on the client's Investment Plan, without regard to activity in other client accounts. However, from time to time, Eastover may aggregate trades together for multiple client accounts, most often when these accounts are being directed to sell the same securities. If such an aggregated trade is not completely filled, Eastover will allocate shares received (in an aggregated purchase) or sold (in an aggregated sale) across participating accounts on a pro rata or other fair basis; provided, however, that any participating accounts that are owned by Eastover or its officers, directors, or employees will be excluded first.

### Cross Trades

From time to time, Eastover may direct a "cross trade" of securities (including, without limitation, fixed income securities) between client accounts, whereby Eastover arranges for one client account to purchase a security directly from another client. In such cases, Eastover will seek to obtain a price for the security from one or more independent sources. Eastover is not a broker-dealer and receives no compensation from a cross trade; however, the broker-dealer facilitating the cross trade normally charges administrative fees to the clients' accounts.

Eastover may direct a cross trade when Eastover believes that the transaction is in the best interest of the clients, that no client will be disfavored by the transaction, and that the transaction is consistent with Eastover's duty to seek best execution.

### ***Item 13 - Review of Accounts***

Managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by Eastover. These factors generally include, but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. A Principal of Eastover reviews all accounts.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. Eastover will provide additional written reports as needed or requested by the client.

### ***Item 14 - Client Referrals and Other Compensation***

As noted above, Eastover receives an economic benefit from Fidelity in the form of support products and services it makes available to Eastover and other independent investment advisors that have their clients maintain accounts at Fidelity. These products and services, how they benefit our firm, and the related conflicts of interest are described in ***Item 12 - Brokerage Practices***. The availability of Fidelity's products and services to Eastover is based solely on our participation in the programs and not in the provision of any particular investment advice. Neither Fidelity nor any other party is paid to refer clients to Eastover.

### ***Item 15 - Custody***

Fidelity is the custodian of nearly all client accounts at Eastover. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify Eastover of any questions or concerns. Clients are also asked to promptly notify Eastover if the custodian fails to provide statements on each account held.

From time to time and in accordance with Eastover's agreement with clients, Eastover will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades or other similar issues.

### ***Item 16 - Investment Discretion***

As described above under ***Item 4 - Advisory Business***, Eastover manages portfolios on a discretionary basis. This means that after an Investment Plan is developed for the client's investment portfolio, Eastover will execute that plan without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney ("LPOA") is executed by the client, giving Eastover the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. Eastover then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with Eastover and the

requirements of the client's custodian. The discretionary relationship is further described in the agreement between Eastover and the client.

***Item 17 - Voting Client Securities***

As a policy and in accordance with Eastover's client agreement, Eastover does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact Eastover with questions relating to proxy procedures and proposals; however, Eastover generally does not research particular proxy proposals.

***Item 18 - Financial Information***

Eastover does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure with respect to this item.

# **Exhibit A**

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Yancey W. Mackey**

**CRD# 2370209**

**of**

**Eastover Capital Management**

509 Fenton Place  
Charlotte, North Carolina 28207

(704) 336-6818

August 7, 2018

This Brochure Supplement provides information about Yancey (“Will”) Mackey, and supplements the Eastover Capital Management (“Eastover”) Brochure. You should have received a copy of that Brochure. Please contact us at (704) 336-6818 if you did not receive Eastover’s Brochure, or if you have any questions about the contents of this Supplement.

Additional information about Will is available on the SEC’s website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

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***Item 2 - Educational Background and Business Experience***

Yancey W. Mackey (year of birth 1969), CEO, joined Eastover Investment Advisors, LLC d/b/a Eastover Capital Management in 2011 and became the sole principal owner of the Firm in 2015. Will also serves as the Eastover’s Chief Compliance Officer. He was also an Advisor with Allen, Mooney and Barnes Brokerage Services, LLC from 2011 to 2015. From 2007 to 2010, he served as the President of Nexity Financial Services, a company he founded in 2007 which was later acquired by Investment Professionals, Inc.

Will began his career as a financial advisor with both regional and national firms, assisting individuals and families with creating and preserving wealth. His experience includes serving as Regional Marketing Director for Nationwide Investment Services and Vice President of Business Development for Raymond James Financial Services, Inc. His industry management positions have allowed him to work in the company of hundreds of successful advisors, gaining exposure to the best practices of some the industry’s most proficient investment professionals.

Will received a Bachelor of Science in Business Administration with an emphasis in Personnel Management from the University of South Carolina.

Will is a native of Lancaster, South Carolina. He lives in Charlotte with his wife and three daughters where they are members of Forest Hill Church and the Carolina Golf Club.

***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, Will has no such disciplinary information to report.

***Item 4 - Other Business Activities***

Will is licensed to sell insurance in North Carolina and is entitled to receive commissions or other remuneration on the sale of insurance products. As such, Will is able to effect insurance transactions and will receive separate, yet customary compensation. To protect client interests, Eastover's policy is to disclose all forms of compensation before any such transaction is executed. Under no circumstance will the client pay both a commission to Will and a management fee to Eastover on the same pool of assets.

***Item 5 - Additional Compensation***

Will has no other income or compensation to disclose.

***Item 6 - Supervision***

As the sole owner and Chief Compliance Officer of Eastover, Will supervises all duties and activities of the firm, and is responsible for all advice provided to clients. His contact information is on the cover page of this disclosure document.



**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Donn Toney**

**of**

**Eastover Capital Management**

509 Fenton Place  
Charlotte, North Carolina 28207

(704) 336-6818

August 7, 2018

This Brochure Supplement provides information about Donn Toney, and supplements the Eastover Capital Management ("Eastover") Brochure. You should have received a copy of that Brochure. Please contact us at (704) 336-6818 if you did not receive Eastover's Brochure, or if you have any questions about the contents of this Supplement.

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***Item 2 - Educational Background and Business Experience***

Donn Toney (year of birth 1943) serves as an Economic Advisor to the firm and brings over 45 years of industry experience to the table. Donn co-founded Eastover Capital Management, LLC in 1988. The firm was acquired by Eastover Investment Advisors, LLC in 2009, which does business under the Eastover Capital Management name. Prior to Eastover Capital Management, LLC, Donn founded Interstate Asset Management, a subsidiary of Interstate Securities, now a part of Wells Fargo.

Donn received a bachelor's degree in Marketing from Indiana University in 1965 and an MBA from the University of Hartford in 1973.

When Donn is not working, he spends time with his wife of 50 plus years, Dottie, his two daughters and five granddaughters; taking trips and watching or playing sports. Donn is also involved at his church and at the Charlotte City Club.

***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, Donn has no such disciplinary information to report.

***Item 4 - Other Business Activities***

Donn is not engaged in any other business activities.

***Item 5 - Additional Compensation***

Donn has no other income or compensation to disclose.

***Item 6 - Supervision***

As the sole owner and Chief Compliance Officer of Eastover, Will Mackey supervises all duties and activities of the firm, and is responsible for all advice provided to clients. His contact information is on the cover page of this disclosure document.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**David J. Morgan**

**CRD# 4364710**

**of**

**Eastover Capital Management**

509 Fenton Place  
Charlotte, North Carolina 28207

(704) 336-6818

August 7, 2018

This Brochure Supplement provides information about David Morgan, and supplements the Eastover Capital Management ("Eastover") Brochure. You should have received a copy of that Brochure. Please contact us at (704) 336-6818 if you did not receive Eastover's Brochure, or if you have any questions about the contents of this Supplement.

Additional information about David is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

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***Item 2 - Educational Background and Business Experience***

David J. Morgan (year of birth 1951) joined Eastover in 2009 and serves as a Client Advisor. In addition, David is a member of the firm's Investment Policy Committee. David was also a registered representative with Allen, Mooney and Barnes Brokerage Services, LLC from 2009 to 2015.

David brings over 25 years of experience in the investment, trust and private banking industries. As a Private Client Advisor he worked with high net worth clients in all facets of family wealth management and planning.

A Charlotte native, David received a Bachelor's of Science in Social Studies in 1975 from Appalachian State University.

***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, David has no such disciplinary information to report.

***Item 4 - Other Business Activities***

David is licensed to sell insurance in North Carolina and is entitled to receive commissions or other remuneration on the sale of insurance products. As such, David is able to effect insurance transactions and will receive separate, yet customary compensation. To protect client interests, Eastover's policy is to disclose all forms of compensation before any such transaction is executed. Under no circumstance will the client pay both a commission to David and a management fee to Eastover on the same pool of assets.

***Item 5 - Additional Compensation***

David has no other income or compensation to disclose.

***Item 6 - Supervision***

As the sole owner and Chief Compliance Officer of Eastover, Will Mackey supervises all duties and activities of the firm, and is responsible for all advice provided to clients. His contact information is on the cover page of this disclosure document.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Justin M. Brooks**

**CRD# 6629308**

**of**

**Eastover Capital Management**

509 Fenton Place  
Charlotte, North Carolina 28207

(704) 336-6818

August 7, 2018

This Brochure Supplement provides information about Justin Brooks, and supplements the Eastover Capital Management ("Eastover") Brochure. You should have received a copy of that Brochure. Please contact us at (704) 336-6818 if you did not receive Eastover's Brochure, or if you have any questions about the contents of this Supplement.

Additional information about Justin is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

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***Item 2 - Educational Background and Business Experience***

Justin M. Brooks (year of birth 1990) joined Eastover in 2015 and serves as the firm's Research Analyst. In addition, Justin handles the trading and portfolio management duties of the firm and is a member of the Investment Policy Committee. Prior to joining Eastover, Justin supported the New York Institutional trading desk for Merrill Lynch as an Analyst from 2012 to 2015.

Justin attended Clemson University from 2008 to 2011 and graduated with a Bachelor of Science degree in Economics in 2011. Justin holds the Series 65 license, has passed Level 1 of the CFA® program and continues to work towards his CFA® designation\*.

\* The Chartered Financial Analyst® ("CFA®") designation is a professional designation given by the CFA Institute that measures the competence and integrity of financial analysts. The CFA Program is a graduate-level self-study program that combines a broad-based curriculum of investment principles with professional conduct requirements. Candidates are required to pass three levels of examinations covering areas such as accounting, economics, ethics, money management and security analysis. Before a candidate is eligible to become a CFA charterholder, he must meet minimum experience requirements in the area of investment/financial practice. To enroll in the program, a candidate must hold a bachelor's degree.

***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, Justin has no such disciplinary information to report.

***Item 4 - Other Business Activities***

Justin is not engaged in any other business activities.

***Item 5 - Additional Compensation***

Justin has no other income or compensation to disclose.

***Item 6 - Supervision***

As the sole owner and Chief Compliance Officer of Eastover, Will Mackey supervises all duties and activities of the firm, and is responsible for all advice provided to clients. His contact information is on the cover page of this disclosure document.