

Item 1 – Cover Page

BNB Wealth Management, LLC

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This brochure provides information about the qualifications and business practices of BNB Wealth Management, LLC- ("BNB Wealth Management" or the "Firm"). If you have any questions about the contents of this brochure, please contact Andrew R. Bellamah at (301) 562-7300 or at ab@bnbinc.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

At any time, a person may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. Click Investment Advisor Search in the left navigation menu. Select the option for Investment Advisor Firm and enter 107702 (our Firm's CRD number) in the field labeled "Firm IARD/CRD Number". This will provide access to Form ADV Part 1 and Part 2A&B.

A person may also request a copy of this Disclosure Brochure at any time by contacting us at 301-562-7300 or by email at ajbellamah@bnbinc.com

Item 2 – Material Changes

In this section, BNB Wealth Management, LLC. (“BNB”, the “Firm” or “We”) (in the possessive, “Our”) will discuss material changes to this disclosure since its last filing. The last filing of our Form ADV Part 2A (“Disclosure Brochure”) was on July 15th, 2019.

There have been no material changes since the issuance of our last brochure.

Item 3 – Table of Contents

Item 1 - Cover Page.....	1
Item 2 - Material Changes	2
Item 3 - Table of Contents	3
Item 4 - Advisory Business	4
Item 5 - Fees and Compensation	8
Item 6 - Performance-Based Fees and Side-By-Side Management.....	14
Item 7 - Types of Clients	14
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	14
Item 9 - Disciplinary Information	19
Item 10 - Other Financial Industry Activities and Affiliations.....	19
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
Item 12 - Brokerage Practices.....	21
Item 13 - Review of Accounts	23
Item 14 - Client Referrals and Other Compensation	23
Item 15 – Custody	23
Item 16 - Investment Discretion	24
Item 17 - Voting Client Securities	24
Item 18 - Financial Information	24
Item 19 – Customer Privacy Notice.....	25
Item 20 – Business Continuity Plan	26

Item 4 – Advisory Business

Company History & Ownership

Founded in 1997, BNB Wealth Management, LLC ("BNB") is a privately owned, federally registered, full-service investment advisory firm headquartered in Silver Spring, Maryland. Since our inception, we have approached financial management with a unique philosophy that makes our clients our first priorities. We empower our investment professionals to provide personalized wealth management services and portfolio designs based on their clients' individual needs. We offer insurance and investment products and services through our introducing broker-dealer Capitol Securities Management, Inc. (CSM) and through our clearing and custody agent, Raymond James & Associates Asset Management Services ("RJA") (the "Custodian"). BNB has no banking division and does not develop any proprietary products for sale to clients. BNB is a Maryland-based limited liability company and is owned 100% by Andrew R. Bellamah.

Investment Advisory Services

BNB offers a variety of service options to its clients via its investment advisor representatives ("IARs"). Not all services are appropriate for each client. A client will execute an agreement with BNB which will outline the services to be provided to the client along with the cost for such services, and the IAR shall be responsible for providing investment advice to the client.

BNB and its IARs will provide investment advice and portfolio management on a continuous basis to its clients. Through personal discussions with the client, during which the client's goals and objectives are established based on the client's particular circumstances, the IAR will develop the client's personal investment policy. During the data-gathering process, the IAR will determine, among other things, the client's individual objectives, time horizons, risk tolerance, and liquidity needs and need for investment income. As appropriate, the IAR may also review and discuss a client's prior investment history, as well as family composition and background.

Our investment recommendations are not limited to any specific product or service offered by an asset management company, broker-dealer or insurance company and will generally include advice regarding the following types of securities:

Exchange-listed securities	Mutual fund shares	Exchange-traded funds
U.S. government securities	Over-the-counter securities	Foreign issuers
Corporate debt securities	Warrants	Commercial paper
Certificates of deposit	Closed end funds	Stocks
Municipal Bonds	Options contracts on securities	Interests in partnerships
Real Estate Investment Trusts	Investing in oil and gas interests	Advisory UITs

Because some types of investments involve additional risk, they will only be implemented or recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. Clients may impose reasonable restrictions on investing including restrictions on specific securities, types of securities, and/or industry sectors. Once the client's portfolio has been established, we review the portfolio periodically and if necessary, rebalance the portfolio as deemed appropriate based on the client's individual needs.

Client assets will be managed on an individual client basis. BNB Wealth Management, LLC's provides investment advice and sponsors its own wrap fee program and is compensated for providing advisory services for the management of client portfolios participating in the wrap fee program. Given the fact that BNB Wealth Management only offers a wrap program to its clients, it is not required to create and file a separate wrap fee program brochure.

Financial Planning and Consulting Services

BNB offers financial planning services to its clients. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives. Financial planning services may be offered for a single, one-time plan, or clients may choose to engage BNB to perform ongoing monitoring of their financial plan, investments, financial situation and financial objectives on a year-round basis

We gather the required information through in-depth in-person or teleconference interviews. Information gathered includes but is not limited to, the client's current financial status, primary and secondary investment objectives, tolerance for risk, need for investment income, assets, current sources of income, current liabilities, their investment experience, time horizon, special needs, tax status and financial goals. We carefully review investment, bank, insurance and retirement statements supplied by the client, and utilize their current investments to create portfolio snapshot report that breaks down their current holdings asset allocation, historic investment performance and risk metrics, and holdings detail. We compare and contrast the investments that the clients currently own versus their stated investment objectives, tolerance for risk and need for investment income. Should the client choose to implement the recommendations contained in the plan, we may suggest the client work closely with attorneys, accountants, insurance agents, and other related professionals if and as required. Implementation of financial plan recommendations is entirely at the client's discretion.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing home selection and expense planning, Medicaid and elder law.
- **DIVORCE:** We assist the client during the divorce process in regards to the financial impact of spousal support, qualified domestic orders, the division of assets and budget evaluation post-divorce.
- **TUITION PLANNING:** We assist the clients in reviewing all of the savings plans available including 529 Plans, Uniform Gift to Minor Plans, Coverdell Education IRA savings plans

Pension Consulting Services

With respect to advisory services provided to the sponsor of a pension plan, BNB may provide some or all of the following services:

- Due diligence on existing, potential, and selected investment managers and/or service providers
- Retirement plan asset-class menu recommendations
- Investment policy statement review or its development and implementation
- Trustee education
- Plan design recommendations
- Plan mid-year and year-end reviews with trustee(s), as appropriate
- Investment monitoring reports
- Substitution recommendations
- Watch list recommendations
- Model portfolio generation for participants
- Participant educational workshops
- Site visits when/where needed, upon request

Upon request, BNB can review an existing or prepare a new investment policy statement (IPS) or similar plan document. The purpose of the IPS is to assist investment committees or plan sponsors in effectively supervising, monitoring and evaluating the company's retirement plan. Topics may include:

- Investment committee's expectations, objectives and guidelines for the plan, as well as ensuring effective communications between the investment committee and all parties involved with investment management decisions;
- Establishing formal criteria for provider selection and evaluation; and,
- Complying with all ERISA, fiduciary, prudence and due diligence requirements applicable with laws, rules and regulations from various local, state or federal entities that may impact plan assets.

Non-Investment Consulting/Implementation Services

To the extent requested by the client, BNB Wealth Management *may* provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, and general education for employer based retirement plans. Neither BNB Wealth Management, nor any of its representatives, serves as an attorney and no portion of BNB Wealth Management's services should be construed as legal advice. To the extent requested by a client, BNB Wealth Management may provide the client with a list of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.), including certain of BNB Wealth Management's investment advisor representatives in their separate registered/licensed/certified capacity as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from BNB Wealth Management. **Please Note:** If the client engages any such professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify BNB Wealth Management if there are ever any changes in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

Cash Positions. BNB Wealth Management maintains cash positions for a variety of reasons including but not necessarily limited to, operational maintenance of the account, periodic distributions from the account and for defensive purposes. Positioning cash as a defensive asset may be undertaken at any specific point in time, depending on perceived or

anticipated market conditions/events (there being **no guarantee** that such market conditions/events will occur). All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating BNB Wealth Management's advisory fee.

Private Investment Funds. BNB Wealth Management does not currently invest in private investment funds in any of its investment portfolios although legacy positions may exist.

Client Obligations. In performing its services, BNB Wealth Management relies on information received from the client or from the client's other professionals, and has no obligation to independently verify any of that information. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify BNB Wealth Management if there is ever any change in his/her/its financial situation, investment objectives, tolerance for risk, time horizon or need for investment income for the purpose of reviewing/evaluating/revising BNB Wealth Management's previous recommendations and/or services.

Disclosure Statement. A copy of our written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of an Investment Advisory or Financial Planning Agreement.

Fee Differentials. As indicated in Item 5 below, in certain circumstances, BNB Wealth Management, in its sole discretion, may charge a different fee to its clients based upon various objective and subjective factors, including, but not limited to: the amount and composition of the assets placed under BNB Wealth Management's management, the complexity of the engagement, the potential for additional deposits, your relationship and history with BNB Wealth Management, and the level and scope of the overall investment advisory services to be rendered. As a result of these factors, the services to be provided by BNB Wealth Management to any particular client could be available from other advisors at lower fees. All clients and prospective clients should be guided accordingly.

When providing asset management services, BNB Wealth Management typically constructs each client's account holdings using primarily mutual funds to build diversified portfolios. We do not typically attempt to time the market but we may increase cash holdings modestly, as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, and legacy holdings, inheritances, closely held businesses, collectibles or special tax situations. Please refer to **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss** for more information.

BNB Wealth Management's services are provided based on the individual needs of each client. This means, for example, that clients are given the ability to impose restrictions on the accounts we manage for them, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine their investment objectives and suitability information. However, we reserve the right to not enter into an investment advisor relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

LIMITATIONS: As the IARs of BNB Wealth Management, LLC are registered as representatives of a broker-dealer and/or as insurance agents/brokers of various insurance companies, recommendations made in financial plans are limited to only those products offered through these companies.

Item 5 – Fees and Compensation

In addition to the information provided in **Item 4 – Advisory Business**, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements.

Asset Management Services

BNB Wealth Management Program accounts are serviced by our introducing broker-dealer (CSM) and their Custodian (RJA) in each one's capacity as a registered broker-dealer regulated by FINRA (the Financial Industry Regulatory Authority) and a member of SIPC (the Securities Investor Protection Corporation). CSM is also an investment advisor registered with the SEC, but does not serve as an investment advisor for you through the BNB Wealth Management Program. Raymond James & Associates provides clearing, custody and other brokerage services for accounts established through the BNB Wealth Management Program. You are required to establish a brokerage account(s) through CSM. Separate accounts are maintained for you and you retain all rights of ownership of your accounts (e.g., the right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations). Under the BNB Wealth Management Program, we are able to offer participants investment management services, for a negotiable single specified or tiered annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees.

FEES FOR INVESTMENT ADVISORY SERVICES

BNB's Advisory Fee for providing investment advisory advice is calculated as a percentage of assets under management in the account, payable in arrears on a quarterly basis and is specified in the investment advisory agreement that all clients must review and sign. The maximum Advisory Fee is 1.75% per annum. BNB and the Custodian (RJA) receive a portion of the Advisory Fee as does the IAR as his or her compensation. The services to be provided by BNB Wealth Management to any particular client may be available from other advisors at lower fees. (See also Fee Differential discussion in Item 4 – Advisory Business above.)

Limited Negotiability of Advisory Fees: We retain the discretion to negotiate alternative fees on a client-by-client basis. The specific annual fee is identified in the investment management agreement between the IAR and each client. Client facts, circumstances and needs are considered in determining the fee schedule.

These include but are not limited to:

- Complexity of the client;
- Assets to be placed under management;
- Anticipated future additional assets;
- Related accounts;
- The investment experience and financial sophistication of the client;
- Account composition

FEES WHEN PARTICIPATING IN WRAP FEE PROGRAMS SPONSORED BY BNB

For clients who participate in the Program, the client will pay a "Wrap Fee" which includes investment advisory services as well as brokerage execution costs, without regard to the number of transactions executed during the billing period. BNB has negotiated fees with CSM and RJA for clearing and execution services. Transaction costs imposed by CSM and RJA are covered as part of the Wrap Fee. The fee is calculated on a quarterly basis, based upon assets in the client account and based on the average daily market value over the prior quarter for each account under management. The IAR is paid from this Wrap Fee. The maximum Wrap Fee is 1.75% per annum based upon the market value of the securities and cash or cash equivalents in the client's account and the complexity of the client services provided.

The Wrap Fee does not include certain account and securities related costs, including the fees embedded in the mutual funds, ETFs or annuities in which wrap fee accounts invest. In addition, the fee does not include debit balances, related margin interest, IRA and retirement plan fees, transfer fees, wire transfer fees, overnight check fees, account closing fees, paper statement delivery fees, non-standard asset fees, insufficient fund fees, returned check fees, precious metal storage fees, alternative asset fees, expenses charged by the mutual funds, expenses charged by the variable annuities and exchange traded funds, or other fees or taxes that are required by law. These fees will increase the net cost to the clients.

Program Wrap Fees may vary from fees that might otherwise be charged if a client was to select a separate brokerage service and negotiate commissions in the absence of the additional advisory service provided by BNB. The overall cost associated with a client's relationship with BNB (and the compensation we receive) varies depending on several factors including but not limited to, the client's particular investment advice and service requirements, product preferences and the value of a client's account or the client's household's relationship with the Firm.

For All Accounts

The annual fee is divided and paid quarterly in arrears through a direct debit to your account. Our Firm directly debits advisory fees from client accounts based on the average daily value and in arrears the month after the quarter end. As part of this billing process, the account custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement. BNB does not have actual or constructive custody of client accounts. Fees for accounts opened at any time other than the beginning of a quarter is prorated based on the number of days remaining in the initial quarter.

Prior to engaging us to provide investment management services, you are required to enter into a formal investment advisory agreement with us setting forth the terms and conditions, including the amount of investment advisory fees, under which we manage your assets and also a separate custodial/clearing agreement with our introducing broker/dealer, Capitol Securities Management, Inc. The BNB Wealth Management Program may cost you more or less than if the assets were held in a traditional brokerage account or another advisory program or if the services were purchased separately.

Either party may terminate the agreement for services at any time by providing written notice to the other party. Termination is effective immediately upon receipt of the termination notice. Fees are prorated based on the number of days that services were actually provided during the final quarter. All fees shall be waived if the agreement is terminated within 5 days of inception.

Financial Planning and Consulting Service Fees

BNB's fees for financial planning and consulting services are determined based on the nature of the services provided, the complexity of each client's circumstances, and the skills and experience of the IAR engaged by the client. All fees are agreed upon in advance and evidenced via a written agreement.

Financial Planning Fees: The financial planning service fee for a single, one-time plan may be billed on a fixed fee or an hourly basis. For a fixed fee engagement, the client will be required to pay one-half of the fixed fee upon execution of the agreement. The balance will be due upon delivery of the financial plan to the client.

Hourly fees for financial planning will be billed monthly or quarterly in arrears, as agreed upon with the client. An invoice will be provided to the client and the fee will be collected from the advisory or brokerage account designated by the client. Financial planning hourly fees will generally range from \$150 to \$500 per hour. Fixed fees will depend on the level and

scope of the services required and the expertise of the professionals rendering service.

Ongoing Financial Planning Fees: A client may engage the IAR to provide financial planning with on-going monitoring of the plan. Such an arrangement may be billed based on an annual fixed fee or on an annual percentage of a client's net worth. For an annual fixed fee, the fee will be payable in advance on an installment basis at the calendar month-end or quarter-end. The first payment will be prorated to cover the period from the date the Agreement is signed through the end of the current calendar quarter.

Annual fees based on a client's net worth will be calculated upon initial execution of an agreement between BNB and the client. Each year, the client will be provided with an invoice upon completion of the plan. The maximum percentage charged for financial planning with ongoing monitoring will be 1.00% per annum, as agreed by contract. After the first year, this Agreement may be terminated at any time, by either party, for any reason with written notice. Certain fees may be paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro-rate the reimbursement according to the number of days remaining in the billing period.

Consulting Fees: To the extent requested by the client, BNB may provide consulting services regarding non-investment related matters, such as estate planning, tax planning and insurance, among other matters. Neither BNB nor any of its IARs serves as an attorney, and no portion of the BNB's services should be construed as such. To the extent requested by a client, the IAR may provide the client with a list of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from BNB. Consulting fees charged by BNB generally range from \$150 to \$500 per hour. In some instances, BNB may charge a fee for Portfolio Analysis and Review ("PAR Fee"). The fee is between 0.00% - 0.75% and is a one-time charge. It is the client's responsibility to promptly notify BNB of any material changes in the client's financial situation or investment objectives.

Retirement Plan Sponsor Non-Discretionary Advisory Services: BNB Wealth Management offers non-discretionary advisory services to benefit plan (401(k) plans, profit sharing plans, etc.) sponsors. BNB generally will assist plan sponsors with investment consulting, on and off-site employee education, plan due diligence, and plan benchmarking. BNB assists plan sponsors in defining financial goals and objectives to be pursued in these areas, and supplies analysis and recommendations as to the actions and investment strategies necessary to attain the selected goals and objectives.

Advisory services provided to plan sponsors are always limited to recommendations, and nothing in our Agreement requires our clients to implement or follow any recommendation or investment advice provided. The implementation of all (or any portion) of BNB's recommendations or investment advice is at the sole discretion of Client.

Under these arrangements, the retirement plan sponsors will retain absolute discretion over, and responsibility for, investment and implementation decisions, specifically including the selection of investment managers, trustees or other investment advisers, and shall remain free to obtain legal, accounting, actuarial, consulting, advisory and other professional services from any source. By engaging BNB, our Clients acknowledge (i) Neither BNB nor the IAR has any discretionary authority or control with respect to Client's assets, and (ii) any recommendations by BNB will be implemented only if accepted and acted upon by Client. BNB shall cooperate with any investment manager, trustee, attorney, accountant, or broker-dealer chosen by Client with regard to implementation of any recommendations.

Retirement Plan Investment Consulting Services: BNB may assist the plan sponsor in selecting the appropriate investment lineup available through their selected plan record keeper. Generally, when making a recommendation, BNB will advise the plan sponsor to select an available third party 3(21) or 3(38) fiduciary protected lineup available on their retirement plan

platform. BNB Wealth Management generally does not assist in selecting, monitoring, or adjusting individual lineups past recommending the available 3(21) and 3(38) investment options.

Retirement Plan Strategic Employee Financial Education Services: One of BNB WM's primary tasks in regards to retirement plans is assisting plan sponsors in educating plan participants on their plan and general financial information. This includes, but is not limited to: conducting onsite participant one-on-one meetings and/or group seminars as needed; one-on-one risk profile analysis and asset allocation modeling as requested; and on demand telephone or email communications for plan participants and administrator as issues or questions arise. Unless specifically stated in a separate advisory agreement, there will never be any personal recommendations made to individual plan participants. All information given to plan participants will be under general market education, and not unique to the participant.

Retirement Plan Due Diligence in Searching Record Keepers: Upon request and during the course of a relationship, BNB will generally survey the named fiduciary or plan sponsor to establish the plan goals and objectives. From there, BNB will be able to request proposals from various record keepers for plan services. BNB will assist the plan sponsor in evaluating the available options and then ultimately assists them in making a decision on record keeper. All decisions will be at the sole discretion of the plan sponsor.

Retirement Plan Fee Analysis and Negotiation: Upon request BNB will assist the plan sponsor in analyzing their current fees (billable and to plan assets). Using this information, BNB will be able to assist the plan sponsor in understanding their fee schedule compared to similar sized plans. If possible, BNB will also help the plan sponsor negotiate fees with the record keeper based on the findings. When necessary, BNB will also suggest different options available to the plan sponsor to lower plan fees or increase service.

Additional Information Regarding Fees

Investment Advisory Fees: As discussed below, BNB Wealth Management shall recommend that Capitol Securities Management, Inc. serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Capitol Securities Management, Inc. traditionally charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, and commissions are charged for individual equity and fixed income securities transactions). Advisory clients who choose to engage BNB Wealth Management will not incur these broker-dealer commissions or transaction fees. In evaluating such an arrangement, the client should also consider that, depending upon the level of investment advisory fee, the amount of portfolio activity in the client's account, how much financial planning and ongoing investment advice is required and other factors, the investment advisory fees may or may not exceed the aggregate cost of such services if they were to be provided separately.

Additional Expenses Not Included in the Asset Based Advisory Fee: All fees paid to BNB Wealth Management, LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee and other expenses that are charged to the fund and impact the fund's performance. Some funds also impose sales "loads," which are fees charged directly to clients rather than being paid by fund assets. BNB's clients do not pay any mutual fund sales charges when BNB invests in a fund on the client's behalf.

A client may be able to invest in certain mutual funds directly, without our services. In that case, the fees for investing may differ, and the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives, risk tolerance, time horizon and need for investment income. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby

evaluate the advisory services being provided.

Clients should also understand that the shares of certain mutual funds offered in these programs may impose short-term trading charges for redemptions (typically 1%-2% of the amount redeemed) made within short periods of time. These short-term charges are imposed by the funds (and not BNB) to deter “market timers” who trade actively in fund shares. Clients should consider these short-term trading charges when selecting the program and/or mutual funds in which they invest. These charges, as well as operating expenses and management fees, will increase the overall annual cost to the client by 1%-2% (or more), and are available in each fund’s prospectus.

Clients should be aware that ETFs incur a separate management fee, typically 0.20%-0.40% of the fund’s assets annually (although individual ETFs may have higher or lower expense ratios), which is assessed by the fund directly and not by BNB. This management fee is in addition to the ongoing advisory fee assessed by BNB, and will generally result in clients which utilize an SMA Manager or Investment Strategy that invests in ETFs paying more than clients utilizing one that invests in individual securities, without taking into effect negotiated asset-based fee discounts, if any. Certain ETFs may be classified as partnerships for U.S. federal income tax purposes, which may result in unique tax treatment, including Schedule K-1 reporting.

Certain no-load variable annuities and indexed annuities may be purchased in or transferred into accounts may be charged an asset-based advisory fee. The annual advisory fees charged for these no-load variable annuities are in addition to the annual management fees and operating expenses (which are typically higher than either mutual funds or ETFs) charged by the insurance companies offering these products.

Surrender Charges or CDSC: If client transfers a previously purchased investment into a BNB accounts, such as a mutual fund, annuity or alternative investment, or liquidates the previously purchased investment and transfers the proceeds into an account, client may be charged a fee (sometimes called a surrender charge or CDSC) upon the sale or redemption in accordance with the investment product’s prospectus. In many cases, the CDSC is only charged if a client does not hold the security for the minimum period of time. In particular, if a client transfers a previously purchased mutual fund (such as a Class C share) into an account that is subject to a CDSC, then the client will pay that charge when the mutual fund is sold. The exception to this being when the fund has a non 12b-1 share class available within the fund family that the advisor is able to convert to with no commission or tax ramifications and that the advisor deems suitable for the account at least or until the CDSC period expires and possibly beyond.

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by Custodians and imposed by broker-dealers. Please refer to the "Brokerage Practices" (Item 12) of this brochure for additional information.

Advisory fees do not cover all custodial service charges and the client should be aware that additional fees from the Custodian may apply. A list of additional fees that the Custodian may charge can be found on the Schedule of Fees document which is provided to the client when the account is opened. Additionally, all fees charged will be listed on the account statement provided to the client on a monthly or quarterly basis. Our IBD, CSM also includes on the statement a list of all possible fees that may be charged by the Custodian annually.

12b-1 Fees: A 12b-1 fee is an annual marketing or distribution fee assessed against a mutual fund's shareholders. Instead of a load (or sales fee), certain mutual funds annually charge shareholders a small percentage of the fund's market value, which is called a 12b-1 fee. The 12b-1 fee is considered to be an operational expense and, as such, is included in a mutual fund's expense ratio. 12b-1 fees are comprised of two distinct charges: a service fee and a distribution/marketing fee. 12b-1 fees are generally between 0.25% and 1% (the maximum allowed) of a fund's net assets, with service fees and distribution/marketing fees limited to 0.25% and 0.75%, respectively. However, effective July 15th, 2019, the registered representatives may no longer earn compensation from 12b-1 fees and therefor BNB does not recommend or hold mutual funds that charge 12b-1 fees.

In the past, IARs received a portion of these fees, and the Firm required the IARs to affirmatively disclose such fees to the client. Such payments to the IAR created a conflict of interest by giving the IAR an incentive to recommend investment products based on the compensation received, rather than on a client's needs, and, thus, IARs had an incentive to recommend or select investment companies, products, or share classes that have higher expense ratios because their compensation was affected by the share class selected. Therefore, the Firm also required the IARs to affirmatively disclose the conflict to the client. Note that investing in a more costly share class may reduce the performance of a client's account.

BNB is committed to avoiding situations that might give rise to potential conflicts of interest, and accordingly provides education to its IARs, and conducts periodic reviews of investment selection, including identifying the lowest cost share class available to the client. BNB's policies and procedures require IARs to recommend a share class without 12b-1 fees to its clients.

ERISA Accounts: BNB is deemed to be a fiduciary to advisory clients that are employee benefit plans pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our Firm is subject to specific duties and obligations under ERISA and the Code that include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, BNB may only charge fees for investment advice about products for which our Firm and/or our related persons do not receive any commissions or 12b-1 fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisors for similar or lower fees.

Order Flow: Our Custodian, RJA may collect revenue from the sale of order flow to other parties. BNB does not participate in this revenue and cannot control what the custodian does with regard to order flow and does not consider this to be a conflict of interest.

Limited Prepayment of Fees: Under no circumstances will BNB require or solicit payment of fees in excess of \$1200 six months or more in advance of services rendered.

Investment of Cash Reserves: BNB through its introducing broker-dealer CSM and ultimately through its custodian, Raymond James, has established certain programs through which cash reserves "sweep" daily to and from the client's investment account to cover purchases or to allow excess cash balances to immediately begin earning interest, subject to certain minimum balances. BNB receives no revenue on these balances. The account in which these cash reserves are held is considered the client's sweep account. The sweep programs include the following:

- Raymond James Bank Deposit Program ("RJBDP"), including:

- o RJBDP – Raymond James Bank Only

- o RJBDP with CIP

Raymond James receives an annual fee of up to \$100 per Capital Access Account with checking and debit card capacity.

Transactional Fees: For BNB advisory accounts, the IAR is the portfolio manager and transaction fees occur that are paid for by the IAR. Transaction charges range from \$5- \$25 each . Because the IAR pays the transaction charge, there is a conflict of interest. Clients should understand that the cost to the IAR may be a factor that the IAR considers when deciding which securities to select and how frequently to place transactions.

Previously Paid Commissions: Clients should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. Client should understand that, after the transfer into an account, an advisory fee will be charged based on the total assets in the account, including the transferred security. BNB requires that all commissions paid within the prior 60 days prior to conversion to the fee based platform, be reversed.

Loss of Benefits: If the client will be funding the account with the proceeds of a sale or liquidation of a variable or fixed annuity, the client should understand that the client may be giving up guaranteed living or death benefits that were provided through the annuity that will not be provided through the BNB advisory account.

Conflicts of Interest: BNB will make efforts to reduce potential conflicts of interest, but is not responsible for any actions of the custodian(s) or clearing firm(s) with regard to potential conflict of interest issues such as money market funds, the selling of order flow, cash balances, money market funds or other activities that may result in revenue being paid to an outside party.

The recommendation that a client purchase a commission product through our IBD, CSM presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from BNB IARs acting as registered representatives for CSM.

BNB has a conflict of interest to recommend its advisory firm versus CSM's advisory firm as the IAR payouts are higher and none have to be split with CSM.

Additional Cost Considerations: When making cost comparisons, clients should be aware that the combination of multiple investments, advisory services, custodial and brokerage services available through each program may not be available separately or may require multiple accounts, documentation and fees. If an account within an advisory program is actively traded or the client otherwise does not qualify for reduced commissions or sales charges, the fees may be less expensive than separately paying the commissions and/or sales charges and advisory fees. If an account within an advisory program is not actively traded or the client otherwise would qualify for reduced commissions and/or sales charges, the fees in these programs may be more expensive than if utilized separately.

Item 6 – Performance-Based Fees and Side-By-Side Management

BNB will not charge performance-based fees where an IAR's fee would be based on a share of capital gains or capital appreciation of the client assets. As such, there are no conflicts of interest to disclose at this time.

Item 7 – Types of Clients

BNB may offer financial planning and investment advisory services for individuals, and in particular, retirees and business owners, high net worth individuals, trusts, endowments, small businesses, and benefit plans. Our typical clients are those who are experienced and comfortable with saving and investing for their retirement and their family's future, board members and/or trustees acting on behalf of the trust or organization they represent, or business owners looking for an advisory to assist them in making prudent investment decisions for their benefit plans.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis & The Associated Risks

BNB may use the following methods of analysis in formulating our investment advice and/or managing client assets:

Asset Allocation: Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is

that the client might not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Fundamental Analysis: This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

Monte Carlo Simulation: When offering financial planning services, BNB utilizes the desktop software of a third party provider. The software uses a Monte Carlo Simulation to evaluate the effects of fluctuations in a client's investment rate of return over time. The annual rate of return is randomly varied, and the overall analysis is repeated 1000 times. Each time the analysis is completed, the investments remaining at the end of the client's life expectancy are checked to determine the probability of success. The financial plan analysis is not a projection of future portfolio values because future returns are uncertain. We cannot and do not guarantee to any client that all possible goals at all aspirational spending levels can be achieved.

Charting. Charting is a technical analysis that charts the patterns of stocks, bonds and commodities to help determine buy and sell recommendations for clients. It is a way of gathering and processing price and volume information in a security by applying mathematical equations and plotting the resulting data onto graphs in order to predict future price movements. A graphical historical record assists the analyst in spotting the effect of key events on a security's price, its performance over a period of time and whether it is trading near its high, near its low or in between. Chartists believe that recurring patterns of trading, commonly referred to as indicators, can help them forecast future price movements.

Cyclical. Cyclical analysis looks at recurring periods of expansion and contraction that can impact a company's profitability and cash flow. Cyclical stocks tend to rise quickly when the economy turns up and fall quickly when the economy turns down (i.e., housing, automobiles, telecommunications, paper, etc.). Non-cyclical industries (i.e., food, insurance, drugs, health care, etc.) are not as directly impacted by economic changes.

Technical. This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

There are risks involved in using any analysis method. Fundamental analysis takes a long-term approach to analyzing markets, often looking at data over a number of years. The data reviewed is released over years (e.g., quarterly financial statements). Technical analysis uses a shorter timeframe—often weeks or days. The price and volume data reviewed is released on a daily basis. Therefore, fundamental analysis could mean a gain is not realized until a security's market price rises to its "correct" value over the long run—perhaps several years.

As a general statement, technical analysis is used for a trade while fundamental analysis is used for an investment. It could also be said that traders buy assets they believe they can sell to someone else at a greater price while investors buy assets they believe will increase in value. The frequency of trading securities using technical analysis could have both a positive or negative impact and could also lead to increased brokerage and transaction costs, thus lowering performance. The less frequent trading practices of fundamental analysis could also have a positive or negative impact on a client's portfolio value, but likely has reduced brokerage and transaction costs.

Cyclical analysts look for patterns to help identify the direction the market is going at any given time. However, patterns and expected ranges or time frames may not occur as anticipated due to any number of factors (i.e., natural disasters, political upheaval, etc.). This could also be true of charting analysis.

To conduct analysis, BNB Wealth Management gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC and company press releases.

Qualitative Analysis: We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, strength of research and development, factors not readily subject to measurement and predict changes to share price based on that data. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Monte Carlo Simulation: When offering financial planning services, BNB utilizes the desktop software of a third party provider. The software uses a Monte Carlo Simulation to evaluate the effects of fluctuations in a client's investment rate of return over time. The annual rate of return is randomly varied, and the overall analysis is repeated approximately 1000 times. Each time the analysis is completed, the investments remaining at the end of the client's life expectancy are checked to determine the probability of success. The financial plan analysis is not a projection of future portfolio values because future returns are uncertain. We cannot and do not guarantee to any client that all possible goals at all aspirational spending levels can be achieved.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies & The Associated Risks

BNB uses the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when we believe the securities to be currently undervalued and/or we want exposure to a particular asset class over time, regardless of the current projection for this class. A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The risk with short-term investment vehicles is they may be subject to purchasing power risk — the risk that a client's investment return will not keep up with inflation.

Short sales: We borrow shares of a stock for a client's portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client's account realizes the profit. The risk when short selling is that losses can be unlimited, given that a security is not limited on how high its price can go.

Margin transactions: If the client has entered into a margin agreement with the broker, we will purchase stocks for a client's portfolio with money borrowed from a client's brokerage account. This allows a client to purchase more stock than the client would be able to with the client's available cash and allows us to purchase stock without selling other holdings. A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in the client's account minus what the client owes the broker falls below a certain level, the broker will issue a "margin call" and the client will be required to sell the client's position in the security purchased on margin or add more cash to the account. In some circumstances, the client may lose more money than the client originally invested.

Option writing: We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A "call" gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A "put" gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires. We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for the client's portfolio. We use "covered calls", in which we sell an option on security the client owns. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price. The Firm uses a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that the client buys and a call option that the client sells) for the same underlying security. This effectively puts a client on both sides of the market, but with the ability to vary price, time and other factors.

The risk associated with options occurs when purchasing securities; a client may pay for the securities in full or may borrow part of the purchase price. In order to borrow funds in connection with the account, the client will be required to open a margin account. The securities purchased in such an account are collateral for the funds loaned. If the value of securities in a margin account decline, the value of the collateral supporting the loan also declines, and, as a result, the lender may be required to take action by means such as issuing a margin call and/or selling securities or other assets in client accounts to maintain necessary level of equity in the account. Additional risks include, but are not necessarily limited to, i) the loss of more funds than were originally deposited into the margin account; ii) the forced sale of securities or other assets in the margin account; and iii) the sale of the client's securities or other assets without contacting the client.

Risk of Loss: All investment strategies inherently expose our clients to various types and varying degrees of risk, including loss of principal and there is no guarantee that any recommended investment strategy will meet its objectives. Below we discuss other risks associated with investing in securities.

Political Risks. Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.

General Market Risks. Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.

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

Derivatives Risk. Investments in futures and options are considered "derivative" investments. A small investment in

derivatives could have a potentially large impact on performance. The use of derivatives involves risks different from or possibly greater than the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value. There is the risk that the hedging technique will fail if changes in the value of a derivative held do not correlate with the portfolio securities being hedged.

Regulatory Risk. Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws can impact the return on these investments.

Risks Related to Investment Term. If a client requires a liquidation of their portfolio during a period in which the price of the security is low, the client may not realize as much value as they might have, had the investment had the opportunity to regain its value, as investments frequently do, or had it been reinvested in another security.

Purchasing Power Risk. Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.

Business Risk. Many investments, including many index funds and target-date Funds, contain interests in operating businesses. Business risks are associated with a particular industry or company within an industry. For example, oil- drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Liquidity Risk. Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while real estate properties are not. Some securities are highly liquid while others are highly illiquid. Illiquid investments carry more risk because it can be difficult to sell them.

Financial Risk. Many investments, including many index funds and target-date funds, contain interests in operating businesses. Excessive borrowing to finance a business' operations decreases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Default Risk. This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk. While the principal and accumulated interest of the Prudential Guaranteed Income Fund, expected to be offered by the Plan, are guaranteed by the Prudential Retirement Insurance and Annuity Company, it is nevertheless subject to default risk.

Management Risk. Investments may vary with the success and failure of investment strategies selected and implemented. If investment strategies do not produce the expected returns, the value of investments may decrease.

Risks Associates with Margin Trading. The risks of margin trading include the risk of amplified losses, of a margin call or forced liquidation. In addition, margin accounts charge fairly high interest rates.

Risk Associated with Options. Options carry no guarantees, and there is a possibility of losing the entire principal invested, and sometimes more. As an options holder, clients risk the entire amount of the premium paid. Options writers may face unlimited potential loss, for example, with an uncovered call, since there is no cap on how high a stock price can rise. Options on securities may also be subject to greater fluctuations in value than an investment in the underlying securities.

Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

Risks Associated with Alternative Investments. Alternative investment products, including real estate investments, notes & debentures, hedge funds and private equity involve a high degree of risk, often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing important tax information, are not subject to the same regulatory requirements as mutual funds, often charge high fees which may offset any trading profits, and, in many cases, the underlying investments are not transparent and are known only to the investment manager. Alternative investment performance can be volatile. An investor could lose all or a substantial amount of the investment. Often, alternative investment funds and account managers have total trading authority over their funds or accounts; the use of a single advisor applying generally similar trading programs could mean lack of diversification and, consequently, higher risk. There is often no secondary market for an investor's interest in alternative investments, and none is expected to develop. There may be restrictions on transferring interests in any alternative investment. Alternative investment products often execute a substantial portion of their trades on non-U.S. exchanges. Investing in foreign markets may entail risks that differ from those associated with investments in U.S. markets. Additionally, alternative investments often entail commodity trading, which involves substantial risk of loss.

Item 9 – Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

BNB Wealth Management is an independent registered investment registered advisor and only provides investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as IARs with us.

Registered Representative of a Broker-Dealer

Our representatives are also registered representatives of Capitol Securities Management, Inc., a securities broker-dealer. You may work with your IAR in his or her separate capacity as a registered representative of Capitol Securities Management, Inc. When acting in this separate capacity, your IAR may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds and variable annuity and variable life products to you. As such, your IAR may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your IAR will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer, and as such presents a conflict of interest. Consequently, the objectivity of the advice rendered to you could be biased.

BNB Wealth Management's agreement with CSM requires that clients using BNB's management services must execute all transactions through Capitol Securities Management. Accordingly, if you select BNB Wealth Management IARs to implement securities transactions in their separate capacity as registered representatives (which you are under no obligation to do), the representatives must use Capitol Securities Management, Inc.. Prior to effecting any transactions, you are required to enter into a new account agreement with Capitol Securities Management, Inc. The commissions charged by Capitol Securities Management, Inc. may be higher or lower than those charged by other broker-dealers.

Insurance Agent

You may work with your IAR in his or her separate capacity as an insurance agent. When acting in this separate capacity as an insurance agent, our representative may sell, for commissions, general disability insurance, life insurance and annuities to you. As such, your IAR, in his or her separate capacity an insurance agent, may suggest that you implement BNB Wealth Management's recommendations by purchasing disability insurance, life insurance or annuities.

Conflict of Interest: Receiving commissions creates an incentive to recommend those products for which your IAR receives a commission in his separate capacity as an insurance agent. Consequently, the objectivity of the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your IAR.

BNB Wealth Management's Chief Compliance Officer, Andrew R. Bellamah, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

Other Investment Advisor

BNB Wealth Management LLC has purchased the right to approach the clients of the investment advisory practice of an individual who was registered as an IAR of Capitol Securities Management. In order to provide investment advice to these prospective clients while they are offered the opportunity to transition their accounts to BNB Wealth Management LLC, Andrew R. Bellamah, BNB's owner, has separately registered as an IAR of Capitol Securities Management. Mr. Bellamah has an incentive to work with clients under BNB Wealth Management, LLC. He is the founder and owner of that company.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, BNB has adopted a Code of Ethics (the "Code") setting forth the high ethical standards to which the Firm requires all registered persons affiliated with it, including employees and independent contractors ("Registered Persons") to comply. This includes compliance with applicable federal securities laws as well as BNB's internal policies and procedures. The Firm and the Registered Persons owe a duty of loyalty, fairness and good faith towards BNB's clients and have an obligation to adhere not only to the specific provisions of the Code, but also to the general principles that animate the Code. Note that each Registered Person, when initially hired and on an annual basis thereafter, must affirm that he or she has reviewed and complied with the Code. A copy of the Code is available to BNB advisory clients and prospective clients upon request. A copy may be requested via email sent to ajbellamah@bnbinc.com or by calling BNB at 301-562-7300.

Illustrative Code provisions are as follows:

- The Code requires pre-approval of any acquisition of securities in a limited offering (e.g., a private placement) or an initial public offering.
- The Code prohibits the use of material non-public information.
- The Code prohibits BNB and Registered Persons from engaging in principal transactions.

- The Code precludes Registered Persons from engaging in personal securities transactions and activities which could interfere with the best interest of advisory clients.
- The Code precludes Registered Persons from purchasing or selling any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such Registered Persons from benefiting from transactions placed on behalf of advisory accounts.

BNB's Code of Ethics, in conjunction with its policies and procedures further provide:

- Registered Persons may not put his or her own interest above the interest of an advisory client.
- Registered Persons may not buy or sell securities for his or her personal portfolio(s) where the decision is based on his or her affiliation with the Firm unless the information is also available to the investing public.
- Registered Persons may not purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thus preventing such Registered Persons from benefiting from transactions placed on behalf of advisory accounts.
- Registered Persons must obtain pre-approval for any IPO or private placement investments by related persons of the Firm.

BNB and the Firm's personnel endeavor at all times to put the interest of the Firm's clients first as part of their fiduciary duty as an investment advisor. Thus, BNB takes multiple steps to ensure full disclosure of any conflicts, including, by way of example, the potential to earn compensation from advisory clients in addition to our Firm's advisory fees. The Firm also informs clients that they are not obligated to purchase recommended investment products from our Registered Persons or affiliated companies. The Firm requires its Registered Persons to obtain prior approval of and thereafter monitor approved outside employment activity to avoid any conflicts of interests in such activities are properly addressed. BNB educates its employees regarding the responsibilities of a fiduciary, including the need to have a reasonable and independent basis for the investment advice provided to clients.

As disclosed in the preceding section of this Brochure, Item 10, certain related persons of our Firm are separately registered as securities representatives of a broker-dealer or licensed as an insurance agent/broker of various insurance companies. Please also refer to Items 10 and 12 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 – Brokerage Practices

BNB only uses Capitol Securities Management (CSM) as our introducing broker-dealer (IBD). We do not have discretion in regards to this choice and we are contractually prohibited from choosing an IBD other than CSM. CSM has a custody and clearing relationship with Raymond James & Associates. BNB advisory clients pay no commissions on and are not subject to ticket charges on transactions within the BNB advisory platform. The clients also are not subject to postage and handling (also known as confirmation charges).

CSM primarily recommends RJA as the Custodian. There is an additional conflict of interest for CSM in that CSM primarily uses only RJA as custodian due to the products, services, marketing and recruiting assistance, and technology programs that RJA provides CSM.

If you wish to have our representatives implement financial planning and/or consulting advice in their separate capacity as registered representatives of our IBD, those representatives must use CSM. CSM offers a wide range of approved securities products for which it performs due diligence prior to selection. CSM's registered representatives are required to choose

from these products when engaging in securities transactions through CSM. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker-dealer.

CSM also provides BNB, with back-office operational, technology, recordkeeping, anti-money laundering, communications monitoring, trade execution, as well as other administrative support.

If you wish to implement our advice through any of the programs described in this Disclosure Brochure, BNB must use Capitol Securities Management, Inc. as the broker-dealer. By virtue of the fact that BNB must execute all transactions through CSM, you may not necessarily obtain execution pricing as favorable as those that would be obtained if we were able to place transactions with other broker-dealers. BNB uses CSM because we have determined that they provide services in a manner and at a cost that are consistent with our fiduciary duty to our clients and continue to meet our rigorous demands and expectations.

CSM provides to BNB and our IARs a range of administrative, compliance, trade, execution, communication, and other services including but not limited to:

Negotiated costs for transaction execution and clearing.

A dedicated trade desk.

Compliance training and oversight.

Administrative support.

Compliance support.

Human resources support

Anti-money laundering support

Continuing Education

Communications Support

Recordkeeping Support

Records archival and retrieval support.

Work station support

Office equipment and staffing

Trade Aggregation: BNB will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a prorated basis between all accounts included in any such block. Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our IAR accounts (if any) will be included in the pro-rata allocation.

Trade Error Correction

BNB Wealth Management has implemented procedures designed to prevent trade errors. However, while trade errors in client accounts cannot always be avoided, it is our policy to correct such errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the trade error is caused by the Firm, the client is made whole and any loss resulting from the trade error is absorbed by BNB Wealth Management. If the error is caused by the broker-dealer, the

broker-dealer is responsible for correcting the trade error. If an investment gain results from correcting the trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. BNB Wealth Management may also confer with a client to determine if the client should forgo the gain (e.g., due to tax reasons). BNB Wealth Management will never benefit or profit from trade errors.

Item 13 – Review of Accounts

ADVISORY SERVICES

Reviews: While the underlying securities within the Advisory Services accounts are continually monitored, client accounts are reviewed periodically. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, particularly the need for income, or the market, political or economic environment.

Reports: In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their broker-dealer, BNB may provide quarterly reports summarizing account performance, balances and holdings if requested by the client. Since investment goals and financial circumstances change over time, clients should review their investments at least annually with their financial advisor. Clients are under no obligation to employ a particular product, advisory service or investment strategy.

FINANCIAL PLANNING & CONSULTING SERVICES

Reviews: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for financial planning clients, unless otherwise agreed.

Reports: Financial Planning clients who have requested a full financial plan will receive a copy of the completed financial plan. Clients receiving consulting services will not typically be provided with written reports unless the contract provides otherwise.

Item 14 – Client Referrals and Other Compensation

BNB Wealth Management does not directly or indirectly compensate any person for client referrals.

Please see **Item 5 - Fees and Compensation**, **Item 10 - Other Financial Industry Activities and Affiliations** and **Item 12 - Brokerage Practices**, for additional discussion concerning other compensation.

Item 15 – Custody

BNB does not have actual or constructive custody of client accounts. As previously disclosed in the "Fees and Compensation" section (Item 5) of this brochure, BNB directly debits advisory fees from client accounts. As part of this

billing process, BNB advises the Custodian of the amount of the fee to be deducted from each client's account. On at least a quarterly basis, the Custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the Custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Item 16 – Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission. Our discretionary authority includes the ability to determine the type and amount of securities to buy and sell in the client's account. Clients give the Firm discretionary authority when they sign a discretionary agreement with our Firm as well as a limited power of attorney authorization form with the Custodian. A client may limit this authority by giving us written instructions. Clients may also change or amend such limitations by providing us with written instructions.

Item 17 – Voting Client Securities

Neither BNB nor its IARs are obligated to take any action with respect to the voting of proxies. A client may delegate the voting of proxies to the hired sub-advisors in accordance with applicable regulations at the time. You should read through the information provided with the proxy-voting documents and make a determination based on the information provided. If requested, we may provide limited clarifications of the issues presented in the proxy voting materials based on our understanding of issues presented in the proxy-voting materials, however, you have the ultimate responsibility for making all proxy-voting decisions.

With respect to ERISA accounts, BNB will NOT vote proxies unless the plan documents specifically designated the advisor as having responsibility to vote proxies and we are instructed as such in writing.

Class Action Lawsuits Pertaining to Held Securities

Clients retain the right under applicable securities laws to initiate individually a lawsuit or join a class-action lawsuit against the issuer of a security that was held, purchased or sold by or for the client. BNB Wealth Management does not initiate legal proceedings on behalf of clients and does not provide legal advice to clients regarding potential causes of action against security issuers and whether clients should join a class-action lawsuit. BNB Wealth Management recommends that you seek legal counsel prior to making a decision regarding whether to participate in a class-action lawsuit. Our services do not include monitoring or informing clients of any potential or actual class-action lawsuits against the issuers of the securities that were held, purchased or sold by or for you.

Item 18 – Financial Information

BNB is not subject to any financial condition that would be reasonably likely to impair the Firm's ability to meet contractual commitments to clients. Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. BNB has not been the subject of a bankruptcy petition ever.

ANY QUESTIONS: BNB Wealth Management's Chief Compliance Officer, Andrew R. Bellamah, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements and can be reached at 301-562-7300.

Item 19 - Customer Privacy Policy Notice

The information contained in this section will also be disclosed in BNB Wealth Management's Privacy Policy Statement. This statement will be provided to all clients in accordance with the rules and regulations of the *Gramm-Leach-Bliley Act of 1999*.

Commitment to Your Private Information. BNB Wealth Management has a policy of protecting the confidentiality and security of information we collect about our clients. We do not, and will not, share non-public personal information ("Information") about you with outside third parties without your consent, except for the specific purposes described below. This notice has been provided to you to describe the Information we may gather and the situations under which we may need to share it.

Why We Collect and How We Use Information. We limit the collection and use of Information within our firm to only those individuals associated or employed with us that must have Information to provide financial services to you. Such services include maintaining your accounts, processing transaction requests, and providing the advisory services described in our Form ADV.

How We Gather Information. We get most Information directly from you when you provide us with information from any of the following sources:

- Applications or forms (e.g., name, address, Social Security number, birth date, assets, income, financial history)
- Transactional activity in your account (e.g., trading history and account balances)
- Information services and consumer reporting sources (e.g., to verify your identity or to assess your credit history)
- Other sources with your consent (e.g., your insurance professional, attorney or accountant)

How We Protect Information. Our employees and affiliated persons are required to protect the confidentiality of Information and to comply with our stated policies. They may access Information only when there is an acceptable reason to do so, such as to service your account or provide you with financial services. Employees who violate our Privacy Policy are subject to disciplinary action, up to and including termination from employment with us. We also maintain physical, electronic and procedural safeguards to protect Information, which comply with applicable SEC, state and federal laws.

Sharing Information with Other Companies Permitted Under Law. We do not disclose Information obtained in the course of our practice except as required or permitted under law. Permitted disclosures include, for instance, providing Information to unrelated third parties who need to know such Information in order to assist us with the provision of services to you. Unrelated third parties may include broker/dealers, mutual fund companies, insurance companies and the custodian with which your assets are held. In such situations, we stress the confidential nature of Information being shared.

Former Customers. Even if we cease to provide you with financial products or services, our Privacy Policy will continue to apply to you and we will continue to treat your non-public information with strict confidentiality.

Item 20 - Business Continuity Plan

BNB Wealth Management has a business continuity and contingency plan in place designed to respond to significant business disruptions. These disruptions can be both internal and external. Internal disruptions will impact our ability to communicate and do business, such as a fire in the office building. External disruptions will prevent the operation of the securities markets or a number of firms, such as earthquakes, wildfires, hurricanes, terrorist attack or other wide-scale, regional disruptions.

BNB Wealth Management's continuity and contingency plan has been developed to safeguard employees' lives and firm property, to allow a method of making financial and operational assessments, to quickly recover and resume business operations, to protect books and records, and to allow clients to continue transacting business.

The plan includes:

- Alternate locations to conduct business;
- Hard and electronic back-ups of records;
- Alternative means of communications with employees, clients, critical business constituents and regulators; and
- Details on the advisor employee succession plan.

BNB Wealth Management's business continuity and contingency plan is reviewed and updated on a regular basis to ensure that the policies in place are sufficient and operational.