Part 2A of Form ADV: *Firm Brochure*

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This Brochure provides information about Uwharrie Investment Advisors, Inc.'s qualifications and business practices. If you have any questions about this Brochure's contents, please contact Uwharrie Investment Advisors, Inc. at 704-983-5959 or mthornburg@uwharrie.com. This Brochure's information has not been approved or verified by the United States Securities and Exchange Commission (**"SEC"**) or by any state securities authority.

Additional information about Uwharrie Investment Advisors, Inc. is available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov. You can search this site using the Firm's CRD number: 117592.

Item 2 – Material Changes:

As a fiduciary, Uwharrie Investment Advisors, Inc. (the **"Firm"**) has the ongoing obligation to inform its clients of any material information that could affect the advisory relationship. Since the last annual amendment filed February 26, 2021, the Firm has had the following material change:

The Third Party Money Manager ("TPMM") fee schedule and billing practices have been updated.

Consistent with the SEC's requirements, the Firm will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the Firm's fiscal year end. Furthermore, interim disclosures concerning material changes will be provided to you as necessary.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, Misty Thornburg, at 704-983-5959.

We encourage you to read this document in its entirety.

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Item 4 – Advisory Business:

The Firm is an SEC-registered investment adviser with its principal place of business located in Albemarle, North Carolina. The Firm began conducting business in 1993 under the name of The Strategic Alliance Corporation (**"TSAC"**). In 1998, the Firm incorporated in the State of North Carolina as Strategic Investment Advisors, Inc. The Firm changed its name to Uwharrie Investment Advisors, Inc. on July 1, 2015.

A. Principal Shareholders, Executive Officers, and/or Investment Committee Members:

Listed below are the Firm's principal shareholders (*i.e.,* those individuals and/or entities controlling 25% or more of the Firm), executive officers, and/or Investment Committee members:

- Christy Davis Stoner, CEO/ /Investment Committee/Director (Uwharrie Investment Advisors)
- Roger Lee Dick, CEO/President/ Investment Committee (Uwharrie Capital Corp)
- Misty Whitley Thornburg, SVP/CCO/Operations and Data Manager/Investment Committee
- Dr. Tony Plath, Investment Committee
- Kyle Vann Eudy, EVP/Investment Committee
- Jennifer Morehead, AVP, Portfolio Manager/Investment Committee
- Uwharrie Capital Corp (parent company and sole shareholder)

B. Investment Advisory Services:

1. The UIA Managed Account Program:

The Firm provides each client with ongoing, individualized investment advice. During the initial meeting, an investment adviser representative (**"IAR"**) will work with the client to establish his or her investment goals and objectives, time horizon, risk tolerance, and liquidity needs. The Firm uses an Investor Questionnaire and a Risk Profile Assessment to help determine a suitable portfolio for the client. Based on the information provided by the client, the Firm recommends to the client a portfolio. The Firm develops a personalized investment policy statement (**"IPS"**) that describes in writing the investor's long-term goals, investment restrictions, the portfolio's investment guidelines, and the responsibilities of the client and the Firm.

As appropriate, the Firm's Investment Committee reviews and discusses a client's prior investment history, as well as his or her family composition, risk tolerance, resources, and background.

Once the CCO, the designee, or the Investment Committee determines the portfolio's suitability, the Firm recommends the portfolio to the client and the client accepts the recommendation by signing the IPS and investment advisory agreement. The portfolio is managed based on its objectives. Clients have the opportunity to place reasonable restrictions on the types of investments to be held in their account or the asset classes to be included. The Firm manages these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated goals and objectives (*i.e.,* growth, growth and income, or income), as well as tax considerations.

The Firm's investment recommendations are not limited to any specific product or service offered by a broker-

dealer or insurance company, and will *generally* include advice regarding the following securities:

- Equities
- Exchange-traded Funds ("ETFs")
- Mutual Fund Shares
- Corporate Debt Securities
- Municipal Debt Securities
- U.S. Treasuries & Agencies

2. Third Party Management Program:

The Firm entered into an agreement with a third-party management (**"TPM"**) solution provider, the terms of which allow the Firm to leverage the services of one or more sub-advisors available on the platform. The Firm subsequently conducted its own due diligence of the sub-advisors it believed may bring value to the Firm's clients. All sub-advisors to whom the Firm refers clients are licensed as registered investment advisors by their resident state and any applicable jurisdictions or as registered investment advisors with the SEC.

Depending upon a client's particular investment goals and objectives, time horizon, risk tolerance, and liquidity needs, the Firm may recommend one or more sub-advisors maintained through the TPM solution provider to manage all or a portion of a client's investable assets on a day-to-day basis. The sub-advisors recommended for client use have undergone initial due diligence by the Firm and are subject to ongoing annual review. Sub-advisors selected must meet several quantitative and qualitative criteria established by the Firm. Among the criteria considered are the sub-advisor's experience and regulatory record, assets under management, performance record, client retention, level of client services provided, investment style/philosophy, buy and sell disciplines, capitalization level, and general investment processes. Information collected by the Firm regarding sub-advisors is believed to be reliable and accurate, but the Firm does not necessarily independently review or verify it on all occasions.

The client's IAR will recommend one or more sub-advisors to the client based on the client's stated investment objectives, risk tolerance, financial circumstances, and time horizon, among other things, as determined through prior meetings and the client's completion of the Investor Questionnaire and Risk Profile Assessment. Once the client has selected the sub-advisor(s), the IAR will assist him or her in completing all appropriate documentation necessary to enroll in the program. The client will be required to enter into an investment advisory agreement with the Firm and may be required to enter into an agreement with the TPM solution provider. The Investment Committee reviews and approves all client accounts participating in the TPM program.

Clients are advised and should understand that a sub-advisor's past performance is no guarantee of future results, that there are various market-related risks that may adversely affect a sub-advisor's investment objectives and strategies and could cause a loss in a client's account, and that client risk parameters and/or comparative index selections provided to the Firm are guidelines only and that there is no guarantee that they will be met or not be exceeded.

The client's IAR will be reasonably available to answer any questions the client may have regarding his or her account and act as a conduit between the client and the sub-advisor(s). Sub-advisors have discretionary authority to determine which securities to be purchased and sold for the client and when. Neither the Firm nor its associated persons have any trading authority with respect to a client account maintained with a sub-advisor.

The Firm does retain discretion in determining if and when to transition the client's account from one sub-advisor to another, provided that doing so is in the client's best interest.

The sub-advisor or the TPM solution provider through whom the sub-advisor operates will provide the client with performance reports at least quarterly. The Firm does not audit or verify that these results are calculated on a uniform or consistent basis by the sub-advisor or TPM solution provider or, if applicable, through the consulting service utilized by the sub-advisor or TPM solution provider. These reports are in addition to the custodial account statements provided by the custodian.

Sub-advisor programs generally have account minimum requirements that vary from one advisor to another. Account minimums are generally higher on fixed income accounts than equity-based accounts.

Retirement Plan Consulting Services:

For employer-sponsored retirement plans with participant-directed investments, our firm provides its advisory services as an investment advisor as defined under Section 3(21) and 3(38) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

When serving as an ERISA 3(21) investment advisor, the Plan Sponsor and Our Firm share fiduciary responsibility. The Plan Sponsor retains ultimate decision-making authority for the investments and may accept or reject the recommendations in accordance with the terms of a separate ERISA 3(21) Plan Sponsor Investment Management Agreement between Our Firm and the Plan Sponsor. Under the 3(21) agreement, Our Firm provides the following services to the Plan Sponsor:

- Screen investments and make recommendations.
- Monitor the investments and suggests replacement investments when appropriate.
- Provide a quarterly monitoring report.
- Assist the plan sponsor in developing an Investment Policy Statement ("IPS").
- Recommend QDIA alternatives.
- Recommend non-discretionary model portfolios.

We can also be engaged to provide Plan Consulting Services. Plan Consulting Services include: financial education to Plan participants, benchmarking the Plan services, education to fiduciary committee members, and monitoring the service provider. The scope of education provided to participants will not constitute "investment advice" within the meaning of ERISA and participant education will relate to general principles for investing and information about the investment options currently in the Plan. We may also participate in initial enrollment meetings and periodic workshops and enrollment meetings for new participants.

3. Financial Planning Services**:**

The Firm provides limited financial planning services. 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 analyses are considered as they impact and are impacted by the client's financial and life situation. The Firm uses the information elicited from the client to produce a written financial plan. The Firm does not have discretion to

implement any investment recommendations outlined in the client's financial plan, nor does it have any ongoing obligation to monitor investment recommendations implemented by the client. Through the financial planning process, the obligations and responsibilities of the Firm and the client will address:

- Goals, needs, and objectives,
- Gather and provide appropriate data,
- The result of the current course of action without changes,
- The formulation of any recommended actions,
- The Firm's implementation responsibilities, and
- The Firm's monitoring responsibilities.

4. Consulting Services:

   Clients can also receive investment advice on a more focused basis. This may include advice on isolated areas of concern such as estate planning, retirement planning, or any other specific topic. The Firm also provides specific consultation and administrative services regarding the client's investment and financial concerns. Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

5. Wrap Fee Programs:

   For all accounts under Firm management (excluding those accounts managed as part of the UIA Managed Account Program or referred to a TPM provider), the Firm will provide its advisory services as part of a wrap fee program. A wrap fee program generally involves an investment advisory account where the client is charged by the program's sponsor a "wrap fee," a bundled fee that includes the provision of investment advice, brokerage services, administrative expenses, and other fees and expenses. The wrap fee does not include the internal fund expenses of mutual funds and ETFs, nor does it cover securities transactions executed outside of the wrap fee program, if any. The wrap fee program's sponsor organizes and administers the program in exchange for a portion of the wrap fee paid by the client. The wrap fee program's portfolio manager advises on and manages client assets within the program in exchange for a portion of the wrap fee paid by the client. With respect to the Firm's Wrap Fee Program, the Firm serves as the program's sole sponsor and portfolio manager. In evaluating the program and its appropriateness, clients should take into consideration, among other factors, the level of trading activity occurring within their accounts and whether it would be more or less expensive to purchase the various services included within the program separately. The terms and conditions of the Firm's wrap fee program are more fully discussed in its Wrap Fee Program Brochure.

C. Amount of Managed Assets:

As of December 31, 2020, the Firm is actively managing $176,656,556 of client assets on a discretionary basis.

As of December 31, 2020, the Firm also had $43,365,811 in assets under advisement. The firm has no non-discretionary assets.

Item 5 – Fees & Compensation:

A. Portfolio Management Fees:

1. UIA Managed Accounts:

The annualized fee for Investment Supervisory Services will be charged as a percentage of assets under management, and in accordance with the following schedule:

UIA Managed Account– Active/Passive

Account(s) Value:	Annual Percentage:
$100,000 - $500,000	1.50%
$500,001 - $1,000,000	1.25%
$1,000,001 - $2,000,000	1.00%
$2,000,001 - $9,000,000	.75%
Over $9,000,000	.50%

UIA Managed Account – Passive Portfolios

Account(s) Value:	Annual Percentage:
$100,000 - $500,000	1.25%
$500,001 - $1,000,000	1.00%
$1,000,001 - $2,000,000	.75%
Over $2,000,000	.50%

These schedules are used as a guideline only.

Fees are debited monthly, in arrears, based upon the market value of the client's account at the end of the previous billing period. Fees will be debited from the account in accordance with the client authorization set forth in the Client Services Agreement, Schedule C. The fee is calculated by the Firm using a portfolio management and reporting software system. The value will be determined as reported by the custodian. Fees are assessed on all assets under management, including securities, cash, and money market balances.

In addition to the advisory fees noted above, Pershing Advisor Solutions, LLC (**"PAS"**), the Firm's custodian, will charge all UIA Managed Account clients a separate transaction fee for equity trades and transactions involving mutual funds not listed in the Pershing FundVest Program. PAS charges a $10.00 transaction fee for each equity

trade, and $25.00 for each non-FundVest mutual fund transaction. To reduce transaction costs, the Firm purchases FundVest funds, unless the Investment Committee determines that the purchase of a particular fund not listed in the program would benefit the Firm's UIA Managed Account clients. These fees do not include any fees or expenses charged by the mutual funds and/or ETFs, which are separate and distinct. For more information regarding mutual fund and/or ETF fees and expenses, please refer to the "General Information" section (Item 5) of this Form ADV for additional information or the fund's prospectus.

Investors in the UIA Managed Account – Active/Passive Program and the UIA Managed Account – Passive Program are generally required to make a minimum contribution of $100,000. Clients already invested in a UIA Managed Account will remain subject to the fee arrangement maintained with the Firm prior to the implementation of any new fee structure.

Although the Firm has established the aforementioned fee schedule, the Firm retains the discretion to negotiate alternative fee arrangements on a client-by-client basis. Client facts, circumstances, and needs will be considered in determining the fee schedule; these include the complexity of the client's situation, assets to be managed, anticipated future additional assets, related accounts, and fees agreed to in prior agreements, among other factors. The specific annual fee schedule will be identified in the Client Services Agreement between the Firm and each client.

In its discretion, the Firm will group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. The Firm may have some clients who have accounts held at more than one custodian. With the client's written approval, as reflected in the Client Services Agreement, Schedule C, the Firm may debit the management fee due for all accounts that comprise the portfolio from a single account held at one of the custodians.

2. Third Party Management Solution:

The annualized fee for TPM services will be charged as a percentage of assets under management, according to the following fee schedule:

Third Party Management Accounts – Wrap Fee Program

Fixed Income Fee Schedule

Account(s) Value:	Annual Percentage:
$500,000 - $1,000,000	0.50%
$1,000,001 - $2,000,000	0.40%
$2,000,001 - $5,000,000	0.30%
Over $5,000,000	0.25%

Third party asset manager fees up to 0.30% may be assessed in additional to the Firm's fee listed above.

Equity/Blend TPM Fee Schedule

Account(s) Value:	Annual Percentage:

$500,000 - $1,000,000	1.00%
$1,000,001 - $2,000,000	0.75%
$2,000,001 - $5,000,000	0.60%
Over $5,000,000	0.50%

Third party asset manager fees up to 0.45% will be assessed in additional to the Firm's fee listed above.

This schedule pertains to the Firm's investment advisory fees and is used as a guideline only.

Investors in the TPM Program must make a minimum contribution of $500,000. This account size may be negotiable under certain circumstances. The Firm's investment advisory fee and TPM provider's fees are negotiable. Wrap fees are debited from client accounts quarterly, in advance, based upon their market value at the end of the previous billing period. For additional information regarding the sub-advisor fees and fees not covered in the wrap fee, please refer to the TPM platform provider's and/or selected sub-advisor's Form ADV, Part 2 or relevant disclosure brochure.

The client may terminate his or her relationship with a sub-advisor Or the Firm, in its discretion, may elect to terminate the client's relationship with one or more sub-advisors, provided that the decision to do so is in the client's best interest. The Firm will take into account various factors in rendering its decision to terminate a sub-advisory relationship, including, without limitation, the sub-advisor's failure to adhere to its stated investment philosophy/strategy, material changes in the sub-advisor's investment management team, inexplicable portfolio underperformance, and lax or non-existent internal compliance controls or procedures.

Irrespective of which sub-advisor(s) the client selects, account custodial services are provided through a single custodial platform, the Pershing LLC platform. Please see the "Brokerage Services" section (Item 12) of this Form ADV for additional information regarding this platform. The TPM solution's fees may be higher or lower than other programs available through the Firm or elsewhere. Investment management programs generally vary in the services provided, the management styles offered, and the required investment minimums. Client reports may also vary based on the program selected. Please see the appropriate disclosure brochure and custodial account agreement for each program recommended and offered.

3. Retirement Plan Consulting Fees:

The Firm's fees for Pension Consulting Services are based on a percentage of assets under advisement, according to the following schedule:

Account(s) Value:	Annual Percentage:
Any	.30% to 1.75%

This schedule is used as a guideline only.

All fees are subject to negotiation at the Firm's sole discretion. Specific fee amounts will be indicated in the Client Services Agreement between the Firm and the plan or plan sponsor. For retirement plans, the Firm's fee is disclosed by the Custodian and is charged as part of the total plan fee or in accordance with the Sponsor's

authorization. Plan sponsors are invoiced in arrears at the end of each calendar quarter by the record keeper.

4. Financial Planning Fees:

   The Firm's fee for limited financial planning services may be complimentary based on the client's relationship and negotiable for those who request it as a standalone service. All fees are agreed upon prior to entering into a contract with any client and are subsequently outlined in the Financial Planning Agreement, Schedule A. The Firm invoices clients fifty percent (50%) of the agreed upon engagement fee at the time the financial planning relationship is established, and the remaining fifty percent (50%) following the engagement's completion.

   When investment management and plan implementation services are offered, there is a conflict of interest since there is an incentive for the Firm to recommend investment products for which it will receive additional compensation separate and distinct from the compensation it receives for the provision of investment advisory services. However, the Firm will make all recommendations independent of such considerations and based solely on its fiduciary obligation to consider your needs and objectives. As an investment advisory client, you have the right not to act upon any of the Firm's recommendations, nor effect the transaction(s) through the Firm if you decide to follow the recommendations.

5. Consulting Fees:

   The Firm's Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. The Firm bills clients at the completion of the service for fees incurred.

B. General Information:

1. Termination of the Advisory Relationship:

   A client agreement may be canceled at any time by either party and for any reason upon receipt of five (5) days prior written notice. Termination will become effective upon receipt of notice. Please note that certain fees are paid in advance of services provided. Any prepaid, unearned fees will be promptly refunded upon termination. In calculating a client's reimbursement of fees, the Firm will pro-rate the reimbursement according to the number of days remaining in the billing period.

   For fees charged in arrears, the management fee will be pro-rated to the date of termination, for the month in which the cancellation notice was given. The unearned fee is billed to your account as indicated in your Client Services Agreement. Upon termination, you are responsible for monitoring the securities in your account, and the Firm will have no further obligation to act or advise with respect to those assets. In the event of client's death or disability, the Firm will continue to manage the account until it is notified of the client's death or given alternative instructions by an authorized party in the case of disability.

2. Mutual Fund and ETF Fees:

   All fees paid to the Firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee or early redemption fee. A client could invest in a mutual fund directly without the Firm's services. In that case, the client would not receive the services provided by the Firm, which are designed to

assist the client in determining which mutual fund or funds are most appropriate given his or her financial condition and objectives, among other things. Accordingly, the client should review both the fees charged by the funds and the Firm's fees to fully understand the total amount of fees to be paid by him or her, and to evaluate the advisory services being provided.

3. Additional Fees and Expenses:

   In addition to the Firm's advisory fees, clients are also responsible for the fees and expenses charged by custodians, including, but not limited to, any transaction charges imposed by the custodian with which independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information concerning fees and expenses.

4. Grandfathering of Minimum Account Requirements:

   Pre-existing advisory clients are subject to the Firm's minimum account requirements and advisory fees in effect at the time the clients entered into an advisory relationship with the Firm. Therefore, the Firm's minimum account requirements may vary from one client to the next.

5. ERISA Accounts:

   The Firm is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, the Firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include restrictions concerning certain forms of compensation, among other things. To avoid engaging in prohibited transactions, the Firm may only charge fees for investment advice about products for which the Firm and/or its related persons do not receive any commissions or 12b-1 fees. The Firm ensures oversight of third-party services providers with regard to current disclosure requirements.

6. Advisory Fees in General:

   Clients should note that similar advisory services may or may not be available from other registered (or unregistered) investment advisers for similar or lower fees. No increase in the Firm's fee(s) will be effective without a 30-day prior written notification to the client.

7. Limited Prepayment of Fees:

   Under no circumstances does the Firm require or solicit payment of fees in excess of $1,200 more than six months in advance of services rendered.

Item 6 – Performance-Based Fees & Side-by-Side Management:

The Firm does not charge performance-based fees, nor does it engage in side-by-side management.

Item 7 – Types of Clients:

The Firm provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)

- High net worth individuals
- Retirement and profit-sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above
- Other

As previously disclosed in Item 5, the Firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided for each applicable service.

Item 8 – Methods of Analysis, Investment Strategies, & Risk of Loss:

A. Methods of Analysis:

The Firm uses the following methods of analysis in formulating its investment advice and/or managing client assets:

1. Asset Allocation:

   Rather than focusing primarily on individual securities selection, the Firm, using Modern Portfolio Theory, attempts to determine an appropriate mix of asset classes, including, but not limited to, various U.S. and international equities, U.S. and international fixed income products, mutual funds or ETFs that hold commodities or alternatives, and cash equivalents. A risk of asset allocation is that the mix of asset classes may change over time due to market movement, and, if not corrected, will no longer be appropriate given the client's objectives.

2. Mutual Fund and/or ETF Analysis:

   The Firm analyzes a mutual funds or ETF's historical performance using various statistics to determine if the fund manager has historically added value above a suitable benchmark over a period greater than three years and across various market conditions. The Firm also looks at the underlying assets in a mutual fund or ETF to assess whether there is significant overlap in the underlying investments held in another fund within the client's portfolio. The Firm also monitors the funds or ETFs to ascertain if the manager is continuing to follow his/her stated investment strategy.

   If the Firm concludes that a manager is not consistently adding value above a suitable benchmark or if the manager is not following his/her stated investment policy, the Firm will conduct a manager search to determine a replacement for the mutual fund or ETF. The Firm gathers information on the product in order to determine how the mutual fund or ETF compares to product peers and to a benchmark. The decision to hire, fire, or replace managers is made by the Firm's Investment Committee.

   As in all securities investments, a risk of mutual fund and/or ETF analysis is that past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as the Firm does not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or

strategy of the fund or ETF, which could make the holdings less suitable for the client's portfolio.

3. Quantitative Analysis:

   The Firm uses various statistical estimates in an attempt to select funds that outperform a predefined benchmark more frequently than funds with similar objectives and characteristics. It is important to note that the term "outperform" applies to both increasing and decreasing markets. Comparisons are performed over a time horizon of 3 years or more, provided the data is available. All decisions to include or exclude funds in client portfolios are made by the Firm's Investment Committee. A risk in using quantitative analysis is that the statistics used may rely on assumptions that prove to be incorrect and/or misunderstood.

4. Qualitative Analysis:

   The Firm subjectively evaluates non-quantifiable factors, such as a manager's tenure, to gain a better understanding of a fund's behavior. Other factors include management structure, purchase restrictions, and market perception. A risk in using qualitative analysis is that the internal bias of the Firm's Investment Committee may negatively affect what may be a suitable investment for a client's portfolio.

5. Technical Analysis:

   The Firm analyzes past market movements in an attempt to forecast long-term market outcomes. The Firm's forecasts are comprised of both internal and external calculations. Technical analysis is based on statistical data, and is therefore subject to estimation error, which could lead to unanticipated outcomes in the future that could negatively affect a client's portfolio.

6. Cyclical Analysis:

   The Firm occasionally will take into account the current market's place in a larger market cycle when making decisions regarding trading or model structure/development. A risk in using cyclical analysis is that the Firm could make a decision based on historical cycles and may place the current market in the wrong area of the current cycle.

7. Fundamental Analysis:

   From time to time, the Firm will take into account a security's current value, as well as a particular company's financial condition. This fundamental analysis will allow the Firm to determine potential asset performance when statistical data may not be available. This type of analysis will also allow the Firm to spot potential risk not noticed through quantitative data. Fundamental analysis does not attempt to anticipate market movements. The risk of fundamental analysis is that the Firm's timing may be inaccurate, subject to internal bias, or prove to be based on unreliable information.

8. Third Party Manager Analysis:

   The Firm seeks to recommend an investment strategy that will give the client a diversified portfolio consistent with the client's stated investment objectives. The Firm will analyze various securities, investment strategies, and third-party investment management firms. The objective is to identify the client's risk tolerance, and then select the most appropriate manager for that client.

   The Firm examines the experience, expertise, investment philosophies, and past performance of independent

third-party managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. The Firm will monitor the managers' underlying holdings, strategies, concentrations, and leverage as part of a periodically conducted risk assessment. Additionally, as part of the due diligence process, the Firm will survey the managers' compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that the manager may not be able to replicate that success in the future. In addition, as the Firm does not control the underlying investments in a managers' portfolio, there is also a risk that the manager may deviate from the portfolio's stated investment mandate or strategy, making it a less suitable investment for Firm clients. Moreover, as the Firm does not control the managers' daily business and compliance operations, the Firm may be unaware of the lack of internal controls necessary to prevent business, regulatory, or reputational deficiencies.

9. Risks for all forms of analysis:

The Firm's securities analysis methods rely on the assumption that the companies whose securities the Firm purchases and sells, the rating agencies that review these securities, and other publicly available sources of information about these securities are providing accurate and unbiased data. While the Firm is alert to indications that data may be incorrect, there is always a risk that the Firm's analysis may be compromised by inaccurate or misleading information.

B. Investment Strategies:

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

1. Long-term purchases:

The Firm purchases securities with the intent of holding them in the client's account for a year or longer. Typically, the Firm employs this strategy when:

- it believes the securities to be currently undervalued, and/or
- it wants exposure to a particular asset class over time, regardless of current projections for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, the Firm may not take advantage of short-term gains that could be profitable to a client. Moreover, if the Firm's predictions are incorrect, a security may decline sharply in value before it makes the decision to sell.

2. Short-term purchases:

When utilizing this strategy, the Firm purchases securities with the idea of selling them within a relatively short time (typically a year or less). The Firm does this in an attempt to make a portfolio more tax efficient.

A short-term purchase strategy poses risks should the security, which was intended to be a short-term purchase, remain in the portfolio for a longer time than originally planned, resulting in the portfolio's underperformance.

In addition, this strategy involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

3. Optimal Investment Strategy:

   For the Firm's bond portfolios, it reviews the current value points of the nominal yields on the U.S. Treasury and U.S. Agency curves to determine the most valuable products using the Total Return methodology and a 3-year investment horizon. The risk in these types of portfolios stem from unforeseen volatility in interest rates.

C. Third Party Providers:

Certain mutual funds provide the Firm and its clients with access to mutual funds and/or ETFs not generally available in the retail space. These Funds also provide the Firm with ongoing sales support, including, without limitation, access to practice management informational material, advertising and marketing material, proposal generators, risk tolerance questionnaires, and investment policy statement templates, products, and services that do not directly benefit the Firm's clients, but are used in the service of all or a notable sum of the Firm's clients and prospects. These mutual funds and/or ETFs and the ongoing support they provide generally are available only to independent investment advisers who have entered into an arrangement or understanding with the fund.

The availability of these mutual funds and/or ETFs and the ongoing support from these funds are not contingent upon the volume of business the Firm directs to the fund. The Firm does not compensate the fund provider for access to its funds and/or services; rather, the fund is compensated for its efforts through fees and expenses charged by the mutual funds and/or ETFs that are separate and distinct from the investment advisory fees charged by the Firm. For more information regarding mutual fund and ETF fees and expenses, please see Item 5 of this Form ADV. Notwithstanding the preceding, the Firm will only place client assets in securities that are deemed to be in the client's best interest. These may include securities other than, or in addition to, those managed by these funds.

D. Risk of Loss:

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there will be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss, including loss of original principal.

Because of the inherent risk of loss associated with investing, the Firm is unable to represent, guarantee, or even imply that its services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

Investors should be aware that accounts are subject to the following risks:

1. Market Risk:

   Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities to rise or fall. Since the value of investment portfolios will fluctuate, there is the risk that the client will lose money and his or her investment may be worth more or less upon liquidation.

2. Foreign Securities and Currency Risk:

   Investments in international and emerging-market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability.

3. Capitalization Risk:

   Small-cap and mid-cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.

4. Interest Rate Risk:

   In a rising rate environment, the value of fixed-income securities generally declines and the value of equity securities may be adversely affected.

5. Credit Risk:

   Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.

6. Securities Lending Risk:

   Securities lending involves the risk that the fund loses money because the borrower fails to return the securities in a timely manner or at all. The fund could also lose money if the value of the collateral provided for loaned securities, or the value of the investments made with the cash collateral, falls. These events could also trigger adverse tax consequences for the fund.

7. Exchange-Traded Funds:

   ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets, and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund's shares trading at either a premium or a discount to its "net asset value."

8. Performance of Underlying Managers:

   The Firm's Investment Committee selects the mutual funds and ETFs in the asset allocation portfolios. However, the Investment Committee depends on the managers of these funds and ETFs to select individual investments in accordance with their stated investment strategy. The Investment Committee selects the sub-advisors investment advisor representatives may recommend to their clients, conducting initial due diligence of the sub-advisor prior to making their services available to Firm clients and conducting ongoing due diligence at least annually thereafter.

9. Liquidity Risk:

   Liquidity risk exists when particular investments would be difficult to purchase or sell, possibly preventing clients from selling such securities at an advantageous time or price.

Item 9 – Disciplinary Information:

The Firm is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of its advisory business or the integrity of its management. The Firm does not have any legal or disciplinary events to disclose.

Item 10 – Other Financial Industry Activities & Affiliations:

A. Holding Company & Related Company Affiliations:

1. Uwharrie Capital Corp:

   The Firm is an investment adviser and a wholly owned subsidiary of Uwharrie Capital Corp, a bank financial holding company that offers a broad spectrum of banking products and financial services to consumers, locally owned businesses, and commercial clients. As an Uwharrie Capital Corp. subsidiary, the Firm is under common ownership and control with several financial institutions, including TSAC (a broker-dealer), BOS Agency, Inc. (an insurance company), and Uwharrie Bank (a community bank) (collectively, the **"Related Companies"**).

   The Firm shares client information with its Related Companies; except under certain circumstances, clients may opt out of having their information shared with Related Companies.

2. The Strategic Alliance Corporation, a FINRA member broker-dealer and subsidiary of Uwharrie Bank:

   Certain personnel of the Firm are registered representatives of TSAC, a securities broker-dealer and SIPC member. TSAC's broker-dealer activities are primarily the selling private placements. These individuals spend a portion of their time engaged in broker-dealer activities. With respect to private placements, these individuals are not compensated through commissions, but rather through their efforts in underwriting the private placement.

3. BOS Agency, Inc.:

   BOS Agency, Inc., an affiliated entity, is a licensed insurance agency with the State of North Carolina. As such, certain Firm IARs are compensated for selling insurance products to clients to whom Firm investment advisory services are offered. Efforts to develop an online portal for insurance products are currently in the works and occasionally life products are introduced to our clients through third party resources. Very little time, if any, of the IARs' time is spent on these activities.

4. Uwharrie Bank:

   Uwharrie Bank is a wholly owned subsidiary of Uwharrie Capital Corp. Uwharrie Bank is a North Carolina community bank offering various banking products and services to clients. The Firm refers prospective clients to Uwharrie Bank and receives referrals from the affiliate bank. Certain personnel of the Firm are also employees of Uwharrie Bank, a wholly owned subsidiary of Uwharrie Capital Corp. Uwharrie Bank is a North Carolina community bank offering various banking products and services to clients. Dual employees of Uwharrie Bank and the Firm are compensated for bank products and services by Uwharrie Bank. See Item 14 for additional information.

B. Other Financial Industry Activities:

1. Broker Dealer:

   Certain Firm IARs are registered representatives of Private Client Services, LLC ("PCS"), a FINRA-registered broker-dealer and SIPC member. The Firm and PCS are separate, distinct, and unaffiliated entities. PCS registered representatives are compensated for effecting securities transactions and engaging in other

brokerage-related activities. The Firm's IARs spend a portion of their time engaged in broker-dealer activities.

As a broker-dealer, PCS engages in a broad range of activities normally associated with securities brokerage firms. Clients that purchase a brokerage-related, commission generating product through the PCS registered representative will not be assessed an advisory fee on the product purchased.

You should note that you have the right to decide to purchase products through the broker-dealer. If you do decide to purchase products, you have the right to choose from whom you will purchase the products. You are advised that if PCS is selected as the broker-dealer, the transaction charges may be higher or lower than the charges you may pay if the transactions were executed at other broker-dealers.

The registered representative may recommend the purchase of mutual fund securities. Each fund company pays its own separate investment advisory fees and other expenses. Mutual funds also charge their own internal separate fees for investing in their fund. Such fees and expenses are disclosed in the mutual fund's prospectus. In addition, clients should be aware that mutual funds may be purchased separately, independent of PCS's brokerage services and fees.

Moreover, you should note that under FINRA's rules and regulations, PCS has an obligation to maintain certain client records and perform other functions regarding certain aspects of its registered representatives' investment advisory activities. These obligations require PCS to coordinate with and have the cooperation of its registered representatives that operate as, or are otherwise associated with, investment advisers other than PCS.

2. Insurance:

Firm IARs also act as agents appointed with various life, disability, or other insurance companies. In their capacity as agents, the Firm's IARs will receive commissions, trails, or other compensation from the product sponsors and/or as a result of effecting insurance transactions for clients. You have the right to decide whether or not to act on the insurance recommendations from the Firm's IARs. If you decide to act upon the Firm's insurance recommendations, you have the right to choose the insurance professional to use to purchase the insurance products through the Firm's IAR or any licensed insurance agent not affiliated with the Firm. The Firm recognizes its fiduciary responsibility to place your interests first; it has established policies in this regard to mitigate any conflicts of interest.

3. Other Information Concerning Related Activities:

The Firm's related persons may spend as much as thirty percent (30%) of their time on these related activities. Clients should be aware that the receipt of additional compensation by the Firm and its management persons or employees creates a conflict of interest that could impair the objectivity of the Firm and these individuals when making advisory recommendations. The Firm endeavors at all times to put its clients' interests first, as part of its fiduciary duty as a registered investment adviser. The Firm takes the following steps to address this conflict:

- The Firm discloses to clients the existence of all material conflicts of interest, including the potential for the Firm and its employees to earn compensation from advisory clients in addition to advisory fees;
- The Firm discloses to clients that they are not obligated to purchase recommended investment products

from the Firm's employees or Related Companies;

- The Firm collects, maintains, and documents accurate, complete, and relevant client background information, including the client's financial goals, objectives, and risk tolerance;
- The Firm's management team conducts reviews of each client account to verify that all recommendations made to a client are suitable given the client's needs and circumstances;
- The Firm requires that its employees seek prior approval of any outside employment activity so that it may ensure that any conflicts of interests in such activities are properly addressed;
- The Firm periodically monitors these outside employment activities to verify that any conflicts of interest continue to be properly addressed by the Firm; and
- The Firm educates its employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Item 11 – Code of Ethics Participation or Interest in Client Transactions & Personal Trading:

The Firm has adopted a Code of Ethics, which sets forth high ethical standards of business conduct that it requires of its employees, including compliance with applicable federal securities laws. The Firm and its personnel owe a duty of care, a duty of loyalty, fairness, and good faith to clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but also to the general principles that guide the Code.

The Firm's Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports, as well as initial and annual securities holdings reports that must be submitted by the Firm's access persons. Among other things, the Firm's Code of Ethics requires the prior approval of any acquisition of securities in a limited offering (*e.g.,* private placement) or an initial public offering. The Firm's Code also provides for oversight, enforcement, and recordkeeping.

The Firm's Code of Ethics further includes a prohibition against the use of material non-public information. While the Firm does not believe that it has access to material, non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of the Firm's Code of Ethics is available to advisory clients and prospective clients. You may request a copy by email sent to mthornburg@uwharrie.com or by calling us at 704-983-5959.

The Firm and associated persons are prohibited from engaging in agency cross and principal transactions.

The Firm's Code of Ethics is designed to assure that the personal securities transactions, activities, and the interests of the Firm's employees will not interfere with

- making decisions in the advisory clients' best interests; and
- implementing such decisions while simultaneously allowing employees to invest in their own accounts.

The Firm and/or individuals associated with the Firm may buy or sell for their personal accounts securities identical to or different from those recommended to the Firm's clients. In addition, any related persons may have an interest or position in a certain security, which may also be recommended to a client. However, Firm personnel must pre-clear reportable

securities trades prior to effecting the retail brokerage trade.

No Firm-employed person may purchase or sell any security prior to a transaction being implemented for an advisory account. This prevents the employee from benefiting from transactions placed on behalf of the Firm's clients.

The Firm's related persons are separately registered as securities representatives of a broker-dealer and/or licensed as an insurance agent/broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

As these situations represent actual or potential conflicts of interest to Firm clients, the Firm has established the following policies and procedures for implementing its Code of Ethics to ensure the Firm complies with its regulatory obligations, and provide clients and potential clients with full and fair disclosure of such conflicts of interest:

- No principal or employee of the Firm may put his or her own interest above the interest of an advisory client.
- No principal or employee of the Firm may buy or sell securities for his or her personal portfolio(s) where the decision is a result of information received as a result of employment, unless the information is also available to the investing public.
- The Firm requires prior approval for any IPO or private placement investments.

Item 12 – Brokerage Practices:

A. Trade Aggregation:

The Firm 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 pro-rated basis between all accounts included in any such block.

Block trading generally allows the Firm to execute equity trades in a timelier, more equitable manner, and at an average share price. The Firm will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. The Firm's block trading policy and procedures are as follows:

- Transactions for any client account will not be aggregated for execution if the practice is prohibited by or inconsistent with the client's investment advisory agreement with the Firm or the Firm's order allocation policy.
- The portfolio manager must determine both that the purchase or sale of the particular security involved is appropriate for the client and is consistent with the client's investment objectives, as well as any investment guidelines or restrictions applicable to the client's account.
- The portfolio manager must reasonably believe that the order aggregation will benefit each client and will enable the Firm to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- Prior to entry of an aggregated order, a written order ticket must be completed that identifies each client account participating in the order and the proposed allocation of the order to those clients upon completion.

- If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the CCO or designee no later than the morning following the aggregate trade's execution.
- The Firm's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- Funds and securities for aggregated orders are clearly identified on the Firm's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- No client or account will be favored over another.

For clients enrolled in the Firm's TPM Program, please note that recommended sub-advisors may have policies and procedures regarding trade aggregation that vary from that of the Firm's. Please consult the sub-advisor's Form ADV, Part 2 and other disclosure documents for further information concerning its trade aggregation practices.

B. Directed Brokerage:

The Firm recommends that clients establish brokerage accounts with PAS, an affiliate of Pershing LLC (**"Pershing"**), a FINRA registered broker-dealer and SIPC member. PAS maintains custody of clients' assets and effects trades for their accounts. PAS and Pershing are the Bank of New York Mellon Company, Inc.'s subsidiaries. Although the Firm recommends that clients establish accounts at PAS and Pershing, it is the client's decision with whom he or she custodies assets. The Firm is independently owned and operated; it is not affiliated with PAS or Pershing. Since the Firm only uses one custodial platform, a customer's request to use another custodian could result in the customer not being able to open an account with the Firm.

C. Economic Benefits:

PAS/Pershing provides the Firm with access to the institutional trading and custody services, which are typically not available to Pershing retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least $10 million of the adviser's clients' assets are maintained in accounts at Pershing. PAS/Pershing's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

PAS/Pershing receives a percentage of the fee charged to the customer based on the assets under management for wrap accounts. Services provided by PAS/Pershing include the execution of securities transactions, custody, research, and access to mutual funds. Clients are able to buy some no-load funds and funds at net asset value because they are participating in the managed program.

For Firm client accounts maintained in its custody, Pershing generally does not charge separately for custody services. It is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Pershing or that settle into Pershing accounts.

PAS/Pershing also makes available to the Firm other products and services that benefit the Firm but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of the Firm's client accounts, including accounts not maintained at PAS/Pershing. PAS/Pershing's products and services, which assist the Firm in managing and administering client accounts, include software and other technology solutions that

- provide access to client account data (such as trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide research, pricing, and other market data;
- facilitate payment of Firm fees from client accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

PAS/Pershing also offers other services intended to help the Firm manage and further develop its business enterprise. These services include:

- compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

PAS/Pershing may make available, arrange and/or pay third-party vendors for the types of services rendered to the Firm. In its discretion, PAS/Pershing discounts or waives fees it would otherwise charge for some of these services or pays all or a part of the fees of a third-party providing these services to the Firm. PAS/Pershing may also provide other benefits, such as educational events or occasional business entertainment of Firm personnel. In evaluating whether to recommend or require that client's custody their assets at PAS/Pershing, the Firm takes into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors the Firm considers and not solely on the nature, cost, or quality of custody, and brokerage services provided by PAS/Pershing, which creates a potential conflict of interest.

D. Trade Errors:

The Firm has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the Firm's policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. In all situations where the client does not cause the trade error, the client will be made whole and the Firm will absorb any loss resulting from the trade error if the error was caused by the

firm. If the error is caused by the custodian, the custodian will be responsible for covering all trade error costs. The Firm will never benefit or profit from trade errors.

For clients enrolled in the Firm's TPM Program, please note that recommended sub-advisors may have policies and procedures regarding the handling of trade errors that vary from that of the Firm's. Please consult the sub-advisor's Form ADV, Part 2 and other disclosure documents for further information concerning such practices.

Item 13 – Review of Accounts:

A. Account Reviews and Reviewers – Investment Supervisory Services:

The Firm's IARs will monitor client accounts on a regular basis and at least perform annual reviews with each client. All accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance, and performance relative to an appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax, or financial status. Geopolitical and macroeconomic specific events may also trigger reviews.

B. Statements and Reports:

The custodian for the individual client's account will provide clients with an account statement at least quarterly. Reports will also be provided at every client meeting. Communication to clients will be done on an as needed basis with a minimum of one (1) contact per calendar year. You are urged to compare the reports provided by the Firm against the account statements you receive directly from the account custodian.

C. Consulting:

Consulting clients (*i.e.*, those who have no assets under management with us in our advisory program) will receive no regular reports from the Firm.

D. Financial Planning:

The Firm's financial planning services are separate and distinct from its discretionary investment management services. The Firm provides clients with a written financial plan based on elicited information. The written financial plan is the only report provided to the client. The report provides an overview of the client's financial situation (*e.g.*, financial goals, net worth, insurance policies, etc.), an overview of sources of income, expected cash flows, Monte Carlo simulations reflecting the client's ability to achieve financial targets, bear market stress test simulations, and an overview of the client's estate.

E. Retirement Plan Consulting Services:

The Firm will review the client's IPS whenever the client advises the Firm of a change in circumstances regarding the plan's needs. The Firm will also review the plan's investment options according to the agreed upon time intervals established in the IPS. Such reviews will generally occur annually by an investment adviser representative assigned to the account.

For retirement plans, the Firm will review the plan with the plan sponsor annually. These accounts are reviewed by an IAR assigned to the account.

The Firm or Custodian will provide reports to clients based on the terms set forth in the client's IPS and agreement.

Item 14 – Client Referrals & Other Compensation:

The Firm pays referral fees to affiliated persons ("Solicitors") for introducing investment management clients. If referral fees are to be made, they will only be made to Solicitors referring investment management clients. The Solicitor is only allowed to make impersonal investment advice that involves directing the client to the Firm. Advisory fees paid to the Firm by clients referred by Solicitors are not increased as a result of the referral. The Firm requires a written agreement between the Solicitor and the Firm in order to pay a referral fee.

If a referral of a client by a Firm representative to Uwharrie Bank is made and results in new business to the bank, Uwharrie Bank will pay the Firm's IAR a nominal referral fee. The nominal referral fee amount to be paid is based on the type of business generated. For a qualifying business or consumer loan of $25,000 outstanding or greater, Uwharrie Bank pays the Firm's IAR 20 basis points (0.20%) on the average outstanding balanced after each quarter-end for one (1) year. For residential mortgage loans, Uwharrie Bank pays the Firm's IAR a nominal referral payment of $100 for each loan closed. For credit cards issued with lines of $5,000 or more, Uwharrie Bank pays the Firm's IAR a nominal referral payment of $20 for each account opened. The services provided by Uwharrie Bank are separate and distinct from the Firm's advisory services and are provided for separate and additional compensation.

Uwharrie Bank personnel are paid a nominal fee for referring bank clients to the Firm. If a referral made by an employee of Uwharrie Bank to the Firm results in an appointment to discuss investment options for amounts of $50,000 or greater, the Firm pays the referring Uwharrie Bank employee a nominal fee of $50. The nominal referral fee is paid regardless if the appointment results in new business to the Firm. The services provided by the Firm are separate and distinct from Uwharrie Bank's services and are provided for separate and additional compensation.

Other than as described above, it is the Firm's policy not to accept or allow its related persons to accept any form of compensation, including cash, sales, awards, or other prizes from a non-client in conjunction with the advisory services the Firm provides to its clients.

Item 15 - Custody:

The Firm previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that the Firm directly debits advisory fees from the UIA Managed Accounts and the AAA Wrap Fee Accounts. For clients enrolled in the TPM program, either the TPM platform provider directly debits advisory fees from client accounts and remits payment to the Firm or the Firm debits advisory fees from client accounts and remits payment to the TPM provider.

For UIA Managed and AAA Wrap Fee Accounts, the Firm has the authority to have fees deducted directly from client accounts. For TPM Program clients, either the TPM platform provider directly debits fees from the client's account and remits payment to the Firm or the Firm debits fees from client accounts and remits payment to the TPM provider. The Firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and, therefore, are aware of the qualified custodian's name, address, and the manner in which the funds or securities are maintained. Account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those

statements and are urged to compare the statements against reports received from the Firm. When you have questions about your account statements, you should contact the Firm or the qualified custodian preparing the statement. Clients should contact the Firm directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, the Firm also sends account statements directly to its managed account clients on a quarterly basis, except for accounts managed by a TPM. The TPM is responsible for performance reporting on managed accounts traded on their platform. The Firm urges its clients to carefully compare the information provided on these statements to ensure all account transactions, holdings, and values are accurate.

Standing Letters of Authorization ("SLOA")

Our Firm is deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and, under that SLOA, it authorizes us to designate the amount or timing of transfers with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow. We do not have a beneficial interest on any of the accounts we are deemed to have Custody where SLOAs are on file. In addition, account statements reflecting all activity on the account(s), are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us, your Advisor or the qualified custodian preparing the statement.

Item 16 – Investment Discretion:

Clients may hire the Firm to provide discretionary asset management services, in which case the Firm will place trades in a client's account without contacting the client beforehand to obtain permission.

The Firm's discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give the Firm discretionary authority when they sign the discretionary investment advisory agreement; clients may limit this authority by giving the Firm written instructions. Clients may also amend such limitations by providing the Firm with written instructions.

As disclosed in this Brochure's Item 4, the Firm does not provide non-discretionary asset management services, with the limited exception of bond portfolios.

Item 17 – Voting Your Securities:

As a matter of policy, the Firm does not vote proxies on its clients' behalf. Clients maintain exclusive responsibility for

- directing the manner in which proxies solicited by issuers of securities beneficially owned by the client are to be voted; and
- making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, or other type

events pertaining to the client's investment assets.

Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. The Firm does not offer any consulting assistance regarding proxy issues to clients.

The Firm will neither advise nor act on a client's behalf in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct the Firm to transmit copies of class action notices to them or a third party. Upon such direction, the Firm will make commercially reasonable efforts to forward such notices in a timely manner.

For clients enrolled in the Firm's TPM Program, please note that recommended sub-advisors may have policies and procedures regarding proxy voting that vary from that of the Firm's. Please consult the sub-advisor's Form ADV, Part 2 and other disclosure documents for further information concerning their proxy voting practices.

Item 18 – Financial Information:

The Firm has no financial circumstances to report. Under no circumstances does the Firm require or solicit payment of fees in excess of $1,200 per client more than six months in advance of services rendered. Therefore, the Firm is not required to include a financial statement. The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.