



**Part 2A of Form ADV: Firm Brochure**  
**March 30, 2022**

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This brochure provides information about the qualifications and business practices of Dixon, Hubbard, Feinour & Brown, Inc. If you have questions about the contents of this brochure, please contact us at 540-343-9903. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Dixon, Hubbard, Feinour & Brown, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

***Dixon, Hubbard, Feinour & Brown, Inc. refers to itself as a Registered Investment Adviser. Please be advised that registration does not imply a certain level of skill or training.***

## **Item 2 - Material Changes**

Since the last annual amendment to our ADV Part I, which occurred in March 2021, Dixon, Hubbard, Feinour & Brown, Inc. (DHFB) has no material changes to report.

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## Item 4 – Advisory Business

Dixon, Hubbard, Feinour & Brown, Inc. is an independent investment counseling company registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The company was founded in 1981 by its former principals and is entirely owned by Atlantic Union Bank (AUB), formerly known as Union Bank & Trust, as of April 1, 2018. DHFB operates as a wholly-owned subsidiary of AUB. DHFB also conducts advisory business under the name Old Dominion Capital Management (“ODCM”) with offices in Charlottesville and Arlington, Virginia. For full details, please see ODCM’s Form ADV.

DHFB primarily provides discretionary investment advisory services for fees calculated as a percentage of assets under management. DHFB also provides financial planning services. DHFB does not charge hourly fees, subscription fees, commissions, or other types of fees, except for non-clients that desire financial planning services.

DHFB does not participate in wrap fee programs.

As of December 31, 2021, DHFB had \$1,685,581,570 in assets under management. Of this, \$1,673,841,024 was managed on a discretionary basis and \$11,740,545 was managed on a non-discretionary basis.

**Investment Advisory Services.** DHFB offers advice on the following types of investments: equity securities, including exchange-listed securities and securities traded over-the-counter; warrants; corporate debt securities (other than commercial paper); commercial paper; certificates of deposit; municipal securities; investment company securities - mutual fund shares; United States government securities; and options contracts on securities. DHFB does not offer advice on variable life insurance; variable annuities; options contracts on commodities; futures contracts on tangibles or intangibles.

DHFB is capable of tailoring its advisory services to the individual needs of clients, e.g. fixed income only or socially responsible investing. Clients may impose restrictions on investing in certain securities or types of securities, e.g. avoid “sin stocks,” do not sell concentrated legacy holdings, or establishing investment policy guidelines.

**Financial Planning Services.** Financial planning is a comprehensive evaluation of a client’s current and future financial state by using currently known variables to anticipate 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 entire financial and life situation of the client. DHFB takes a comprehensive approach by assisting clients with areas that impact their financial situation. DHFB helps organize, structure, and implement a financial plan to assist clients in meeting their short-term needs along with long-term goals. Throughout this process, DHFB works directly with a client’s other professionals (attorney, accountant and insurance agent), if the client desires, to help them execute the strategy. DHFB works diligently to update the plan as needed, as life events often cause changes that should be reflected. Areas of expertise include: Retirement Planning; Education Planning; Risk Management; Estate Planning; Tax Planning; Charitable Giving; Small Business Planning; Executive Compensation.

DHFB gathers required information through in-depth personal interviews. Information gathered includes

the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. DHFB carefully reviews documents supplied by the client. The success of a good financial plan is determined by the information provided by the client. The better informed the investment adviser representative ("IAR") is by the client, the more helpful the financial plan will be to the client. Implementation of financial plan recommendations is entirely at the client's discretion.

Financial Planning 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.

**Pension Consulting Services.** DHFB serves as an "Investment Adviser" and a "fiduciary" within the meaning of Section 3(38) of Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, with respect to accounts in the Plan.

When engaged as an Investment Adviser, DHFB will work with pension plan trustees to develop an appropriate investment policy statement for the plan and then DHFB implements the appropriate investment strategy. DHFB will also conduct educational meetings with plan participants upon request from the Plan Sponsor.

## **Item 5 – Fees and Compensation**

Annual compensation is a percentage of the assets under management according to the following schedule: 1.00% of the first \$1 million market value; .75% of the next \$4 million market value; .50% of market value above \$5 million. DHFB generally requires a minimum fee of \$6,000 per year. In certain situations, advisory fees may be negotiable or minimum fees waived or reduced at the discretion of the Firm. Examples of possible negotiated fees include smaller accounts expected to grow, certain charitable accounts, or new accounts grouped in with an existing family of accounts.

Compensation is payable quarterly in arrears at 25% of the above schedule. Customers are not required nor are offered the ability to pre-pay fees. The quarterly fee maybe adjusted down for significant contributions or up for significant withdrawals that occur during the billing period and comprise 10% or more of the account value.

The investment advisory contract contains no termination date. However, the company or client may terminate the contract at any time with reasonable notice to the other party. The client also has the right to terminate the contract without incurring any fees within five calendar days from entering into the contract. Termination by either party afterward would result in fees prorated and payable to the effective date of termination.

DHFB typically deducts fees from clients' accounts, but clients may elect to be billed directly for fees incurred. Fees are billed or deducted quarterly using market values calculated as of March, June, September, and December month ends.

At any specific point in time, depending upon perceived or anticipated market conditions or events, (there being no guarantee that such anticipated market conditions or events will occur), DHFB may maintain cash positions for defensive purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating the advisory fee.

**Flat, Annual Fee.** In certain circumstances, DHFB may assess a flat, annual fee for investment advisory or financial planning services that will not exceed \$25,000, if requested. The negotiation of a flat, annual fee will be based on the size, scope and services requested by the client. Upon execution of the client agreement, the initial prorated fee for the remainder of the calendar quarter will be assessed and collected. One quarter of the annual fee will then be assessed and collected at the end of each calendar quarter for the upcoming quarter.

**Additional Fees.** Depending on the choice of custodian, clients may incur custodian fees. DHFB invests on the clients' behalf in mutual funds in certain situations; clients should be aware that our management fees are in addition to those charged by the mutual fund managers. Class action lawsuit proceeds will be reduced by a 20% commission withheld by Broadridge Financial Services, Inc. to cover the cost of filing and disbursement of net proceeds.

DHFB's supervised persons do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

DHFB has clients who are also clients of Atlantic Union Bank. Management fees paid directly to DHFB are separate from, and in addition to, any fees that may be paid to Atlantic Union Bank for their services. Because DHFB is a wholly-owned subsidiary of Atlantic Union Bank, fees paid to DHFB directly benefit Atlantic Union Bank.

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

DHFB does not charge performance-based fees.

## **Item 7 – Types of Clients**

Clients of DHFB generally include high net worth individuals (with at least \$1 million assets under management), individuals (other than high net worth individuals), retirement plans, trusts, estates, charitable organizations, business entities, and foundations. DHFB generally requires a minimum fee of \$6,000 per year. DHFB may, at its sole discretion, charge a lesser investment management fee and/or waive or reduce the minimum fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

DHFB's equity security analysis methods include charting, and fundamental and technical analysis. The main sources of information that DHFB uses include financial newspapers and magazines; inspections 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. DHFB uses the following strategies when investing in fixed income securities: Diversify holdings among different classes and grades of bonds based on Standard & Poors and Moody's bond ratings; ladder maturities from 1 year to 9 years (or less); avoid turnover and minimize transaction costs; use caution in trying to

anticipate swings in interest rates.

The investment strategies used to implement any investment advice given to clients include: Long-term purchases (securities held at least a year) and short-term purchases (securities sold within a year). At the present time, DHFB does not use investment strategies involving option writing, including covered options, uncovered options, or spreading strategies.

***Investing in the types of securities as outlined in the description of DHFB's advisory business on page 4, involve an inherent risk of loss that clients should be prepared to bear.***

The material risks associated with DHFB's methods of analysis and investment strategies involve market price risks and interest rate risks, with a remote possibility that a security can lose all of its value, e.g. Enron. DHFB's securities analysis methods rely on the assumption that the companies whose securities are purchased and sold, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While DHFB is alert to indications that data may be incorrect, there is always a risk that analysis may be compromised by inaccurate or misleading information.

All investment strategies inherently expose our clients to various types and varying degrees of risk. Below is a discussion of those risks in greater detail:

**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 after 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 as all securities may be affected by market fluctuations.

**Currency Risk.** Investments outside of the United States 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.

**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 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 able to be 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 risks associated with a particular industry or a particular 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 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.

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

## **Item 9 – Disciplinary Information**

DHFB and its employees and supervised persons have not been involved in any type of disciplinary actions, including criminal or civil actions in a domestic, foreign, or military court; administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority; or proceedings before a self-regulatory organization (SRO).

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

Neither DHFB, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. Neither DHFB, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

DHFB does not receive, directly or indirectly, compensation from investment advisors that DHFB recommends or selects for clients.

DHFB is a registered investment adviser and a wholly owned subsidiary of Atlantic Union Bank, a bank that offers a broad spectrum of banking products and financial services to consumers, small businesses and commercial clients. Atlantic Union Bankshares Corporation is the holding company for Atlantic Union Bank. As a subsidiary of Atlantic Union Bank, DHFB is under common ownership and control with



other financial institutions that are also part of the holding company, including the following with which DHFB has a material business relationship (referred to collectively as the "Related Companies"):

- Union Insurance Group, LLC
- Access Insurance Group, LLC
- Atlantic Union Equipment Finance, Inc.
- Atlantic Union Financial Consultants, LLC

DHFB has clients who are also clients of Atlantic Union Bank and/or its Related Companies. Management fees paid to DHFB are separate from, and in addition to, any fees that may be paid to Atlantic Union Bank and any Related Companies for their services. Because DHFB is a wholly-owned subsidiary of Atlantic Union Bank, fees paid to DHFB directly benefit Atlantic Union Bank. DHFB may refer its clients to Atlantic Union Bank and/or Related Companies for bank products and services including, but not limited to, trust, insurance, loan, and mortgage products and services, as appropriate. DHFB and its employees receive no direct compensation for these referrals. DHFB clients are not required to use Atlantic Union Bank's services. As a part of DHFB's investment management process, DHFB may use investment research provided by Atlantic Union Bank, which is available at no additional cost because of DHFB's affiliation with Atlantic Union Bank.

An employee of DHFB, Jeffrey P. Blatter, CFP®, has a separate business, JPB Tax Preparation, doing income tax work for his clients. This business is not affiliated with DHFB, DHFB does not supervise this business, and DHFB is not responsible for it. Any DHFB clients using his services will pay his fees in addition to DHFB's investment advisory fees. DHFB clients are not required to use his independent tax services.

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

DHFB's code of ethics, pursuant to SEC Rule 204A-1, is part of its overall compliance manual. The following are pertinent excerpts:

- **Responsibility.** It is the responsibility of all employees to conduct their business with the highest level of ethical standards and in keeping with the company's fiduciary duties to its clients.
- **Duty to Clients.** The Company has a duty to exercise its authority and responsibility for the benefit of its clients, to place the interests of its clients first, and to refrain from having outside interests that conflict with the interests of its clients. The Company must avoid any circumstances that might adversely affect, or appear to affect, its duty of loyalty to its clients.
- **Privacy of Client Financial Information.** The Company will not disclose any nonpublic personal information about a Client to any nonaffiliated third party unless the Client expressly permits the Company to do so. The Client must grant such permission, or denial of permission, to the Company, in writing. A copy of the permission document will be filed in the Client file.
- **Prohibited Acts.** Employing any device, scheme or artifice to defraud; making any untrue statement of a material fact; omitting to state a material fact resulting, in light of the circumstances under which it is made, in a misleading statement; engaging in any fraudulent or deceitful act, practice or course of business; or, engaging in any manipulative practices.
- **Conflicts of Interest.** The Company has a duty to disclose potential and actual conflicts of interest to

their clients. All Investment Adviser Representatives (IARs) and solicitors have a duty to report potential and actual conflicts of interest to the Company. Gifts (other than de minimis gifts, which are usually defined as having a value under \$100.00) should not be accepted from persons or entities doing business with the Company.

- **Use of Disclaimers.** The Company shall not attempt to limit liability for willful misconduct or gross negligence through the use of disclaimers.
- **Suitability.** The Company shall recommend only those investments that it has a reasonable basis for believing are suitable for a client, based upon the client's particular situation and circumstances. In addition, clients should be instructed to immediately notify the Company of any significant changes in their situation or circumstances so that the Company can respond appropriately.
- **Duty to Supervise.** *Advisers Act Section 203(e)(5)* The Chief Compliance Officer (CCO) is responsible for ensuring adequate supervision over the activities of all persons who act on the Company's behalf. Specific duties include, but are not limited to: Establishing procedures that could be reasonably expected to prevent and detect violations of the law by its advisory personnel; analyzing its operations and creating a system of controls to ensure compliance with applicable securities laws; ensuring that all advisory personnel fully understand the Company's policies and procedures; and, establishing an annual review system designed to provide reasonable assurance that the Company's policies and procedures are effective and are being followed. *We will be happy to provide a complete copy of our code of ethics to any client or prospective client upon written request.*
- **Participation or Interest in Client Transactions.** DHFB or related persons buys or sells for itself securities that it also recommends to clients. Investment portfolio managers must place the interest of the firm's clients above their own or those of the firm in effecting security transactions. They are expressly prohibited from effecting transactions for their own or for the firm's account which take advantage, or appear to take advantage, of transactions effected for the firm's clients, also known as scalping. Employees are allowed to trade in the same publicly-traded securities as client accounts, and even at the same time, so long as any transaction complies with DHFB's Personal Trading Policy, which applies to all "access" persons at DHFB (all employees with access to trading decisions).
- **Personal Securities Transactions.** Procedures are in place that are designed to assist the CCO in detecting and preventing abusive sales practices such as "scalping" or "front running" and to highlight potentially abusive "soft dollar" or brokerage arrangements:
- **Responsibility.** The CCO shall maintain current and accurate records of all personal securities transactions of its employees, IARs and associated persons.
- **Reporting.** Information regarding personal securities transactions must be reported to the CCO no more than ten (10) days following the end of each quarter.
- **Acknowledgment.** The Company requires that all Access Persons acknowledge in writing that they have reviewed and understand the Company's policy on personal securities transactions on a periodic basis.

## Item 12 – Brokerage Practices

**Investment or Brokerage Discretion.** DHFB or any related person has the authority to determine, without obtaining specific client consent: Securities to be bought or sold; amount of the securities to be bought or sold; broker or dealer to be used; commission paid; and the order in which trades are executed (block trades are placed before directed trades).

In general, DHFB exercises discretion regarding securities to be purchased and sold, brokers used to

effect such transactions, and commissions paid. However, our clients may retain some or all of this authority to themselves, especially regarding the retention of specific assets. We frequently achieve volume commission discounts and the best possible execution price by blocking client orders for the same security into one large order and then allocating the “average” price and commission among the individual accounts that participated in the blocked trade.

The client’s best interests are the determining factor in selecting brokers to effect securities transactions; however, the determination of a client’s best interest goes beyond simply minimizing commissions paid. Selections are made considering the following factors, in no specific order: the broker’s ability to effectively complete transactions in a timely fashion; competitive net price to the client, considering both transaction price and commission paid; the quality of research and investment services provided by the brokerage firm to aid DHFB in the research and selection of securities. Such services include company and industry analysis, securities markets commentaries, financial statistics, and other information pertinent to managing securities portfolios.

When DHFB uses client brokerage to obtain research or other products and services, it receives a benefit because DHFB does not have to produce or pay for the research, products, or services. This could be seen as presenting a potential conflict of interest. Although the commissions and/or transaction fees paid by clients shall comply with DHFB’s duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where DHFB determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not merely the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although DHFB will seek competitive rates, DHFB may not necessarily obtain the lowest possible commission rates for account transactions.

A current list of eligible brokers is maintained. On a continuous basis we appraise each firm’s ability to execute transactions efficiently at competitive net prices to our clients. We also evaluate the quality of the research services they provide and the benefit of these services to our clients.

Research services furnished by brokers through whom we effect securities transactions may be used in servicing all our client accounts. However, not all such services may be used in connection with the accounts which paid commissions to the broker providing such services. In all cases we exercise our best judgment in good faith to determine that our clients’ overall best interests are served in effecting all securities transactions.

For accounts of clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab or that settle into a client’s Schwab account. Schwab charges the client a flat dollar amount as a “prime broker” or “trade away” fee for each trade that DHFB has executed by a different broker-dealer but where the securities bought or the funds from securities sold are deposited (settled) into a client’s Schwab account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer. Because of this, in order to minimize trading costs, DHFB uses Schwab to execute most trades for client accounts. DHFB nevertheless acknowledges its duty to seek best execution of trades for client accounts.

**Directed Brokerage.** DHFB does not accept client-directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer).

**Products and Services Available to DHFB from Schwab.** Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business that serves independent investment advisory firms like DHFB. They provide DHFB and its clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help DHFB manage the business. The following is a more detailed description of Schwab's support services:

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

**Services that May Not Directly Benefit Clients.** Schwab also makes available to DHFB other products and services that benefit DHFB but may not directly benefit clients' accounts. These products and services assist DHFB in managing and administering clients' accounts. They include investment research, both Schwab's own and that of third parties. DHFB may use this research to service all or some substantial number of client accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that provides access to client account data (such as trade confirmations and account statements). These services include facilitating trade execution and allocating aggregated trade orders for multiple client accounts; providing research, pricing and other market data; facilitating payment of fees from clients' accounts; and assisting with back-office functions, recordkeeping and client reporting.

**Services that Generally Benefit Only DHFB.** Schwab also offers other services intended to help DHFB manage and further develop its business enterprise. These services may include: educational conferences and events; technology, compliance, legal and business consulting; publications and conferences on practice management and business succession; and access to employee benefit providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services. Schwab may also discount or waive its fees for some of these services or pay all or part of a third-party's fees. Schwab may also provide DHFB with other benefits such as occasional business entertainment or personnel.

DHFB clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by DHFB to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**Client Referrals.** DHFB has received client referrals from Charles Schwab & Co., Inc. ("Schwab") through participation in Schwab Advisor Network™ ("the Service"), designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of, and unaffiliated with, DHFB. Schwab does not supervise DHFB and has no responsibility for DHFB's management of clients' portfolios or its other advice or services. DHFB pays Schwab fees to receive client referrals through the

Service. DHFB's participation in the Service may raise potential conflicts of interest described below.

DHFB pays Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by DHFB is a percentage of the fees owed by the client to DHFB or a percentage of the value of the assets in the client's account. DHFB pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to DHFB quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by DHFB and not by the client. DHFB has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs DHFB charges clients with similar portfolios (pursuant to DHFB's standard fee schedule) who were not referred through the Service.

DHFB generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab, unless the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed in custody other than at Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees DHFB generally would pay in a single year. Thus, DHFB will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees are based on assets in accounts of clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, DHFB will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit DHFB's fees directly from the accounts.

### **Item 13 – Review of Accounts**

DHFB currently employs a team approach to client account management. Each account is assigned both an administrative manager and an investment (portfolio) manager, which may be the same individual in some cases. There are six investment professionals with accounts assigned to them in either role. The administrative manager is primarily responsible for client contact and for establishing the investment objective in conjunction with the client as well as ongoing account review. The portfolio manager is responsible for constructing and maintaining the investment portfolio designed to achieve these objectives. Portfolio managers are mainly responsible for review of all securities held in all accounts assigned to them, as well as for review of each client's account to determine the likelihood of the specific assets held continuing to achieve the investment objective. Review of all assets takes place continuously. Individual accounts are also monitored on an ongoing basis and reviewed formally by a committee of the investment professionals outlined above. The committee meets weekly and each account comes before the committee for a formal review on at least a quarterly basis. Changes in portfolio holdings are made, when appropriate, to further the likelihood of achieving the investment objective or when the investment objectives change. Annually, each client is contacted directly to discuss their current financial status and risk tolerance to determine whether the client's financial situation has changed, necessitating a new, different investment strategy and portfolio makeup going forward. All accounts receive approximately equal attention and review, which is the primary reason for the team approach. The number of accounts assigned to each investment professional varies according to function.

The nature and frequency of regular reports to clients on their accounts: Clients are furnished printed statements of assets held, showing cost and market values and other financial statistics, each calendar quarter. Comments pertinent to their account may be included with the quarterly statements.

Clients also receive monthly statement packages, including holdings and transaction history, directly from the custodian of the account's assets.

## Item 14 – Client Referrals and Other Compensation

**Schwab Advisor Network.** As discussed in Item 12 above, DHFB has received client referrals from Charles Schwab & Co., Inc. ("Schwab") through participation in Schwab Advisor Network™.

**Other Solicitors.** As a matter of policy and practice, DHFB does not compensate any third-party persons, either individuals or entities, for the referral of advisory clients to the firm unless a formal solicitor's agreement has been entered into with a Registered Investment Adviser Representative ("RIAR") or with such person's supervising firm which is a Registered Investment Adviser ("RIA"). DHFB may increase its advisory fees in order to compensate a solicitor. When this is applicable, this information included in the disclosure document signed by the client. The solicitor receives a portion of the advisory fee collected (a "Referral Fee") in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements.

DHFB can compensate an employee for his or her role in bringing new business to the firm. This is typically in the form of a one-time bonus.

## Item 15 – Custody

Based on revised SEC regulations, DHFB has implied custody of a portion of our client assets. As a matter of policy, DHFB does not have physical custody of any of our clients' assets. However, under certain circumstances, the SEC considers our firm to have custody of clients' assets: when we serve as trustee or co-trustee of an account; when we are authorized to direct payments on behalf of the client to third parties, e.g. bill paying and estimated tax payments; when we are authorized to deliver securities to third parties representing client gifts to individuals and charities; where a SLOA (Standard Letter of Authorization) exists giving broad authority to wire or otherwise disburse funds; and when we have direct online access to a client's custody account in order to place trades.

DHFB engaged Keiter, CPA to conduct an annual surprise examination of accounts where DHFB is deemed to have custody and for which an examination is required. The most recent audit covered the period 6/30/2020 to 5/31/2021 and was completed 9/28/21.

All clients of DHFB receive monthly statements directly from the bank, broker-dealer, or institution that has physical custody of client assets. ***Clients are encouraged to compare our quarterly Portfolio Appraisals with statements received from the custodian.*** This disclaimer appears on our quarterly statements to clients.

## **Item 16 – Investment Discretion**

DHFB typically provides investment advisory services on a discretionary basis. Prior to DHFB assuming discretionary authority over a client's account, the client will be required to execute an Investment Advisory Agreement, naming DHFB as the client's attorney and agent in fact, granting DHFB limited authority to buy, sell, or otherwise effect investment transactions involving the assets in the discretionary account. Clients may, at any time, impose restrictions, in writing, on DHFB's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe use of margin, etc.) For best execution purposes, portfolio managers may execute large "block trade" orders with a broker-dealer firm other than the account custodian. The resulting transaction is commonly referred to as a "trade away" or "step out" trade.

## **Item 17 – Voting Client Securities**

DHFB complies with SEC Rule 206(4)-6 requiring formal proxy voting policies and procedures for SEC registered investment advisers with voting authority over client portfolio securities. DHFB will vote in a manner that serves the best interests of the client, as determined by DHFB's management in its discretion, taking into account the following factors and other such factors that may be proper under the circumstances:

- Whether the proposal is a routine proposal or a non-routine proposal;
- The impact the proposal will have on the value of the security, or on the value of the returns to the client's account;
- The costs associated with the proxy;
- The impact the proposal may have on the liquidity of the investment, or the redemption or withdrawal rights; and
- The impact the proposal may have on shareholder rights.

DHFB uses a third party proxy voting service, ProxyEdge provided by Broadridge, to vote the proxies. Clients may not direct voting in a particular solicitation when DHFB has proxy voting responsibility.

Clients can obtain information on how their proxies were voted by requesting such information from the Chief Compliance Officer. A copy of DHFB's proxy voting policies and procedures is also available upon request.

In the event a client does not give DHFB authority to vote proxies, the client will maintain exclusive responsibility for: (1) directing the manner in which proxies for the securities owned will be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to client investment assets. Clients will receive proxies or other solicitations directly from the custodian or a transfer agent. Clients may contact DHFB via phone or email to discuss any questions regarding a particular solicitation.



**Item 18 – Financial Information**

DHFB does not solicit prepayment of fees of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to include a balance sheet for its most recent fiscal year end.

DHFB has discretionary authority or custody of client funds or securities and is therefore required to notify its clients of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. DHFB is not aware of any such financial conditions.

DHFB has not been the subject of a bankruptcy petition.



## FACTS

### WHAT DOES DIXON, HUBARD, FEINOUR & BROWN, INC. DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number, birth dates, and employment status
- Account numbers, account balances, income, transaction history, and financial history
- Personal addresses, phone numbers, and email addresses

#### How?

All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons Dixon, Hubbard, Feinour & Brown, Inc. ("DHFB") chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does DHFB share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	YES	NO
<b>For our marketing purposes—</b> to offer our products and services to you	YES	NO
<b>For joint marketing with other financial companies</b>	NO	NO
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	YES	NO
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	NO	NO
<b>For our affiliates to market to you</b>	NO	NO
<b>For nonaffiliates to market to you</b>	NO	NO

#### Questions? call us at:

- Call our Chief Compliance Officer at (800) 446-2029, or
- Email our Chief Compliance Officer at [info@dhfb.com](mailto:info@dhfb.com)

#### Please note:

If you are a new client, we can begin sharing your information from the date we sent this notice. When you are *no longer* our client, we continue to share your information as described in this notice.

## Who we are

Who is providing this notice?

Your investment advisory firm, Dixon, Hubbard, Feinour & Brown, Inc. ("DHFB").

## What we do

**How does DHFB protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law.

These measures include computer safeguards and secured files and buildings. Our employees are bound by our Code of Business Conduct and Ethics and policies when accessing your personal information.

**How does DHFB collect my personal information?**

We collect your personal information when you:

- Enter into an investment advisory contract
- Open an account
- Provide account information
- Give us your contact information
- Give us your income information

We may also collect your personal information from other companies, like your custodian, banker, accountant or lawyer with your consent.

**Why can't I limit all sharing?**

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

Individual service providers may give you additional rights to limit sharing. In addition to federal law, you may have other privacy protections under some state or international laws. We will comply with all applicable laws as to information about you, including medical information.

## Definitions

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

*DHFB is a subsidiary of Atlantic Union Bank.*

**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

*DHFB does not share with nonaffiliates so they can market to you.*

*Nonaffiliates we can share with for business purposes include government entities, software developers, service providers, or consulting firms.*

**Joint marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

*DHFB doesn't jointly market.*