Dixon, Hubard, Feinour & Brown, Inc. investment counsel

Item 1 - Cover Page, Form ADV Part 2 – May, 2019

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This brochure provides information about the qualifications and business practices of Dixon, Hubard, 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, Hubard, Feinour & Brown, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Dixon, Hubard, 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, 2019, Dixon, Hubard, Feinour & Brown, Inc. (DHFB) has undergone the following changes:

No material changes occurred.

However, effective May 20, 2019, Union Bank & Trust changed its name to Atlantic Union Bank (AUB), and Union Bankshares Corporation is now Atlantic Union Bankshares Corporation.

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Item 4 – Advisory Business

Dixon, Hubard, 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 4/1/18. DHFB will operate as a wholly-owned subsidiary of AUB.

DHFB provides discretionary investment advisory services (100%) for fees calculated as a percentage of assets under management. DHFB does not provide financial planning services. DHFB does not charge hourly fees, fixed fees, subscription fees, commissions, or other types of fees.

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.

DHFB does not participate in wrap fee programs.

As of March 31, 2019, DHFB managed approximately $573 million of client assets, all of which are considered discretionary assets.

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. The minimum annual fee, payable quarterly, is $5,000. 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 above schedule. Customers are not required nor are offered the ability to pre-pay fees. The quarterly fee may be 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.

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.

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

As outlined in the section on Fees and Compensation on page 4, DHFB derives 100% of its income from a percentage of the assets under management. Therefore, there are no situations at DHFB where supervised employees manage accounts that are charged performance-based fees side-by-side with accounts that are charged asset-based fees. Allowing both performance-based fees and asset-based fees could lead to a conflict of interest where the supervised person places the needs of performance-based clients above those of asset-based clients. For this reason, DHFB, its employees or supervised persons, do not accept performance-based fees, that is, fees based on a share of capital gains or capital appreciation of the assets of a client.

Item 7 – Types of Clients

DHFB provides investment advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations or business entities other than those previously mentioned.

DHFB does not impose a minimum account size; however, the minimum annual fee of $5,000 for individually managed assets under the current fee schedule implies a minimum account size of $500,000.

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 DHF&B 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

DHFB is not registered as a securities broker-dealer. DHFB is not registered as a futures commission merchant, commodity pool operator or commodity trading adviser. DHFB has no arrangements with broker-dealers, investment companies, other investment advisers, financial planning firms, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or entity that creates or packages limited partnerships, that are material to its advisory business or its clients. DHFB or a related person is not a general partner in any partnership in which clients are solicited to invest. DHFB does not recommend or select other investment advisers for its clients and receives no compensation directly or indirectly from any other advisers.

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. The most recent training and employee certifications took place on May 2, 2016, and there has been no staff turnover since that date.

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 <u>all</u> 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.

Brokerage for Client Referrals. DHFB does not receive client referrals from broker-dealers and does not select broker-dealer relationships based on any interest in receiving client referrals.

Directed Brokerage. In the event that a client directs that transactions for his or her account are to be placed through a specific broker or the client declines to be involved in blocked transactions, we communicate to the client that these directions may result in higher execution costs and less competitive prices than may otherwise be available, and that trades will be placed with the broker of their choice **after** block trades have been placed with the broker(s) of our choosing. ***Clients that direct brokerage may therefore pay higher brokerage commissions and receive less favorable execution of client transactions due to less favorable prices***.

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 asd 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.

Research and Other Soft-Dollar Benefits. Soft dollar credits can only be used for research or trade execution services. In cases where a product or service also includes uses for other purposes, the cost of such "mixed-use" products or services is fairly allocated, and DHFB makes a good faith effort to determine the percentage of such products or services which may be covered by soft dollars. The portions of the costs attributable to non-research usage of such products or services are paid by DHFB in accordance with the provisions of section 28(e) of the Securities Exchange Act of 1934.

When DHFB uses client brokerage commissions to obtain research or brokerage services, DHFB receives a benefit to the extent that DHFB does not have to produce such products internally or compensate third-parties with its money for the delivery of such services. Therefore, such use of client brokerage commissions results in a conflict of interest, because DHFB has an incentive to direct client brokerage to those brokers who provide research and services DHFB utilizes, even if these brokers do not offer the best price or commission rates for clients.

Within the last fiscal year, DHFB has obtained the following products and services on a soft-dollar basis:

Specific research and investment services provided by brokerage firms on a softdollar basis include:

- **SS&C Advent Software, Inc.**, San Francisco, California - a *portion* of the costs of the underlying portfolio accounting system (Axys) and related trade order management (Moxy and DTCC), and account reconciliation (ACD) services employed by DHFB;
- **Broadridge Financial Services, Inc.** Proxy voting, including pass-through recommendations, and filing for class action lawsuit proceeds.
- **Charles Schwab & Co.** – As a result of using Schwab to custody client assets, certain benefits accrue to DHFB, including: online software for portfolio modeling, online access to account information, equity, fixed income and mutual fund trading platforms, online research and payment for third party research through soft dollars;
- **Interactive Data** - supplier of bond ratings, securities pricing, dividend announcements, and other equity and fixed income data;
- **Lowry's Reports Inc.** - stock market analysis, equity information, charting, and ratings;
- **Merrill Lynch Money Manager Services** – As a result of using MLMMS to custody client assets, certain benefits accrue to DHFB, including: online trading and allocation platforms, online account information access, and equity and fixed income research [whether utilized or not];
- **Morningstar, Inc.** – Morningstar Advisor Workstation℠ - mutual fund research, ratings, and historical data;
- **Ned Davis Research, Inc.** – equity print and online research;

- **Scott & Stringfellow, Inc. a subsidiary of BB&T** – As a result of using S&S to custody client assets, certain benefits accrue to DHFB, including access to its Thompson One Financial online customer portal for information retrieval;
- **Telemet America, Inc. –** Telemet Orion and TeleVista, real-time and historic market data system with desk-top access to prices, charts, research and business news; and
- **Value Line** - Investment Survey; print and online equity and mutual fund information, ratings, and research.

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 daily 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

DHFB does *not* have any arrangements, oral or in writing, where it is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.

DHFB does *not* have any arrangements where it directly or indirectly compensates any person for client referrals

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.

As a result of this change in characterization of custody, we engaged Keiter, certified public accountants that are PCAOB Certified, to conduct our most recent annual surprise examination of accounts where DHFB is deemed to have custody for the aforementioned reasons. The audits will include a comparison of client holdings based on our recordkeeping and that of the bank, broker-dealer, or institution that holds physical custody of client assets. The most recent audit covered the period 9/1/2017 through 9/30/2018 and was completed 1/22/2019.

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

When a client formally hires DHFB as investment adviser, in the absence of written notice to the contrary, DHFB will then hold discretionary authority to manage securities accounts on behalf of the client. At the onset of this contractual relationship, certain account opening documents, including an Investment Advisory Agreement and various documents for different qualified custodians, are routinely executed by the client. These documents grant DHFB certain limited powers of authority, e.g. investment authority over client securities giving DHFB discretion and authorization to buy, sell or otherwise effect investment transactions involving the assets in the discretionary account, and authority to deduct fees directly from client accounts. 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 Schwab, MLMMS, or BBT Scott & Stringfellow. 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. As such, we have adopted general guidelines for voting proxies. DHFB recently contracted with Broadridge Financial Services, Inc. to provide proxy voting recommendations from Egan-Jones Proxy Services to enhance the efficacy of our voting process. ***A copy of DHFB's proxy-voting policies and procedures are available to clients upon written request. Clients may obtain information from DHFB about how we voted their securities upon written request.***

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 at any time during its 35-year existence.

Dixon, Hubard, Feinour & Brown, Inc. investment counsel

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(Supervised Persons who formulate investment advice for clients and/or has direct client contact; Supervised Persons who have discretionary authority over client assets, with or without direct client contact)

This brochure supplement provides information about supervised persons that supplements the Dixon, Hubard, Feinour & Brown, Inc. brochure. You should have received a copy of that brochure. Please contact Jonathon E. Grace, Chief Compliance Officer, if you did not receive Dixon, Hubard, Feinour & Brown, Inc.'s brochure or if you have questions about the contents of this supplement.

Additional information about the following supervised persons is available on the SEC's website at www.adviserinfo.sec.gov.

Dixon, Hubard, Feinour & Brown, Inc. investment counsel

Part 2B – Brochure Supplement

Managing Directors of the Firm:

Charles Whitney Brown, Jr., CFA, CIC

- Year of Birth: 1959
- Education: BS, University of Virginia, 1981
  MBA, University of Chicago, 1986
  CFA (Chartered Financial Analyst)[(1)], 2001.
  CIC (Chartered Investment Counselor)[(3)], 2012
- Business and Investment Experience: Mr. Brown has been employed by DHF&B since 1998 and became a principal in the firm in 2001. From 1995 to 1998, he was associated with Business Management Services, Inc., Roanoke, Virginia. From 1993 to 1995, he was employed by GE Life and Annuity, formerly Life Insurance Company of Virginia.
- Disciplinary Information: No events to report.
- Additional Compensation: No additional compensation to report.

William Stebbins Hubard, Jr.

- Educational Background and Business Experience
  - Year of Birth: 1951
  - Education after high school:
    - BS, Virginia Tech, 1974
    - MBA, Virginia Tech, 1976.
- Business and Investment Experience: Mr. Hubard has been a principal in what is now DHF&B since 1985. Prior to this he was head of the Corporate & Technical Services Group of Dominion Trust Company, Dominion Bankshares, Roanoke, Virginia.
- Disciplinary Information: No events to report.
- Additional Compensation: No additional compensation to report.

Managing Directors of the Firm (continued):

Edwin Robert Feinour

- Educational Background and Business Experience
  - Year of Birth: 1945
  - Education after high school:
    - BS, University of Virginia, 1967
    - JD, Washington & Lee School of Law, 1970.
- Business and Investment Experience: Mr. Feinour has been a principal in what is now DHF&B since 1988. Prior to this he was Executive Vice President of Dominion Bankshares Corp., Roanoke, Virginia and President of Dominion Trust Company.
- Disciplinary Information: No events to report.
- Additional Compensation: No additional compensation to report.

Walter M. Dixon, III, CMT

- Educational Background and Business Experience
  - Year of Birth: 1968
  - Education after high school:
    - BA, Emory & Henry College, 1990.
    - Chartered Market Technician, 2006[(2)].
  - Business and Investment Experience: Mr. Dixon has been employed by Dixon, Hubard, Feinour & Brown, Inc. since 2000. Prior to that, he had seven years' experience in investments and insurance.
- Disciplinary Information: No events to report.
- Additional Compensation: No additional compensation to report.

Other Investment Professionals:

Jonathon Edwin Grace

- Educational Background and Business Experience
  - Year of Birth: 1955
  - Education after high school:
    - BA, Mary Baldwin College, 1997
    - MBA, Liberty University, 2011
  - Business and Investment Experience: Mr. Grace has been employed by DHF&B since October 1993. Prior to that, he was a Senior Vice President and Trust Operations Group Head with Dominion Trust Company, Roanoke, Virginia.
- Disciplinary Information: No events to report.
- Other Business Activities: No activities to report.
- Additional Compensation: Retention bonus. Incentive plan bonus.
- Supervision: Mr. Grace is directly supervised by C. Whitney Brown, Jr. He can be contacted at 540-343-9903 or brown@dhfb.com.

James E. Hall, Jr.

- Educational Background and Business Experience
  - Year of Birth: 1961
  - Education after high school:
    - BBA – College of William & Mary, 1983
  - Business and Investment Experience. Mr. Hall joined DHF&B in January 2013. Prior to that, he was Senior Vice President and Wealth Management Advisor with StellarOne Bank. Mr. Hall has extensive knowledge of private banking and wealth management.
- Disciplinary Information: No events to report.
- Additional Compensation: Retention bonus. Incentive plan bonus.
- Supervision: Mr. Hall is directly supervised by W. Stebbins Hubard, Jr. He can be contacted at 540-343-9903 or hubard@dhfb.com.

Other Investment Professionals (continued):

John Stebbins Hubard

- Educational Background and Business Experience
  - Year of Birth: 1984
  - Education after high school:
    - BS in Management-Marketing, University of North Carolina Asheville, 2008
    - JD, University of Dayton School of Law, 2014
  - Business and Investment Experience: Mr. Hubard has been employed by Dixon, Hubard, Feinour & Brown, Inc. since 2016.
- Disciplinary Information: No events to report.
- Additional Compensation: Retention bonus. Incentive plan bonus.
- Supervision: Mr. Hubard is directly supervised by Jonathon E. Grace. He can be contacted at 540-343-9903 or grace@dhfb.com.

Notes:

(1) CFA Institute is a global, not-for-profit organization comprising the world's largest association of investment professionals. With over 100,000 members, and regional societies around the world, they are dedicated to developing and promoting the highest educational, ethical, and professional standards in the investment industry. CFA offers a range of educational and career resources, including the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) designations, and are a leading voice on global issues of fairness, market efficiency, and investor protection. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years. To earn a CFA charter, one must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. More information about the CFA Institute and the CFA designation can be found at www.cfainstitute.org.

(2) The Chartered Market Technician (CMT) Program is a certification process in which candidates are required to demonstrate proficiency in a broad range of technical analysis subjects and is administered by the Accreditation Committee of the Market Technicians Association (MTA). The Program consists of three levels: CMT Level 1 & 2 are multiple choice exams while CMT Level 3 is in essay form. The MTA is a not-for-profit professional regulatory organization servicing over 3,900 market analysis professionals in over 75 countries around the globe. The MTA's main objectives involve the education of the public, the investment community and its membership in the theory, practice and application of technical analysis. More information about the MTA and its CMT program can be found at www.mta.org.

(3) The Investment Adviser Association (IAA) established the Chartered Investment Counselor (CIC) program in 1975, to recognize the qualifications of persons employed by IAA member firms whose primary duties are consistent with section 208(c) of the Investment Advisers Act of 1940 (pertaining to the use of the term "investment counsel"). A key educational component of the program is the requirement that candidates hold the CFA designation administered by the CFA Institute (see footnote #1). In addition to successful completion of the CFA program, the CIC designation requires candidates to demonstrate significant experience in performing investment counseling and portfolio management responsibilities. At the time the charter is awarded, candidates must be employed by an IAA member firm, must provide work and character references, must endorse the IAA's *Standards of Practice*, and must provide professional ethical information.