

JUNE 30, 2020: FORM CRS (CLIENT RELATIONSHIP SUMMARY)

A SUMMARY OF YOUR ADVISORY RELATIONSHIP WITH UWHARRIE INVESTMENT ADVISORS, INC.

Uwharrie Investment Advisors, Inc. is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is essential for you to understand these differences. Free and simple tools are available to research firms and our financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

ITEM 2 – RELATIONSHIPS AND SERVICES

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Our Firm offers investment advisory services to retail investors on a discretionary basis including wealth management services, financial planning services, pension consulting services, and other consulting services. In a discretionary account, you have granted written investment authority to your Financial Professional to execute purchase and sell orders in your advisory accounts without consulting with you first. You may limit our discretion, such as by imposing reasonable restrictions on investing in certain securities or groups of securities. Our Firm continuously monitors your investment advisory accounts, and specific investments within your accounts, on an ongoing basis to align with your investment goals. This service is included as part of the Firm's standard advisory services. For our UIA Managed Account Program and the AAA Wrap Program, we generally require a minimum account contribution of \$100,000. If deemed appropriate for you, our Firm will recommend utilizing an independent Third Party Money Manager ("TPMM") to aid in the implementation of investment strategies for the client's portfolio. Investors in the TPMM program must make a minimum contribution of \$500,000. This minimum portfolio value requirement may be negotiable. Our Firm offers financial planning and consulting services for our clients. Financial Planning services can be provided on a stand-alone basis or in conjunction with our investment management services. We provide general investment recommendations, on a limited basis to our clients. In a consulting engagement, you will be required to select your own investment managers, custodian, and/or insurance companies for the implementation of consulting recommendations.

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

[FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 4, 7, 13 AND 16](#)

ITEM 3 – FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

WHAT FEES WILL I PAY?

Our Firm receives a fee as compensation for providing investment advisory services on your account. For the UIA Managed accounts, the investment management fee does not include investment management supervision, trade entry, and other account maintenance and/or service activities. All other accounts are in our wrap program and these fees are included in the management fee. Our investment management fees are based on a percentage of the total account value. Our maximum annual investment advisory fee is 1.5% for the UIA Managed Account – Active/Passive, and 1.25% for the UIA Managed Account – Passive Portfolios. Accounts in the wrap platform and on the TPMM platform are billed quarterly in advance. The UIA managed accounts are billed in arrears on a monthly basis. You pay this fee even if you don't buy or sell investments. Our fee schedule is tiered, with more assets in your advisory account, your fee percentage could go down. The Firm has an incentive to encourage you to increase the asset value in your account to increase the fee compensation. Our Firm's fees are billed as follows: Fees for financial planning and consulting services are negotiated depending on the scope of the services. For TPMM, fees and billing methods are outlined in each respective TPMM's Brochure and Advisory Contract. You pay an ongoing fee directly to the TPMM based upon a percentage of your assets under management with respect to each TPMM. For wrap fee program accounts, you will pay us a single asset-based fee for advisory services that also covers most custodial fees. This fee also covers most transaction costs and certain administrative and custodial costs associated with your investments. If you expect to trade infrequently or to pursue a "buy and hold" strategy, a wrap fee program may cost you more than paying for the program's services separately. For the UIA Managed accounts, you will pay an asset-based fee for advisory services. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- Help me understand how these fees and costs might affect my investments.
- If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

[FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5](#)

**WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISER?
HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?**

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. The asset-based fees we charge you post a conflict of interest when we advise you to rollover a 401(k) balance, when equivalent and less costly options may be available. Some of our firm's financial professionals are registered representatives of our affiliated broker/dealer, The Strategic Alliance Corporation, while some of our firm's other Financial Professionals are registered representatives an unaffiliated broker-dealer. Brokerage services may be offered through the unaffiliated broker-dealer, while advisory services are offered through our Firm. Brokerage and advisory services are different, and the fees our firm and the broker-dealer charge for those services are different. Registered representatives charge a transaction-based commission each time they buy or sell a security in a brokerage account. As a result, they have an incentive to trade as much as possible in order to increase their compensation. Our Firm is required to disclose commonly owned entities that would provide different services to you and generate additional compensation to our Firm. Please note that you always have a right to choose services and products from our affiliated entities or any other firm that provides similar services and products. Additionally, our Firm allows our Financial Professionals to invest in the same securities as you; therefore, our Financial Professionals may have an incentive to favor their personal accounts over your advisory account. Lastly, some of the products, services and other benefits provided by your custodians are used in servicing all of our Firm's advisory accounts and therefore may not directly benefit your advisory account. If you have questions about whether any of these situations could apply to your investments, ask your Financial Professional.

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- How do your conflicts of interest affect me, and how will you address them?

[FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5, 10, 11 AND 14](#)

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our Firm's Financial Professionals are compensated by the investment services fees as described above in Item 3 Fee section. Our Financial Professionals are compensated based on the amount of assets they service, the amount of time spent, and the complexity required to meet the client's needs or revenue based on the recommendations provided by our Financial Professionals. Some of our Financial Professionals are insurance licensed and receive commissions, trails, or other compensation from the respective insurance companies as a result of effecting insurance transactions. However, you have the right to decide whether to act on the recommendation. We recognize our duty to place your interests first and have established policies in this regard to avoid any conflicts of interest. When our Financial Professionals act as a Registered Representative of a broker-dealer, our Financial Professionals receive commissions in connection with the transactions made in your account. While some of our Firm's Financial Professionals are engaged in outside business activities, we are required to disclose material outside business activities and any conflict it may pose to you. Our Firm supervises the business activities of our Financial Professionals through our compliance program. All Financial Professionals are required to follow a Code of Conduct to mitigate any conflicts to you.

ITEM 4 – DISCIPLINARY HISTORY

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

No. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- As a Financial Professional, do you have any disciplinary history? For what type of conduct?

[FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 9](#)

**FOR ADDITIONAL INFORMATION ABOUT OUR SERVICES OR AN UP TO DATE COPY OF THIS
CLIENT RELATIONSHIP SUMMARY, PLEASE CONTACT:**

132 N. FIRST STREET, P.O. BOX 1517, ALBEMARLE, NC 28002
PHONE: 704-983-5959
WWW.UWHARRIE.COM

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- Who is my primary contact person? Is he or she an investment adviser or a representative of a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?