



**CORNERSTONE**  
WEALTH MANAGEMENT, INC.

**ADV Part 2B**

**Richard P. Arzaga**  
**Investment Adviser Representative**

This brochure supplement provides information about Richard Patrick Arzaga that supplements the Cornerstone Wealth Management, Inc. brochure. You should have received a copy of that brochure. Please contact Richard Patrick Arzaga, Founder/CEO if you did not receive Cornerstone Wealth Management, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Richard Patrick Arzaga is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Financial Planning offered through Cornerstone Wealth Management, Inc., a registered investment adviser not affiliated with LPL Financial.

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**Cornerstone Wealth Management, Inc.**

 2400 Camino Ramon, Suite 175

San Ramon, CA 94583

 (925) 824 2880

 [www.cornerstonewmi.com](http://www.cornerstonewmi.com)

 [www.cornerstonewmi.tv](http://www.cornerstonewmi.tv)



Securities and Advisory Services offered through LPL Financial, a Registered Investment Advisor. Member FINRA/SIPC. Financial planning offered through Cornerstone Wealth Management, Inc., a Registered Investment Advisor and a separate entity.

## Item 2 – Educational Background and Business Experience

Richard Patrick Arzaga was born in 1960. Mr. Arzaga pursued Graduate Studies and Management studies at Northwestern University. Mr. Arzaga also earned a Bachelor of Arts degree from San Jose State University.

Mr. Arzaga has earned and maintains various professional designations. The designations and minimum qualification requirements follow:

### **Certified Financial Planner™ (CFP®) [Insert Year of Qualification]**

#### *Coursework*

To earn the certification recipients must meet the following requirements. Complete courses that cover integrated financial planning topics such as:

- General principles of financial planning
- Insurance planning and risk management
- Employee benefits planning
- Investment planning
- Income tax planning
- Retirement planning
- Estate planning

#### *Education*

In addition to completing the course-work an applicant must have a bachelor's degree, its equivalent or an advanced degree so long as it is from an accredited college or university. This is a requirement for certification but is not a requirement to take the examination.

#### *Work Experience*

Applicants must supervise, directly support, teach or personally deliver all or part of the personal financial planning process to a client. Qualifying experience must fit within one or more of the six primary elements of the personal financial planning process described below:

- Establishing and Defining the Relationship with the Client – This includes explaining the issues and concepts related to the personal financial planning process, and clearly specifying the services the individual or firm will provide and the associated responsibilities.
- Gathering Client Data Including Goals – This includes interviewing or questioning the client about various aspects of their financial resources, obligations and expectations. It also involves helping to determine the client's goals, needs and priorities, assessing the client's values and attitudes and determining time horizons and risk tolerance.

- Analyzing and Evaluating the Client's Financial Status – This involves analyzing and evaluating client data such as current cash flow needs, risk management, investments, taxes, retirement, employee benefits, estate planning, and special needs.
- Developing and Presenting Financial Planning Recommendations and/or Alternatives – This process includes presenting and reviewing recommendations, working to ensure that the plan meets the goals and expectations of the client, and revising the recommendations as necessary.
- Implementing the Financial Planning Recommendations – This involves helping the client put the financial planning recommendations into action and may include coordinating with other professionals, such as accountants, attorneys, real estate agents, stockbrokers and insurance agents.
- Monitoring the Financial Planning Recommendations – This involves discussing with the client any changes in their personal circumstances, evaluating changing tax laws, and making recommendations based on new or changing conditions.

Applicants have five years from the date they pass the examination to satisfy the Bachelor's Degree and work experience requirements.

#### *Standards of Professional Conduct*

Applicants are required to meet the CFP Board's *Candidate Fitness Standards*, which describe conduct that: 1) is unacceptable and will always bar an individual from becoming certified; or 2) is presumed to be unacceptable and will bar an individual from becoming certified unless the individual successfully petitions the CFP Board.

Before being authorized to use the CFP® certification marks, applicants and holders of the certificate must disclose any criminal, civil, self-regulatory organization or governmental agency inquiry, investigation or proceeding involvement. Applicants and holders must also acknowledge the right of the CFP Board to enforce its *Standards of Professional Conduct*.

#### **Certified Commercial Investment Member (CCIM) 2009**

A CCIM (Certified Commercial Investment Member) is a recognized specialist in the commercial and investment real estate industry. The CCIM lapel pin is earned after successfully completing a designation process that ensures CCIMs are proficient not only in theory, but also in practice. CCIMs have completed a designation curriculum that covers essential CCIM skill sets including ethics, interest-based negotiation, financial analysis, market analysis, user decision analysis, and investment analysis for commercial investment real estate. CCIMs have completed a portfolio demonstrating the depth of their commercial real estate experience. Finally, they have demonstrated their proficiency in the CCIM skill sets by successfully completing a comprehensive examination.

## **Certified in Long-Term Care (CLTC) 2006**

The "Certified in Long-Term Care" (CLTC) designation focuses on the discipline of extended care planning. It provides professionals the critical tools necessary to discuss the subject of longevity and its consequences on their client's family and finances. The CLTC designation has been recognized and supported by The American College, NAIFA and major insurance carriers. The designation may be obtained through our two-day live CLTC Master Class.

## **Certified Real Estate Brokerage Manager (CRB) [Insert Year of Qualification]**

The CRB Designation is designed to elevate professional standards, enhance individual and office performance, and designate real estate professionals who demonstrate the knowledge essential to the practice of brokerage management.

### *Coursework*

Coursework can be completed through a variety of blended-learning options. Courses include such topics as: business models; compensation plans; recruiting; profitability; managing the generations; sales leadership; risk management; business planning and social media management.

### *Experience*

- A broker's license is not needed to earn the CRB Designation.
- Applicants must obtain or hold active membership in the National Association of REALTORS® as a REALTOR® or REALTOR®-Associate (US Only).
- Applicants must submit a management resume outlining their experience. Managing a team, personal assistant or office assistant for at least one (1) year meets the management experience required for the designation.

## **Business Experience**

<b>Firm Name and Title</b>	<b>Dates</b>
Cornerstone Wealth Management, Inc., Founder/CEO	2003 to present
LPL Financial, Registered Representative	2009 to present
LPL Financial, Investment Adviser Representative	2009 to present
UC Berkeley Financial Planning Program, Adjunct Professor	2006 to Present
Insurance Whisperer Associates, LLC, Founder/CEO	2015 to present
UC Santa Cruz Real Estate Program, Adjunct Professor	2005 to 2008
FSC Securities Corporation, Registered Representative	2004 to 2008
Sagemark Consultants, Registered Representative	2003 to 2004

### **Item 3 – Disciplinary Information**

Mr. Arzaga is not the subject of any pending legal, disciplinary or administrative proceedings.

### **Item 4 – Other Business Activities**

Mr. Arzaga is a registered securities representative and investment adviser representative of LPL Financial a registered broker-dealer, member of the Financial Industry Regulatory Authority, Inc. ("FINRA"), the Securities Investor Protection Corporation ("SIPC") and a registered investment adviser. Mr. Arzaga is an insurance agent appointed with various insurance companies. Mr. Arzaga is also a real estate agent, CFP-board approved instructor, and the Founder and CEO of Insurance Whisperer Associates, LLC.

In these capacities Mr. Arzaga may recommend securities, insurance, advisory, or other products, and receive commissions and other compensation if products are purchased through any firms with which Mr. Arzaga is affiliated. Thus, a potential conflict of interest may exist between the interests of Mr. Arzaga and those of the advisory clients. However, clients are under no obligation to act upon any recommendations of Mr. Arzaga or affect any transactions through Mr. Arzaga if they decide to follow the recommendations.

### **Item 5 – Additional Compensation**

Please refer to Item 4 - Other Business Activities above.

### **Item 6 – Supervision**

Mr. Arzaga is an officer of the Adviser and does not have a supervisor.

### **Item 7 – Requirements for State-Registered Advisers**

Mr. Arzaga has never been found liable in any arbitration claim alleging damages in excess of \$2,500, involving an investment or an investment-related business or activity; fraud, false statements, or omissions; theft, embezzlement, or other wrongful taking of property; bribery, forgery, counterfeiting, or extortion; or dishonest, unfair or unethical practices.

Mr. Arzaga has never paid an award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving an investment or an investment-related business or activity; fraud, false statements, or omissions; theft, embezzlement, or other wrongful taking of property; bribery, forgery, counterfeiting, or extortion; or dishonest, unfair, or unethical practices.

Mr. Arzaga has not been the subject of any bankruptcy petition.