

*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).*

**Cornerstone Wealth Management, Inc.**  
Form ADV Part 2B – Individual Disclosure Brochure

*for*

**Richard Patrick Arzaga**  
Investment Adviser Representative

Cornerstone Wealth Management, Inc.  
2400 Camino Ramon, Suite 175  
San Ramon, California 94583  
(925) 824-2880  
[www.cornerstonewmi.com](http://www.cornerstonewmi.com)  
[rich@cornerstonewmi.com](mailto:rich@cornerstonewmi.com)

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## Item 2: Educational Background and Business Experience

**Name:** Richard Patrick Arzaga  
**CRD#:** 4624932  
**Born:** 1960

### Education Background and Professional Designations:

#### Education:

Graduate Studies, Management, Northwestern University

#### Designations:

#### CFP® - Certified Financial Planner

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**CCIM - Certified Commercial Investment Member (5/2009)**

- 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.

**CLTC - Certified in Long-Term Care (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.

**CRB - Certified Real Estate Brokerage Manager**

- CRB designation is one of the most respected and relevant designations offered in real estate business management.
- The CRB community spans more than 7,000 members worldwide.
- Through the Council’s leading-edge education and resources, members are among the most efficient, effective and profitable managers in the country.

**Business Background:**

2003– Present	Founder/CEO Cornerstone Wealth Management, Inc.
2008–Present	Registered Representative LPL Financial
2006–Present	Adjunct Professor UC Berkeley Financial Planning Program
2005 – 2008	Adjunct Professor UC Santa Cruz Real Estate Program
2004 – 2008	Registered Representative FSC Securities Corporation

2003 – 2004	Registered Representative Sagemark Consultants
2002 – 2002	VP, Publishing & New Media Prudential California Realty
2000 – 2001	VP, Business Development VideoShare, Inc.
1997 – 2000	VP, Advertising & BD TRIP.com

### **Item 3: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business.

### **Item 4: Other Business Activities**

Richard Patrick Arzaga is a registered representative with LPL Financial as well as a licensed insurance agent. Mr. Arzaga is also a real estate agent, CFP-board approved instructor, and member of the Foundation for Worksite Financial Education. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. CWM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of CWM in their capacity as a registered representative, real estate or an insurance agent.

### **Item 5: Additional Compensation**

Other than salary, annual bonuses, regular bonuses, Richard Patrick Arzaga does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Cornerstone Wealth Management, Inc.

## Item 6: Supervision

As the only owner and a representative of Cornerstone Wealth Management, Inc., Richard Patrick Arzaga supervises all duties and activities. Richard Patrick Arzaga's contact information is on the cover page of this disclosure document.

## Item 7: Requirements For State Registered Advisers

*This disclosure is required by California securities authorities and is provided for your use in evaluating this investment advisor representative's suitability.*

- A. Richard Patrick Arzaga has **NOT** been involved in any of the events listed below.
1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - a) an investment or an investment-related business or activity;
    - b) fraud, false statement(s), or omissions;
    - c) theft, embezzlement, or other wrongful taking of property;
    - d) bribery, forgery, counterfeiting, or extortion; or
    - e) dishonest, unfair, or unethical practices.
  2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - a) an investment or an investment-related business or activity;
    - b) fraud, false statement(s), or omissions;
    - c) theft, embezzlement, or other wrongful taking of property;
    - d) bribery, forgery, counterfeiting, or extortion; or
    - e) dishonest, unfair, or unethical practices.
- B. Richard Patrick Arzaga has **NOT** been the subject of a bankruptcy petition at any time.