

FORM ADV PART 2A · APPENDIX 1

# Wrap Fee Program Brochure

Effective May 11, 2026

## SUNSTATE WEALTH MANAGEMENT LLC

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This Wrap Fee Program Brochure (the "Wrap Brochure") provides information about the qualifications and business practices of Sunstate Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (305) 567-5524 or via email to Fabricio Macastropa at [FMacastropa@sunstatefl.com](mailto:FMacastropa@sunstatefl.com).

*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. Registration with the SEC does not imply a certain level of skill or training.*

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

## ITEM 2 | MATERIAL CHANGES

Sunstate Wealth Management LLC is required to advise you of any material changes to this Wrap Brochure from the previously issued Wrap Brochure. We will provide you with a summary of any material changes within 120 days of the close of our fiscal year. We will also provide interim disclosures regarding material changes as necessary.

Since our initial filing in October 2025, the following material changes have occurred:

- **Billing in Arrears.** The Firm has updated this Wrap Brochure to clarify that Wrap Fees are billed **quarterly in arrears** on a pro-rata basis. A prior draft of this brochure indicated that fees were billed in advance; the Firm bills only after services have been provided for the applicable billing period. See Item 4 (Services, Fees, and Compensation) for additional information.
- **Dual-Custodian Wrap Fee Program Structure.** The Firm updated this Wrap Brochure to reflect that Wrap Fee Program accounts may be maintained at more than one qualified custodian, including accounts custodied and executed at Sunstate Bank and certain accounts custodied and executed at Interactive Brokers LLC.
- **Use of a Discretionary Sub-Adviser for Certain Wrap Fee Accounts.** The Firm updated this Wrap Brochure to reflect that certain Wrap Fee Program accounts are managed on a discretionary basis by an unaffiliated sub-adviser, Xendia Wealth LLC (formerly BCP Advisors LLC), and to update related disclosures regarding services, fees, brokerage practices, custody, margin availability, and associated conflicts of interest.
- **Sub-Adviser Name Change (May 2026).** Effective May 2026, BCP Advisors LLC (formerly d/b/a Vestiva), the unaffiliated discretionary sub-adviser referenced in this Wrap Brochure, was renamed Xendia Wealth LLC. The sub-advisory relationship, custodial and execution arrangements at Interactive Brokers LLC, fee economics, investment process, and key personnel are unchanged. Clients have been provided with Xendia Wealth LLC's updated Form ADV Part 2A.

Clients are encouraged to review this Wrap Brochure and contact the Firm with any questions.

**ITEM 3 | TABLE OF CONTENTS**

**ITEM 1** Cover Page.....1  
**ITEM 2** Material Changes.....2  
**ITEM 3** Table of Contents.....3  
**ITEM 4** Services, Fees, and Compensation.....4  
**ITEM 5** Account Requirements and Types of Clients.....7  
**ITEM 6** Portfolio Manager Selection and Evaluation.....8  
**ITEM 7** Client Information Provided to Portfolio Managers.....9  
**ITEM 8** Client Contact with Portfolio Managers.....10  
**ITEM 9** Additional Information.....11

## ITEM 4 | SERVICES, FEES, AND COMPENSATION

Sunstate Wealth Management LLC (“Sunstate”) is the sponsor of the Wrap Fee Program and serves as the primary, client-facing investment adviser. Under the Wrap Fee Program, Sunstate provides investment advisory services, and, for certain accounts and strategies, engages an unaffiliated third-party investment adviser as a sub-adviser pursuant to a written sub-advisory agreement.

### Description of Wrap Fee Program Services

The Wrap Fee Program is designed to provide clients with a bundled investment advisory arrangement for a single asset-based fee. Services offered under the Program generally include:

- Investment advisory and portfolio management services
- Ongoing monitoring and review of client accounts
- Trade execution, clearing, and settlement of transactions
- Custody of client assets at a qualified custodian
- Standard account reporting and recordkeeping services

The specific services provided to a client depend on the advisory strategy selected, the custodian used, and whether a sub-adviser is engaged.

### Dual-Custodian Structure

The Wrap Fee Program operates under a dual-custodian structure:

- Certain Wrap Fee Program accounts are custodied and executed at Sunstate Bank, an affiliated bank.
- Certain Wrap Fee Program accounts that utilize a sub-adviser are custodied and executed at Interactive Brokers LLC, an unaffiliated FINRA-registered broker-dealer.

Custodial, execution, margin, and operational practices differ between Sunstate Bank and Interactive Brokers. As a result, transaction costs, margin availability, interest charges, and execution outcomes may differ depending on the custodian used, even when the same Wrap Fee percentage applies.

Sunstate Bank does not have an ownership, referral, or operational relationship with Interactive Brokers, and Interactive Brokers is not an affiliate of Sunstate or Sunstate Bank.

### Use of a Sub-Adviser

For certain Wrap Fee Program accounts, Sunstate engages **Xendia Wealth LLC (formerly BCP Advisors LLC)** (“Xendia”), an unaffiliated investment adviser registered with the U.S. Securities and Exchange Commission, to provide discretionary portfolio management services.

For Wrap Fee Program accounts managed by Xendia:

- Portfolio management services are provided by Xendia on a discretionary basis.
- Client accounts are custodied and executed at Interactive Brokers LLC.
- Xendia utilizes a technology-driven, algorithmic investment process and model portfolios based on client profile information.
- Sunstate does not own, operate, or control Xendia’s investment platform, algorithms, or portfolio models.

Clients do not enter into a separate advisory agreement with Xendia. Sunstate remains the primary investment adviser of record, retains fiduciary responsibility for client suitability and advisory program selection, and conducts ongoing oversight of Xendia's services.

## Fees and Billing

Clients participating in the Wrap Fee Program pay a single asset-based wrap fee, which is disclosed in the client's Wrap Fee Advisory Agreement. The Wrap Fee generally covers investment advisory services and certain custodial and transaction-related services.

The Wrap Fee:

- Is negotiable
- Is billed **quarterly in arrears** on a pro-rata basis
- Is calculated based on the value of assets in the account

### **Billing in Arrears.**

Wrap Fees are billed **after** services have been provided for the applicable billing period. The Firm does not collect Wrap Fees in advance of services rendered.

For accounts custodied at Interactive Brokers that permit margin, advisory fees may be calculated on the gross market value of assets rather than net equity, which may result in higher advisory fees. Margin interest, margin maintenance requirements, and liquidation practices are determined by Interactive Brokers pursuant to the client's custodial agreements and are not controlled by Sunstate.

For accounts where margin is utilized, advisory fees are calculated on the gross value of assets, including borrowed funds, which results in higher fees. Sunstate compensates any engaged sub-adviser, including Xendia, from the Wrap Fee. Clients do not pay the sub-adviser directly.

## Services and Costs Not Included in the Wrap Fee

The Wrap Fee does not include all possible fees or expenses. Clients may incur additional costs, including but not limited to:

- Margin interest charges
- Wire transfer or account service fees
- Foreign currency exchange costs
- Internal fees and expenses of mutual funds, exchange-traded funds, or other pooled investment vehicles
- Taxes or other governmental charges

These costs are borne by the client and reduce overall investment returns.

## Potential Conflicts of Interest

The Wrap Fee Program creates certain conflicts of interest. Because Sunstate receives an ongoing asset-based fee, the Firm has an incentive to recommend the Wrap Fee Program and to encourage clients to maintain or increase assets under management.

The use of a sub-adviser creates additional conflicts, as Sunstate compensates the sub-adviser from the Wrap Fee it receives. In addition, the use of an affiliated custodian for certain accounts creates a financial incentive to recommend or maintain assets at the affiliated bank.

Sunstate addresses these conflicts through disclosure, supervisory oversight, and its fiduciary obligation to act in the best interests of clients.

Sunstate evaluates whether participation in the Wrap Fee Program is appropriate for each client based on the client's expected trading activity, custodial arrangement, services provided, and overall cost structure. Participation in the Wrap Fee Program is not presumed to be suitable for all clients, and in certain circumstances a non-wrap advisory arrangement may be more cost-effective or appropriate.

## ITEM 5 | ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Sunstate Wealth Management LLC (“Sunstate”) offers its Wrap Fee Program to individuals, high net worth individuals, trusts, estates, corporations, and other business entities, including both U.S. persons and non-U.S. persons, where permitted by applicable law.

Participation in the Wrap Fee Program is subject to Sunstate’s acceptance of the client and Sunstate’s determination that the Program is appropriate based on the client’s financial circumstances, investment objectives, risk tolerance, anticipated trading activity, custodial arrangements, and overall advisory needs.

**Account minimum.** Sunstate generally requires a minimum account size of \$100,000 to participate in the Wrap Fee Program. Sunstate may, in its discretion, waive this minimum requirement based on factors such as the client’s financial situation, the scope of services requested, anticipated growth of the account, or the nature of the advisory relationship.

Client accounts participating in the Wrap Fee Program may be maintained at different custodians depending on the advisory strategy selected. Certain Wrap Fee Program accounts are custodied and executed at Sunstate Bank, an affiliated bank. Certain Wrap Fee Program accounts that utilize a discretionary sub-adviser, including Xendia Wealth LLC (formerly BCP Advisors LLC), are custodied and executed at Interactive Brokers LLC, an unaffiliated broker-dealer.

For accounts custodied at Interactive Brokers, margin may be available unless affirmatively restricted by the client. Margin availability, margin interest rates, margin maintenance requirements, and liquidation practices are determined by Interactive Brokers pursuant to the client’s custodial agreements.

### **Important Disclosure Regarding Margin Accounts**

For accounts where margin is utilized, advisory fees are calculated based on the gross market value of assets, including any borrowed funds, rather than net equity. As a result, clients using margin will pay higher advisory fees than if fees were calculated on net equity. In addition, clients will incur margin interest and other costs charged by the custodian, which are not included in the Wrap Fee.

**The use of margin increases investment risk and may result in losses exceeding the amount invested.**

Sunstate reserves the right to decline participation in the Wrap Fee Program or to terminate a client’s participation if the Firm determines that the Program is no longer appropriate based on account size, trading activity, changes in the client’s financial circumstances, custodial considerations, or other relevant factors.

## ITEM 6 | PORTFOLIO MANAGER SELECTION AND EVALUATION

Sunstate Wealth Management LLC (“Sunstate”) is responsible for selecting, evaluating, and overseeing the portfolio management services provided under the Wrap Fee Program. Portfolio management services may be provided directly by Sunstate or by an unaffiliated third-party investment adviser engaged as a sub-adviser pursuant to a written sub-advisory agreement.

### Portfolio Manager Selection

For Wrap Fee Program accounts managed directly by Sunstate, portfolio management decisions are made by Sunstate’s investment adviser representatives based on the client’s financial circumstances, investment objectives, risk tolerance, and any applicable restrictions.

For certain Wrap Fee Program accounts, Sunstate has engaged **Xendia Wealth LLC (formerly BCP Advisors LLC)** (“Xendia”), an unaffiliated investment adviser registered with the U.S. Securities and Exchange Commission, to provide discretionary portfolio management services. When Xendia is utilized:

- Xendia exercises discretionary authority over portfolio construction, security selection, and rebalancing.
- Xendia employs a technology-driven, algorithmic investment process and model portfolios.
- Client accounts are custodied and executed at Interactive Brokers LLC, an unaffiliated FINRA-registered broker-dealer.

Sunstate selected Xendia based on a review of its investment approach, experience, compliance program, operational infrastructure, and suitability of its strategies for certain clients.

### Portfolio Manager Evaluation and Oversight

Sunstate conducts ongoing oversight of portfolio management services provided under the Wrap Fee Program, including services provided by sub-advisers. This oversight may include:

- Review of portfolio allocations and investment strategies
- Monitoring of performance relative to stated objectives and risk parameters
- Evaluation of adherence to client-specific guidelines and restrictions
- Review of available reports and custodial data
- Periodic compliance and operational due diligence

Sunstate does not control the day-to-day trading decisions, proprietary models, algorithms, or execution systems of unaffiliated sub-advisers or custodians. However, Sunstate remains responsible for determining whether continued use of a portfolio manager or strategy is appropriate for a client.

### Related Person Portfolio Managers

Neither Sunstate nor any of its affiliates, including Sunstate Bank, acts as a portfolio manager for Wrap Fee Program accounts other than through Sunstate’s own investment adviser representatives. No related persons of Sunstate serve as portfolio managers for accounts managed by unaffiliated sub-advisers.

**ITEM 7 | CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

Sunstate Wealth Management LLC (“Sunstate”) collects information from clients in order to provide investment advisory services under the Wrap Fee Program. This information generally includes, but is not limited to, the client’s financial circumstances, investment objectives, risk tolerance, time horizon, liquidity needs, tax considerations, and any investment restrictions or guidelines.

For Wrap Fee Program accounts managed directly by Sunstate, client information is used by Sunstate’s investment adviser representatives to develop, implement, and monitor investment strategies consistent with the client’s stated objectives and restrictions.

For Wrap Fee Program accounts that utilize a discretionary sub-adviser, including Xendia Wealth LLC (formerly BCP Advisors LLC) (“Xendia”), relevant client information is provided to the sub-adviser for purposes of portfolio construction, allocation, and ongoing management. Information shared with the sub-adviser may include client profile data collected through questionnaires or digital onboarding tools, investment guidelines, restrictions, and other information necessary to manage the account in accordance with the client’s objectives.

Sunstate relies on clients to provide accurate, complete, and current information and to promptly notify the Firm of any material changes to their financial situation, investment objectives, or restrictions. Failure to provide updated information may affect the suitability of investment strategies or the effectiveness of portfolio management.

Sunstate maintains policies and procedures designed to protect the confidentiality of client information and shares client information with portfolio managers, custodians, and service providers only as necessary to provide advisory services or as required by law.

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**ITEM 8 | CLIENT CONTACT WITH PORTFOLIO MANAGERS**

Clients participating in Sunstate Wealth Management LLC's ("Sunstate") Wrap Fee Program generally communicate directly with their assigned Sunstate investment adviser representative regarding their accounts, investment objectives, restrictions, and overall advisory relationship.

For Wrap Fee Program accounts managed directly by Sunstate, clients may communicate with their Sunstate investment adviser representative regarding portfolio strategy, account activity, and investment recommendations.

For Wrap Fee Program accounts that utilize a discretionary sub-adviser, including Xendia Wealth LLC (formerly BCP Advisors LLC) ("Xendia"), clients do not typically communicate directly with the sub-adviser. Portfolio management services for such accounts are provided by the sub-adviser pursuant to a written sub-advisory agreement, and Sunstate serves as the primary point of contact for all client communications.

Sunstate is responsible for coordinating communications between clients and sub-advisers as appropriate and for addressing client inquiries, account reviews, and service matters related to the Wrap Fee Program. Clients with questions regarding their accounts, investment strategies, or account performance should contact Sunstate rather than the sub-adviser or custodian.

**ITEM 9 | ADDITIONAL INFORMATION**

Participation in the Wrap Fee Program presents certain conflicts of interest and considerations that differ from non-wrap advisory arrangements. Because Sunstate Wealth Management LLC (“Sunstate”) receives a single, asset-based fee for services provided under the Wrap Fee Program, the Firm has an incentive to recommend the Program and to encourage clients to maintain or increase assets under management. In some cases, the Wrap Fee Program may cost more than paying for advisory services, transaction charges, custody, and other services separately, particularly for clients who trade infrequently or maintain lower levels of activity in their accounts.

The Wrap Fee Program operates under a dual-custodian structure. Certain Wrap Fee Program accounts are custodied and executed at Sunstate Bank, an affiliated bank, while other Wrap Fee Program accounts—particularly those that utilize a discretionary sub-adviser—are custodied and executed at Interactive Brokers LLC, an unaffiliated broker-dealer. Custodial, execution, margin, and operational practices differ between these custodians. As a result, transaction costs, execution quality, margin availability, interest charges, and overall costs may differ depending on the custodian used, even when the same Wrap Fee percentage applies.

For Wrap Fee Program accounts managed by Xendia Wealth LLC (formerly BCP Advisors LLC) (“Xendia”), portfolio management services are provided on a discretionary basis pursuant to a sub-advisory agreement with Sunstate. Sunstate compensates Xendia from the Wrap Fee it receives, which creates a conflict of interest because Sunstate has an incentive to select or retain sub-advisory arrangements. Sunstate addresses this conflict through disclosure, due diligence, ongoing oversight, and its fiduciary obligation to act in the best interests of clients.

For accounts custodied at Interactive Brokers, margin may be available unless affirmatively restricted by the client. The use of margin increases leverage and investment risk and may result in forced liquidation of securities if margin maintenance requirements are not met. For margin-enabled accounts, advisory fees may be calculated on the gross market value of assets rather than net equity, which may increase advisory fees. Margin interest rates, margin maintenance requirements, and liquidation practices are determined solely by Interactive Brokers pursuant to the client’s custodial agreements and are outside of Sunstate’s control.

Clients should consider whether the Wrap Fee Program is appropriate based on their anticipated trading activity, investment strategy, custodial arrangements, margin usage, and overall costs. Clients are encouraged to review this Wrap Fee Program Brochure, Sunstate’s Form ADV Part 2A Brochure, custodial agreements, and other disclosure documents carefully and to contact Sunstate with any questions regarding the Program.

**QUESTIONS? CONTACT US.**

**SUNSTATE WEALTH MANAGEMENT, LLC**

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