

Item 1) Cover Page



**FAMILY WEALTH**  

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**M A N A G E M E N T**

**FAMILY WEALTH MANAGEMENT, LLC**

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**This brochure provides information about the qualifications and business practices of Family Wealth Management, LLC (Family Wealth Management or FWM). If you have any questions about the contents of this brochure, please contact us at [steve@fwmlc.com](mailto:steve@fwmlc.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.**

**Additional information about FWM also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching IARD # 109253**

**FWM is a registered investment advisor. This registration does not imply a certain level of skill or training.**

**January 23, 2019**

## **Item 2) Material Changes**

There are no material changes in the content of the brochure or in our business since the last update.

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## **Item 4) Advisory Business**

### ***A. Business description***

Our business was organized in 1996 as a limited liability corporation.

Family Wealth Management, LLC (FWM) has 2 principal owners, that is, owners of more than 25% of the business:

- JMR Investments, a partnership that is owned by Mrs. Joe M. Rodgers and JMRI, LLC, and
- William Marcus Gill

### ***B. Advisory services offered***

Our firm provides the following services:

- Investment supervisory services or discretionary financial asset management;
- Financial planning including other advisory services
- Furnishes financial planning through consultations not included in either service described above; and
- Furnishes financial planning to clients on matters not involving securities.

Our investment supervisory services include on-going analysis of our clients' portfolio. We maintain a record of client portfolio transactions, cost, market value, gains, losses, income and expenses. Clients receive written reports from FWM no less often than once a quarter.

In the course of providing financial planning, FWM may give advice concerning other aspects of wealth management and preservation including: income tax planning, philanthropic activity, estate planning, as well as other family office services. Other advisory services may include such services as: general record keeping, personal and administrative services, advice on tangible, real property, direct operating businesses and venture capital investments.

From time to time, FWM gives advice on limited partnerships that invest in real estate, equipment, research development projects, venture capital transactions, hedge funds and related activities. Some of these investments have limited or no liquidity. From time to time FWM gives advice on marketable, master limited partnerships.

The Adviser does not act as a custodian of client assets and the client always maintains asset control.

### ***C. Tailoring of advisory services***

Our services are tailored to meet the needs of our individual clients.

For our investment advisory clients, their investment portfolios are determined by a variety of factors including: goals and objectives, time horizon and risk tolerance. A

variety of tools are used to gather this information including client meetings and questionnaires.

The scope of work and fee for an Advisory Service Agreement is provided to the client in writing prior to the start of the relationship. The agreement sets forth the services to be provided, the fees for the service and the agreement may be terminated by either party in writing at any time.

Clients may impose restrictions on investing in certain securities or types of securities. Such restrictions will be documented in our written Investment Policy Statement.

Agreements may not be assigned without the client's prior written consent.

#### ***D. Wrap fee programs***

We do not participate in wrap fee programs.

#### ***E. Assets under management***

As of the date of this report, we manage 65 investment portfolios that total \$36.1 million for 39 clients. All portfolios are managed on a discretionary basis.

### **Item 5) Fees and Compensation**

#### ***A. How we are compensated***

Fees for managing investment portfolios are charged based on the size of the client account managed. The table below sets out our fee schedule:

<b><u>Portfolio size</u></b>	<b><u>Fee</u></b>
\$500,000 or less	1.5%
\$500,001-\$1,000,000	\$7,500 + 1.0% of excess over \$500,000
\$1,000,001-\$2,500,000	\$12,500 + 0.85% of excess over \$1,000,000
\$2,500,000-\$5,000,000	\$25,250 + 0.80% of excess over \$2,500,000
>\$5,000,000	\$45,250 + 0.70% of excess over \$5,000,000

Client fees are subject to negotiation. Client is responsible for the payment of any and all state and local taxes. Client is responsible for and will reimburse FWM for any expenses advanced on their behalf.

For unique or non-investment advisory services not included in ordinary financial planning or management of client's funds, additional fees may be charged based on hourly rates that range from \$65 per hour to \$400 per hour, or on a negotiated per project or per relationship basis depending on the type of services or project. These fees are payable at regular intervals as work is completed. One half of anticipated per project fees

may be payable at time of retainment. The client may terminate services at any time, and any fees collected in advance for services not yet rendered will be refunded. In virtually all cases, services for any particular project or task are completed within six months of engagement. No fees are charged without a written agreement with Client.

### ***B. Billing methods***

The majority of our clients grant us permission to deduct our fees from their accounts. We bill other clients and they pay us from other funds. Clients may elect either method of payment. (Please see Item 15 for more information on deduction of our fees.)

### ***C. Other fees or expenses clients may pay***

In the event mutual funds or exchange traded funds (ETF's) are selected for a client's account, the client, as well as all other shareholders of those funds, will pay an advisory fee to the mutual funds' investment advisers. This is separate from and in addition to the fee paid to FWM. In addition to those underlying advisory fees, the client will also bear a proportionate share of expenses of the mutual funds, including among others, Rule 12b-1 fees and shareholder sub-accounting and distribution expenses.

Clients will incur brokerage and other transactions costs for trades conducted in their accounts. Please see **Item 12) Brokerage Practices** for a full discussion of brokerage practices.

### ***D. When fees are paid and refunds***

Our portfolio management fees are billed quarterly in advance. Since clients may terminate our services at any time (subject to notice, if any, as set out in the contract), any fees collected in advance for services not yet rendered will be refunded.

The refund will be calculated based on the portion of the remainder of the quarter. For example if there are 90 days in the quarter during which the services are terminated and if the services are terminated on the 60<sup>th</sup> day of the quarter, one third of the fee will be refunded by direct payment to the client.

The Adviser may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, the Adviser will refund any unearned portion of the advance payment.

### ***E. Compensation for the sale of securities or other investment products***

Neither Family Wealth Management nor any of our supervised persons accept compensation for the sale of securities or other investment products whether asset-based sales charges, commissions, or service fees from the sale of mutual funds.

## **Item 6) Performance-Based Fees**

Neither Family Wealth Management nor any of our supervised persons accept performance-based fees—that is fees based on a share of capital gains on or capital appreciation of the assets of clients.

## **Item 7) Types of Clients**

We provide advice and services to a variety of clients including:

- Individuals and their families;
- Corporations;
- Not for profit organizations;
- Trusts; and
- Estates.

## **Item 8) Methods of Analysis, Investment Strategies and Risk of Loss**

### ***A. Methods of analysis and investment strategies***

Our methods of analysis include fundamental analysis and market research; our investment strategy is guided by “Modern Portfolio Theory”. This theory is based on the notion that investing is a function of balancing risk and return. By combining asset classes or securities with differing return distributions and risk profiles, an optimal portfolio can be constructed that may produce better risk and return characteristics than any asset class or security considered exclusively.

Investing in securities involves risk of loss, and clients should be prepared to bear such losses.

### ***B. Material risks of investment strategies***

The goal of our investment strategy, which is informed by Modern Portfolio Theory, is to combine the securities we use (see the section below) in such a way that the overall portfolio may produce better returns with less volatility than investing in any of the individual types of investments on their own. This possibility exists due to the lack of statistical correlation of the returns between the investments. The historical statistical correlation may be significantly different or non-existent in the future. While this is the goal, our portfolios, and the individual investments that make them up, remain subject to loss and may go down in value.

The risks posed by our investment strategy are common to all investment strategies. Our client portfolios may decline in value; returns are not guaranteed; individual investments may go down in value; historical results are not an indication of future results. In short, there is a risk of loss, and it could be as much as the entire amount invested. Clients should be prepared to bear such losses.

### ***C. Material risks of primary securities used***

We invest in a broad spectrum of asset classes. Investments in these classes may take the form of stocks, mutual funds, ETF’s, REIT’s and other publicly traded securities.

The risks posed by the securities we use are common to all financial assets. The investments may decline in value; returns are not guaranteed; individual investments may go down in value; historical results are not an indication of future results. In short, there is a risk of loss and it could be as much as the entire amount invested.

Most of our portfolios include investments in exchange traded funds (ETF’s) and mutual funds that invest primarily in stocks of both US companies and foreign companies. The

value of these investments can go up and down in value sometimes significantly and over short periods of time. In addition to the risk of loss of value, the investments in foreign stocks can be affected by changes in the relative value of the US dollar and the currency in which the stock is traded. Many foreign countries are less stable politically than the US and their capital markets, as well as legal and regulatory systems, less well established. This can lead to greater volatility and greater risk of loss. We may invest in the stocks of individual companies as well; this can be riskier than a well-diversified ETF or mutual fund.

Most of our portfolios also include investments in ETF's and mutual funds that invest primarily in fixed income instruments such as corporate bonds (including convertible bonds) and/or government bonds or notes. Some of the funds may invest in high yield or junk bonds. Some of these invest primarily in foreign bonds or notes. Fixed income instruments gain and lose value due to changes in interest rates and the creditworthiness of the company or government issuing the security. In addition to the risk of loss of value, the investments in foreign instruments can be affected by changes in the relative value of the US dollar and the currency in which the investment is traded or denominated. Many foreign countries are less stable politically than the US and their capital markets, as well as legal and regulatory systems, less well established; this can lead to greater volatility and greater risk of loss.

Further, most of our portfolios include investments in ETF's, mutual funds and real estate investment trusts (REIT's) that invest in a class of investments known as alternative investments. This may include real estate, long/short funds, merger arbitrage funds, commodities, managed futures and other investments that can be considered of higher risk. Some of these funds may use options or futures contracts in their investment strategies; some may engage in active trading; some may engage in short selling securities. These strategies introduce the potential of greater volatility or increase the expenses associated with owning them.

Please note that all of the investments we recommend for our client portfolios are publicly traded marketable securities.

The goal of Modern Portfolio Theory, and of our investment strategy, is to combine these investments in such a way that the overall portfolio may produce better returns with less volatility than investing in any of the individual types of investments on their own. This possibility exists due to the lack of correlation of the returns between the investments. The historical statistical correlation may be significantly different or non-existent in the future. While this is the goal, our portfolios, and the individual investments that make them up, remain subject to loss and may go down in value.

From time-to-time clients will direct us to execute transactions on margin, or over a short enough period of time that such may constitute "trading". However absent client instructions, we would not ordinarily undertake such strategies.

## **Item 9) Disciplinary Information**

### ***A. Criminal or civil action***

Neither Family Wealth Management nor a management person has been convicted or pled guilty or is currently named in a pending criminal or civil action.

### ***B. Administrative proceeding before the SEC or other federal, state, or foreign regulatory authority***

Neither Family Wealth Management nor any management person has been found to have caused any administrative proceeding before the SEC or other federal, state, or foreign regulatory authority.

### ***C. Self-Regulatory Organization (SRO) Proceeding***

Neither Family Wealth Management nor a management person has been found to have caused an investment-related business to lose its authorization to do business or to have been involved in a violation of any SRO's rules.

## **Item 10) Other Financial Industry Activities and Affiliations**

Neither Family Wealth Management nor any of our management persons are registered or have an application pending to register, as a broker-dealer or registered representative of a broker-dealer.

Neither Family Wealth Management nor any of our management persons are registered, or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. We do not recommend or select other investment advisers for our clients.

Family Wealth Management has a relationship with Summit Investment Technologies, LLC (SIT). SIT is a research firm located in Denver, Colorado. Our relationship with SIT is material to our advisory business and to our clients.

We have a non-exclusive contract with SIT to provide our firm with research services. This research is an important factor in determining the advice and portfolio design which FWM provides to its clients. As the investment advisor, FWM is solely responsible for the investment advice it provides to its clients.

SIT is engaged at no additional cost to our clients, and SIT compensation is set without regard to the services provided to or the fees paid by our clients. SIT may provide similar services to other investment advisors.

## **Item 11) Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### ***A. Code of ethics***

FWM has adopted a written Code of Ethics which establishes rules of conduct for all employees. A copy of the code of ethics will be made available to clients or prospective clients immediately upon request.

The purpose of the Code is “to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct”. It also spells out our policies with regard to the treatment of confidential client information.

***B. Securities with a material financial interest***

FWM does not recommend to clients or buy or sell for client accounts securities in which it or its related persons have a material financial interest.

***C. Investing in similar securities***

FWM does not maintain ownership in any securities or manage a portfolio of investments for its own benefit.

Registered representatives of FWM are required to report all securities transactions to our Chief Compliance Officer, Steve Thorne, no less often than quarterly. The reports are reviewed for evidence of conflicts of interests with FWM clients.

***D. Representatives trading in personal accounts***

To the extent practicable, client accounts are given priority in the purchase and sale of securities over all such transactions for the accounts of our employees and registered representatives made at the same time. Employees may execute purchases in advance of a client, for example, if the client does not then have sufficient free funds in the account to consummate a purchase, or if the client has requested the transaction be delayed. The Chief Compliance Officer of the Adviser reviews all employee trades each quarter (except for his/her own trading activity that is reviewed by another principal or officer of the Firm). The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm are not disadvantaged by the personal trading of employees.

**Item 12) Brokerage Practices**

***A. Selection of broker-dealers and determining reasonableness of their compensation***

***1. The custodian and brokers we use***

FWM does not maintain custody of client assets that we manage. Client assets must be maintained in an account at a “qualified custodian”, generally a broker-dealer or bank.

The Adviser does not receive fees or commissions from any of these arrangements.

We suggest that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold client assets in the client’s brokerage account and buy and sell securities when we instruct them to. While we suggest that clients use Schwab as custodian/broker, clients will decide whether to do so and will open their own account(s) with Schwab by entering into an account agreement directly with them. We do not open the account for clients, although we may assist them in doing so (see “Brokerage and Custody Costs”).

## **2. How we select brokers/custodians**

We seek to select a custodian/broker who will hold client assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services
- Capability to execute, clear, and settle trades
- Capability to facilitate transfers and payments to and from accounts
- Breadth of available investment products
- Competitiveness of the price of those services

## **3. Brokerage and custody costs**

For our clients' accounts maintained at Schwab, Schwab generally does not charge separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into their Schwab account. This commitment benefits clients because the overall commission rates and fees paid are lower than they would be otherwise. Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we execute by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the 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, we have Schwab execute most trades for client accounts. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

Schwab Advisor Services<sup>TM</sup> is Schwab's business serving independent investment advisory firms like us. They provide us and our 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 us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200. 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 we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit our clients and their accounts.

**Services That May Not Directly Benefit Clients.** Schwab also makes available to us other products and services that benefit us but may not directly benefit our clients or their accounts. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

**Services That Generally Benefit Only Us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits 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 to us. Schwab may also discount or waive its fees for some of these services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

FWM regularly uses most of these services. Some services affect our daily operations particularly those described as Services That Benefit Clients and Services That May Not Directly Benefit Clients. Others, such as those described as Services that Generally Benefit Only Us, are used less frequently.

#### **4. *Our interest in Schwab's services***

The availability of these services from Schwab, commonly referred to as "soft dollars", benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to suggest that clients maintain their accounts with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on clients'

interest in receiving the best value in custody services and the most favorable execution of their transactions. This is a conflict of interest. While the conflict of interest exists, we are also measured by our clients in terms of our overall performance; the cost of these services necessarily reduces portfolio performance. It is in our best interests to minimize these costs to improve the overall performance of our client portfolios. Furthermore, we believe that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How We Select Brokers/Custodians") and not Schwab's services that benefit only us.

We do not consider, in selecting or recommending broker/dealers, whether we or a related person receives client referrals from a broker/dealer or third party.

If a client directs us to use a particular broker, including a client who directs use of a broker as custodian of their assets, the client should consider whether such direction may result in certain costs or disadvantages to the client. Costs and disadvantages may include higher commissions or other trading costs and/or less favorable executions. Accordingly, the client should satisfy himself that the designated broker can provide adequate price and execution of the client's transactions.

### ***B. Order aggregation***

Our investment strategy rarely calls for us to introduce investments to our client accounts that are reasonably subject to order aggregation. Trades are placed in each client's own portfolio. This may result in some inefficiency in pricing and cost of trades.

## **Item 13) Review of Accounts**

### ***A. Periodic portfolio review***

FWM reviews all securities and other information relative to our providing of services to clients. We are the sole decision maker for purchase and sale decisions in discretionary accounts. The firm establishes the universe of securities that is actively purchased or sold to clients. FWM monitors the prices and returns of these securities on a regular and ongoing basis. Information on securities and asset classes is monitored as it becomes available and deemed relevant and material.

In some cases, a given client will not request active or comprehensive management of their securities, financial and other assets. In these cases, prices and returns and all other information relative to these assets are monitored as needed.

When providing investment supervisory services and broad wealth planning, reviews are triggered by the individual needs of the client, their risk tolerance, indicated asset allocation, and other relevant factors.

FWM tracks the results of clients' portfolios and measures performance against goals established in their written investment policy.

No less often than twice a year, we rebalance our client accounts to maintain the investment allocation set out in their investment policy.

FWM keeps clients informed of any material changes to his/her portfolio's outlook, recommended investment policy, and tactics. In addition, we make every effort to meet

the client no less often than annually to review and explain the portfolio's investment results and any related issues.

If the client becomes aware of any material changes in his/her goals, risk tolerance, or general financial condition, it is his/her responsibility to communicate these changes to FWM.

### ***B. Client reporting***

We provide our clients with reporting which allows them to measure the portfolio's performance against the stated policy.

The client receives no less frequently than quarterly, and within 45 days of the end of each such quarter, a written report which provides performance and holding information including:

- Portfolio activity showing beginning balances, net contributions and withdrawals, capital appreciation/depreciation, income, expense and ending balances for the quarter, the year to date and since inception
- Portfolio performance results (net of fees) for the quarter, year-to-date, and inception-to-date periods
- Performance results of comparative fixed income, equity, and blended benchmarks for the same periods
- Current asset allocation and portfolio holdings
- Inception-to-date chart detailing portfolio growth versus "net investment" (original and follow on investments less withdrawals)
- Invoice showing the calculation and amount of our fee

We strongly encourage and urge our clients to compare the statements they receive from us to the monthly statements they receive from their independent custodian.

## **Item 14) Client Referrals and Other Compensation**

Apart from the fees paid to us directly by our clients we do not receive any other economic benefits including sales awards or other prizes (see **Item 12) Brokerage Practices** above).

The Adviser has entered into solicitor relationships with a qualified individual(s) who is paid to refer clients to the Adviser. The Adviser ensures that the solicitor(s) is licensed when it is required and are otherwise qualified to provide investment advice. All solicitors may only provide impersonal investment advice by recommending the Firm's services and may not comment on using the Adviser's services or comment on portfolio construction. The terms of all solicitor arrangements are defined by a contract between the solicitor and the Adviser which sets forth the term of the agreement and the form of compensation to the solicitor. Currently, the solicitor receives a 45% split of management fees. The fees to the solicitor are paid out of the Adviser's standard management fees and the payment of solicitor fees does not increase the cost of investment management services to the client. The solicitor is required by the Adviser to

present a disclosure to all prospects and clients which details the compensation to the solicitor and other general terms of the relationship between the solicitor and the Adviser. The solicitor must have the client sign this disclosure and return it to the Adviser prior to receiving any compensation from the Adviser

### **Item 15) Custody**

Apart from the permission, which permission is in writing, granted to us by certain clients to debit our advisory fees from their accounts, we do not have custody of client assets. We do not hold, directly or indirectly, client funds or securities or have authority to obtain possession of them. An invoice showing the amount and calculation of our fee is included in our quarterly client report.

We manage only those investment accounts held at an independent, qualified custodian; Schwab is an independent, qualified custodian. We assure ourselves, after due inquiry, that the independent, qualified custodian sends our clients account statements at least quarterly; Schwab carries this out monthly. These statements from Schwab contain, among other information, a detail of income and expense including our fee.

We strongly urge our clients to compare the statements they receive from us each quarter to those they receive directly from their qualified custodian.

### **Item 16) Investment Discretion**

We require our clients to grant us permission in writing to exercise discretion in the management of their investment portfolios. Discretionary authority is granted either by the Adviser's investment management agreement and/or by a separate limited power of attorney where such document is required. The discretion extends to the authority to determine among other things:

- The securities to be bought or sold, and
- The amount of the securities to be bought or sold.

### **Item 17) Voting Client Securities**

We do not have nor do we accept the authority to vote client securities. The client clearly keeps the authority and responsibility for the voting of these proxies. The Adviser does not give any advice or take any action with respect to the voting of these proxies.

Clients receive their proxies or other solicitations from their custodian or a transfer agent at their address of record. Clients may directly contact us with any questions they may have about any particular solicitation.

### **Item 18) Financial Information**

We do not accept or solicit prepayment of more than \$500 in fees per client, six months or more in advance. We are exempt from the surprise audit requirement in the custody rules since custody is deemed to exist only because we are granted permission to deduct

our fees from client accounts. Therefore, we are not required to present a balance sheet with this brochure.

We are not aware of any financial condition that is reasonably likely to impair our ability to meet the contractual commitments made to our clients. We have no material financial obligations, apart from normal monthly obligations such as office and office equipment rental. Our net capital exceeds the minimum required by our regulatory authority.

We have never been the subject of a bankruptcy petition.

## **Item 19) Requirements for State-Registered Advisers**

### ***A. Principal executive officers and management persons***

The formal education and business backgrounds of our management persons and all registered representatives are disclosed in the attached Part 2B to this report.

### ***B. Other active businesses***

Family Wealth Management is not engaged in any business other than as described in this report.

All business activities of management persons and registered representatives are described in the attached Part 2B.

### ***C. Performance based fees***

See **Item 6) Performance-Based Fees** above.

Neither Family Wealth Management nor any of our supervised persons accept performance-based fees—that is fees based on a share of capital gains on or capital appreciation of the assets of clients.

### ***D. Reportable events***

See **Item 9) Disciplinary Information** above.

Further to that information, neither FWM nor any management person has been paid an award or found liable in any arbitration claim or in any civil, SRO or administrative proceeding.

### ***E. Relationships with issuers of securities***

See **Item 10) Other Financial Industry Activities and Affiliations** above.

Further to that information, neither FWM nor any of our management persons have any relationship or arrangement with any issuer of securities.

## **Part 2B of Form ADV: Brochure Supplement**

### **Item 1) Cover Page**

**Supervised person:** Steve Thorne, CPA-PFS

**Business Address:** 4015 Hillsboro Pike, Suite 208, Nashville, TN 37215

**Telephone Number:** (615) 383-8600

**Firm's Name:** Family Wealth Management, LLC

**Business Address:** 4015 Hillsboro Pike, Suite 208, Nashville, TN 37215

**Telephone Number:** (615) 383-8600

**Date of Supplement:** January, 2019

**This brochure supplement provides information about Steve Thorne that supplements the Family Wealth Management, LLC brochure. You should have received a copy of that brochure. Please contact Steve Thorne (using the Firm's contact information noted above) if you did not receive Family Wealth Management, LLC's brochure or if you have any questions about the contents of this supplement.**

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

### **Item 2) Educational Background and Business Experience**

**Name:** Steve Thorne, CPA-PFS

**Date of birth:** December 2, 1954

**Formal education after high school:** BS in Accounting from Tennessee Technological University, 1976

**Business background:** Mr. Thorne has been the manager of Family Wealth Management, LLC for more than the last 5 years.

### **Item 3) Disciplinary Information**

**A.** During the last 10 years and throughout his business career since graduation from university, there have been no criminal or civil actions in a domestic, foreign or military court of competent jurisdiction involving Mr. Thorne.

**B.** During the last 10 years and throughout his business career since graduation from university, there have been no administrative proceedings before the SEC, any other

federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority involving Mr. Thorne.

**C.** During the last 10 years and throughout his business career since graduation from university, there have been no self-regulatory organization (SRO) proceedings involving Mr. Thorne.

**D.** During the last 10 years and throughout his business career since graduation from university, there have been no other proceedings in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. Mr. Thorne never resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment).

#### **Item 4) Other Business Activities**

**A.** Mr. Thorne is not actively engaged in any other investment-related business or occupation.

**B.** Mr. Thorne is not actively engaged in any business or occupation for compensation not discussed in response to Item 4 A above.

#### **Item 5) Additional Compensation**

Mr. Thorne does not receive economic benefit for providing advisory services from any source other than Family Wealth Management, LLC including sales awards, other prizes, and bonuses from sales, client referrals or new accounts.

## **Part 2B of Form ADV: Brochure Supplement**

### **Item 1) Cover Page**

**Supervised person:** Kimbrey S. Eades, CFP®, CDFATM

**Business Address:** 4015 Hillsboro Pike, Suite 208, Nashville, TN 37215

**Telephone Number:** (615) 383-8600

**Firm's Name:** Family Wealth Management, LLC

**Business Address:** 4015 Hillsboro Pike, Suite 208, Nashville, TN 37215

**Telephone Number:** (615) 383-8600

**Date of Supplement:** January, 2019

**This brochure supplement provides information about Kimbrey S. Eades that supplements the Family Wealth Management, LLC brochure. You should have received a copy of that brochure. Please contact Steve Thorne (using the Firm's contact information noted above) if you did not receive Family Wealth Management, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Kimbrey S. Eades is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

### **Item 2) Educational Background and Business Experience**

**Name:** Kimbrey S. Eades, CFP®, CDFATM

**Date of birth:** August 15, 1970

**Formal education after high school:** Bachelors of Business Administration from Belmont University, 1999

**Business background:** Mrs. Eades has been engaged with Family Wealth Management since August, 2006 and employed by them for the past 3 years. Prior to her employment with Family Wealth Management, Mrs. Eades was a self-employed, independent consultant providing management services to Family Wealth Management and other businesses. Mrs. Eades continues to provide management services to these other businesses in addition to her employment at Family Wealth Management (see **Item 4.B.**).

### **Item 3) Disciplinary Information**

**A.** During the last 10 years and throughout her business career since graduation from Belmont, there have been no criminal or civil actions in a domestic, foreign or military court of competent jurisdiction involving Mrs. Eades.

**B.** During the last 10 years and throughout her business career since graduation from university, there have been no administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority involving Mrs. Eades.

**C.** During the last 10 years and throughout her business career since graduation from university, there have been no self-regulatory organization (SRO) proceedings involving Mrs. Eades.

**D.** During the last 10 years and throughout her business career since graduation from university, there have been no other proceedings in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. Mrs. Eades never resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment).

#### **Item 4) Other Business Activities**

**A.** Mrs. Eades is not actively engaged in any other investment-related business or occupation.

**B.** As a self-employed, independent consultant, Mrs. Eades is actively engaged by other businesses for compensation:

**MiCasa of America, LLC:** Mrs. Eades serves as the Chief Operating Officer for this mortgage loan originator providing financial oversight for its loan portfolio among other duties.

#### **Item 5) Additional Compensation**

Mrs. Eades does not receive economic benefit for providing advisory services from any source other than Family Wealth Management, LLC including sales awards, other prizes, and bonuses from sales, client referrals or new accounts.

## **Part 2B of Form ADV: Brochure Supplement**

### **Item 1) Cover Page**

**Supervised person:** William Langley Granbery

**Business Address:** 4015 Hillsboro Pike, Suite 208, Nashville, TN 37215

**Telephone Number:** (615) 383-8600

**Firm's Name:** Family Wealth Management, LLC

**Business Address:** 4015 Hillsboro Pike, Suite 208, Nashville, TN 37215

**Telephone Number:** (615) 383-8600

**Date of Supplement:** January, 2019

**This brochure supplement provides information about William Langley Granbery that supplements the Family Wealth Management, LLC brochure. You should have received a copy of that brochure. Please contact Steve Thorne (using the Firm's contact information noted above) if you did not receive Family Wealth Management, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about William Langley Granbery is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

### **Item 2) Educational Background and Business Experience**

**Name:** William Langley Granbery

**Date of birth:** August 12, 1954

**Formal education after high school:** BA in German from Vanderbilt University, 1977

**Business background:** Mr. Granbery has been an employee of Family Wealth Management, LLC for the last 3 years. Prior to joining Family Wealth Management he was with SunTrust Investment Services from 2008 to 2009. During interim periods, including from 2007 forward, Mr. Granbery handled personal and family financial and estate matters.

### **Item 3) Disciplinary Information**

**A.** During the last 10 years and throughout his business career since graduation from university, there have been no criminal or civil actions in a domestic, foreign or military court of competent jurisdiction involving Mr. Granbery.

**B.** During the last 10 years and throughout his business career since graduation from university, there have been no administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority involving Mr. Granbery.

**C.** During the last 10 years and throughout his business career since graduation from university, there have been no self-regulatory organization (SRO) proceedings involving Mr. Granbery.

**D.** During the last 10 years and throughout his business career since graduation from university, there have been no other proceedings in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. Mr. Granbery never resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment).

#### **Item 4) Other Business Activities**

**A.** Mr. Granbery is not actively engaged in any other investment-related business or occupation.

**B.** Mr. Granbery is not actively engaged in any business or occupation for compensation not discussed in response to Item 4 A above.

#### **Item 5) Additional Compensation**

Mr. Granbery does not receive economic benefit for providing advisory services from any source other than Family Wealth Management, LLC including sales awards, other prizes, and bonuses from sales, client referrals or new accounts.