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FORM ADV PART 2 BROCHURE

This brochure provides information about the qualifications and business practices of Allen Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at: (828) 268-9693. 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 Allen Wealth Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Allen Wealth Management, LLC is: 133038.

Allen Wealth Management, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Table of Contents

<i>Advisory Business.....</i>	<i>1</i>
<i>Fees and Compensation</i>	<i>7</i>
<i>Performance-Based Fees and Side-By-Side Management.....</i>	<i>8</i>
<i>Types of Clients.....</i>	<i>8</i>
<i>Methods of Analysis, Investment Strategies and Risk of Loss</i>	<i>9</i>
<i>Disciplinary Information.....</i>	<i>11</i>
<i>Other Financial Industry Activities and Affiliations</i>	<i>11</i>
<i>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</i>	<i>12</i>
<i>Brokerage Practices</i>	<i>12</i>
<i>Review of Accounts</i>	<i>14</i>
<i>Client Referrals and Other Compensation.....</i>	<i>14</i>
<i>Custody</i>	<i>14</i>
<i>Investment Discretion.....</i>	<i>15</i>
<i>Voting Client Securities.....</i>	<i>15</i>
<i>Financial Information.....</i>	<i>15</i>
<i>Additional Information.....</i>	<i>16</i>

Advisory Business

Form ADV Part 2A, Item 4

Allen Wealth Management, LLC, is a registered investment adviser based in Boone, North Carolina. We are organized as a limited liability company under the laws of the State of North Carolina. We have been providing investment advisory services since 2004. Jonathan Chesley Allen, Chief Compliance Officer, and Judd Fosta Allen, Investment Adviser Representative, are our principal owners.

Currently, we offer the following investment advisory services, which are personalized to each individual client:

- **Financial Planning Services**
- **Portfolio Management Services**
- **Other Wealth Management Services**
- **Selection of Other Advisers**

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words “we”, “our” and “us” refer to Allen Wealth Management, LLC, and the words “you”, “your” and “client” refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm’s officers, employees, and all individuals providing investment advice on behalf of our firm.

Coordinated Investment Management Service

We may provide services called ‘Coordinated Investment Management’ to you. If you purchase these services, you will receive customized advice that is used to assist us in organizing your financial information and determining the scope of services that are most suitable for your specific financial situation and needs. These financial planning services can simplify and determine financial and investment alternatives by:

1. Defining and narrowing a client’s objectives and investment options
2. Identifying areas of greatest concern
3. Creating a unique picture of the client’s overall financial situation
4. Providing an effective and efficient way for us to address a client’s unique financial needs and objectives

Recommendations are based on your financial situation at the time the plan is presented. Such services may include, but are not limited to, cash flow analysis, insurance evaluation, and preparation of investment policy statements, investment reviews, and estate planning. You will be advised that certain assumptions may be made with respect to interest and inflation rates, as well as past trends, historical market performance, and the economy. Past performance is in no way an indication of future results. We cannot offer any guarantees or promises that your financial goals and objectives will be met. As your financial situation, goals, objectives, or needs change, you must notify us promptly.

Upon completion of the initial evaluation, we will provide implementation services in the form of portfolio management if you so desire. We may also work in conjunction with your other professional advisers, e.g. accounting or legal. Under such arrangements, we will act as a project manager that coordinates the work of the appropriate parties in a manner consistent with your stated objectives.

We provide portfolio management services where the investment advice provided is custom tailored to meet your needs and investment objectives. The firm will manage your account(s) on a non-discretionary basis. We provide continuous supervision and re-balancing of the portfolio as changes in market conditions and client circumstances may require.

PASSPORT

The PASSPORT Account ("PASSPORT") is an investment advisory account, administered by RJA, which offers Clients, on a non-discretionary basis (or discretionary, provided certain qualifications are met), the ability to pay an advisory fee on the assets in their account and a nominal transaction charge in lieu of a commission for each transaction.

Generally, the Client's IAR provides investment advice on a non-discretionary basis. There is a minimum investment of \$25,000 for PASSPORT Accounts, although smaller accounts may be accepted based upon the specific circumstances of an account. The advisory fees for PASSPORT Accounts are 1%.

The annual asset-based fee is paid quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is paid in advance, is based on the account asset value on the last business day of the previous calendar quarter, and becomes due the following business day. Client authorizes and directs RJA as Custodian to deduct asset-based fees from the Client's account; Client further authorizes and directs the Custodian to send a quarterly statement to the Client which shows all amounts disbursed from Client's account, including fees paid to Allen Wealth Management, LLC. Client understands that the brokerage statement will show the amount of the asset-based fee.

Additionally, there may be a nominal Processing Fee for the execution of each trade, as follows:

<u>SECURITY TYPE</u>	<u>PROCESSING FEE</u>
Exchange Traded Equities: Listed and OTC	\$30
Closed End Mutual Funds	\$30
Exchange Traded Funds	\$30
Mutual Funds	\$30
Real Estate Investment Trusts/Unit Investment Trusts	\$30
Preferred Stocks	\$30
Options Contracts	\$50
Bonds	\$50

In addition to the foregoing transaction charge, the Client will incur a nominal charge per transaction for handling and postage charges. The Client may also incur charges for other account services provided by RJA not directly related to the execution and clearing of transactions including, but not limited to, IRA custodial fees, safekeeping fees, interest charges on margin loans, and fees for legal or courtesy transfers of securities.

The Client Agreement may be terminated by the Client or Allen Wealth Management, LLC, at any time upon providing notice pursuant to the provisions of Client Agreement. In the event of termination of this Agreement, Registrant will refund to the Client the prorated portion of the fee for the quarter of termination.

Investment of Cash Reserves

With respect to cash reserves of advisory Client accounts, the custodian of the account assets will determine where cash reserves are held. The custodian may offer one or multiple options to different account types (such as non-taxable and managed accounts). In addition, the custodian may, among other things, consider terms and conditions, risks and features, conflicts of interest, current interest rates, the manner by which future interest rates will be determined, and the nature and extent of insurance coverage (such as deposit protection from the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation). The custodian may change an investment option at any time by providing the Client with thirty (30) days advance written notice of such change, modification or amendment. As of July 2010, Cash Sweep Options include the Raymond James Bank Deposit Program ("RJBDP"), the Credit Interest Program ("CIP") sponsored by RJA, and a proprietary class of money market funds (the "Eagle Class - JP Morgan Money Market Funds") of the JP

Morgan Prime Money Market Fund and JP Morgan Tax Free Money Market Fund, managed by J.P. Morgan Investment Management, Inc. offered by Eagle Asset Management, Inc. ("Eagle," an affiliate of Raymond James).

Raymond James Bank (also an affiliate of Registrant), and the interest rate it offers may differ from the yield on the Eagle Class - J.P. Morgan Money Market Funds and the CIP, but Raymond James Bank generally earns more than the interest it pays on such balances. The Eagle Class - JP Morgan Money Market Funds are offered by Eagle through an agreement with J.P. Morgan. Under the agreement, Eagle, Eagle Fund Services, Inc. and Eagle Fund Distributors, Inc., (together, the "Eagle Affiliates") and Raymond James and its affiliate Raymond James Financial Services, Inc. are compensated by the Eagle Class - JP Morgan Money Market Funds and J.P. Morgan for, among other things, distribution costs, shareholder record-keeping activities, and the coordination and administration of the funds. Raymond James & Associates generally earns a higher rate of interest on CIP balances than the interest rate it pays on such balances. The income earned by the Eagle Affiliates and RJA is in addition to the asset-based fees that Allen Wealth Management, LLC, receives from these accounts.

Where an unaffiliated third party acts as custodian of account assets, Client and/or the custodian will determine where cash reserves are held.

Cash balances arising from the sale of securities, redemptions of debt securities, dividend and interest payments and funds received from customers are invested automatically on a daily basis. When securities are sold, funds are deposited on the day after settlement date. Funds placed in a Client's account by personal check usually will not be invested until the second business day following the day that the deposit is credited to the Client's account. Due to the foregoing practices, RJA may obtain federal funds prior to the date that deposits are credited to Client accounts and thus may realize some benefit because of the delay in investing such funds.

For further information please refer to the Cash Sweep Options disclosure statement, a copy of which is available from your IAR, or is available on the Raymond James public website, www.raymondjames.com.

Participants in the PASSPORT program may be entitled to a discounted asset-based fee if they maintain one or more related accounts within these programs.

Related Accounts are accounts of an individual, his or her spouse, and their children under the age of twenty-one. The term includes individually owned accounts, individual retirement accounts (IRAs), self-directed accounts (i.e., directed by individual participants) under an employee benefit plan (ERISA plan) and ERISA plan accounts in which an individual is the sole participant. Thus, Related Accounts of the PASSPORT program may be aggregated for advisory fee purposes, so that each account will pay a fee which is calculated on the basis of the total of all Related Accounts. It is the Client's responsibility to include all Related Accounts for purposes of qualifying for an aggregated account fee discount. While Allen Wealth Management, LLC, may attempt to identify related accounts, it shall not be held responsible for failing to consider any related accounts not listed by the Client.

Administrative-Only Assets

Certain securities may be held in the client's PASSPORT account and designated "Administrative-Only" assets. Such assets will not be assessed the standard advisory fee, but will be assessed an Administrative-Only fee according to the following schedule:

First \$1,000,000 in aggregate assets	0.09%
Aggregate assets over \$1,000,000	0.05%

Administrative-Only assets may be designated as such by financial advisors not wanting to collect an advisory fee on certain assets or by Raymond James in conformance with internal policy. Administrative-Only fee rates are calculated on the aggregate Related Account assets.

Cash Rule Conflict

Participants in the PASSPORT program with cash or money market investments which exceed 20% of the total market value of Client's account at the time of billing will be included for fee purposes only if the account did not exceed 20% in cash or money market investments at the end of the previous quarter. Otherwise the balance in excess of 20% will not be included in the value of Client's account for fee purposes. This fee billing provision is intended to equitably assess advisory fees to Client assets for which an ongoing advisory service is being provided, and the exclusion of excess cash from the advisory fee is intended to benefit Clients holding substantial cash balances (as a percentage of the total individual account value) for an extended period of time. However, this provision may pose a financial disincentive to an IAR, as the portion of cash or money market investments will not be included in the asset-based fee charged to the account. This may cause an IAR to reallocate a Client account from cash or money market investments to advisory fee eligible investments in order to avoid the application of this provision and therefore receive a fee on the full asset value in a Client's account(s).

The aforementioned Cash Rule is applicable only to cash sweep balances and, therefore, non-sweep money market investments would not result in excess "cash" balances being excluded from the asset-based advisory fee calculation. As a result, non-sweep money market mutual fund investments are generally prohibited as an investment option in fee-based accounts. However, certain money market mutual funds may be approved as an investment option, but any such investments will only be assessed the standard Administrative-Only fee as long as those investments are held in a PASSPORT account. The financial advisor will receive no fee-based compensation on these investments, but may receive compensation in the form of a 12(b)-1 fee or trail. Please contact your financial advisor for additional information.

For non-IRA/ERISA PASSPORT accounts, the Client's IAR may elect to absorb all or a portion of the Processing Fee. Certain open-end mutual funds which may be acquired by Clients, may, in addition to assessing management fees, internally assess a distribution fee pursuant to section 12(b)-1 of the Investment Company Act of 1940, or an administrative or service fee ("trail"). Such fees are included in the calculation of operating expenses of a mutual fund and are disclosed in the fund prospectus. However, if the IAR elects to absorb the Processing Fees in non-IRA/ERISA accounts, they may also elect to receive trails paid by the fund company, if any, to defray the cost of the Processing Fees they absorb. If such an election is made, there may be a conflict of interest where the IAR may have an incentive to absorb all of the Processing Fees in consideration of the actual or anticipated trails they will receive.

Clients should understand that certificates of deposit (CDs) from Raymond James Bank may be purchased, with a commission, in the PASSPORT program. These CDs are considered non-billable assets for one year. Due to the financial adviser's affiliation with Raymond James Financial (NYSE-RJF) and Raymond James Bank, being a wholly owned subsidiary of Raymond James Financial, Inc. (NYSE-RJF), a potential conflict of interest may exist

Clients should understand that the annual advisory fees charged in the PASSPORT program are in addition to the management fees and operating expenses charged by open-end, closed-end and exchange-traded funds. To the extent that a Client intends to hold fund shares for an extended period of time, it may be more economical for the Client to purchase fund shares outside of these programs. Clients may be able to purchase mutual funds directly from their respective fund families without incurring the Registrant's advisory fee. When purchasing directly from fund families, Clients may incur a front or back-end sales charge.

Clients should also understand that the shares of certain mutual funds offered in these programs may impose short-term trading charges (typically 1%-2% of the amount originally invested) for redemptions generally made within short periods of time. These short-term charges are imposed by the funds (and not Registrant) to deter "market timers" who trade actively in fund shares. Clients should consider these short-term trading charges when selecting the program and/or mutual funds in which they invest. These charges, as well as operating expenses and management fees, which may increase the overall cost to the Client by 1%-2% (or more), are available in each fund's prospectus.

Clients should also understand that certain no-load variable annuities may be offered in the PASSPORT program and may be charged an advisory fee. The annual advisory fees charged for these no-load variable annuities are in addition to the management fees and operating expenses charged by the insurance companies offering these products.

Clients should also understand that more sophisticated investment strategies such as short sells and margins may be offered in the PASSPORT program. Fees for advice and execution on these securities are based on the total asset value of the account. While a negative amount may show on a Client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This could create a conflict of interest where an IAR may have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved. In the cases where margin debit interest is charged to a client account, the IAR may receive a portion of the interest charged as a Controlled Asset Fee, presenting a potential conflict of interest.

A Client's total cost of each of the services provided through these programs, if purchased separately, could be more or less than the costs of each respective program. Cost factors may include the Client's ability to:

- 1) obtain the services provided within the programs separately with respect to the selection of mutual funds,
- 2) invest and rebalance the selected mutual funds without the payment of a sales charge, and
- 3) obtain performance reporting comparable to those provided within each program.

When making cost comparisons, Clients should be aware that the combination of multiple mutual fund investments, advisory services, custodial and brokerage services available through each program may not be available separately or may require multiple accounts, documentation and fees. If an account is actively traded or the Client otherwise may not qualify for reduced sales charges for fund purchases, the fees may be less expensive than separately paying the sales charges and advisory fees. If an account is not actively traded or the Client otherwise would qualify for reduced sales charges, the fees in these programs may be more expensive than if utilized separately.

The Client's IAR may have a financial incentive to recommend a fee-based advisory program rather than paying for investment advisory services, brokerage, performance reporting and other services separately. A portion of the annual advisory fee is paid to the Client's IAR, which may be more than the IAR would receive under an alternative program offering or if the Client paid for these services separately. Therefore, the Client's IAR may have a financial incentive to recommend a particular account program over another. IARs do not receive a financial incentive to recommend and sell proprietary mutual funds versus non-proprietary funds. However, because compensation structures vary by product type, IARs may receive higher compensation for certain product types. In addition, your IAR may receive incentive compensation for utilizing a particular account program.

Allen Wealth Management, LLC, believes the charges and fees offered within each fee-based program are competitive with alternative programs available through other firms and/or investment sources, yet makes no guarantee that the aggregate cost of a particular program is lower than that which may be available elsewhere.

Clients can terminate all RJFSA/RJA advisory agreements within the first 5 days and all fees charged will be refunded.

All above quoted fees may be negotiated within the stated fee schedule; however certain circumstances may dictate an exception from the set range.

Fee Only Financial Planning and Consulting Services

We offer consultative financial planning services. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of

their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. Once we review and analyze the information you provide to our firm, we will deliver a plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

If you chose to act on our financial planning recommendations, we may, at our discretion, waive or offset the financial planning fees should you choose to implement the advice through our portfolio management services as described below. We reserve the right to determine whether the financial planning fees will be waived or offset by the fees earned in the implementation process. The scope and complexity of the services that were provided will determine the waiver or offset of the fee.

We charge an hourly fee of \$250 for financial planning services, which is negotiable depending on the scope and complexity of the plan, your situation, and your financial objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you and request that you approve the additional fee.

Fees are due upon completion of services rendered. We do not require prepayment of a fee more than six months in advance and in excess of \$500.

You may terminate the financial planning agreement by providing written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement.

Selection of Other Advisers

If you chose to invest in an open-end mutual fund, we may recommend that you use the services of a third party investment adviser ("TPA") through the mutual fund company to manage a portion of your investment portfolio. After gathering information about your financial situation and objectives, we will recommend that you engage a specific TPA or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the TPA's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the TPA(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

The TPA(s) will actively manage your portfolio and will assume discretionary investment authority over your account. We will assume discretionary authority to hire and fire TPA(s) and/or reallocate your assets to other TPA(s) where we deem such action appropriate.

Our recommendations to use third party investment advisers are included in our portfolio management fee. We do not charge you a separate fee for the selection of other advisers nor will we share in the advisory fee you pay directly to the TPA. Advisory fees that you pay to the TPA are established and payable in accordance with the Form ADV Part II or other equivalent disclosure document provided by each TPA to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPA's disclosure brochure for information on its fees and services.

You will be required to sign an agreement directly with the recommended TPA(s). You may terminate your advisory relationship with the TPA according to the terms of your agreement with the TPA. You should review each TPA's disclosure brochure for specific information on how you may terminate your advisory relationship with the TPA and

how you may receive a refund, if applicable. You should contact the TPA directly for questions regarding your advisory agreement with the TPA.

Types of Investments

We primarily offer advice on equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, US Government securities, options contracts on securities, managed futures, commodities, and interest in partnerships investing in real estate, oil and gas interests.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship. We may also provide investment advice with respect to coins, fine art, or other alternative investments. Further, we may assist you in the purchase of numismatic and bullion coins if requested. You may request that we refrain from investing in particular securities or certain types of securities.

Assets Under Management

As of March 3, 2011, we manage \$90,000,000 in client assets on a non-discretionary basis.

Fees and Compensation

Form ADV Part 2A, Item 5

Please refer to the "Advisory Business" section in this Brochure for information on our advisory fees and refund policy according to each service we offer.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Disclosure Brochure.

Compensation for the Sale of Securities or Other Investment Products

Persons providing investment advice on behalf of our firm are registered representatives with Raymond James & Associates, Inc., a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate and in addition to our advisory fees.

This practice may present a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees.

This practice may present a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

At our discretion, we may offset our advisory fees to the extent our Associated Persons earn commissions in their separate capacities as registered representatives and/or insurance agents.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Types of Clients

Form ADV Part 2A, Item 7

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

If you decided to open an RJA Passport account, we will require a minimum investment amount of \$25,000. If you decide to engage our services for financial planning, we will not require a minimum dollar amount to open an advisory account. For those accounts that are opened on a fee-based basis, we require a minimum of \$500,000 to open and maintain the advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Investment Strategies

We may use one or more of the following investment strategies when formulating investment advice:

- Charting Analysis – involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- Fundamental Analysis – involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- Technical Analysis – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- Cyclical Analysis – a type of technical analysis that involves evaluating recurring price patterns and trends.

Additional Risks

Charting and Technical Analysis - The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Cyclical Analysis - Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Methods of Analysis

We may use one or more of the following methods of analysis when providing investment advice to you:

- Long Term Purchases – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- Short Sales – a securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.
- Margin Transactions – a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

- **Option Writing** – a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

We may use trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Our firm or the TPA will elect the particular method on a client by client and transaction basis. If you do not provide us with your instructions, then the custodian or the TPA will default to the First In First Out ('FIFO') method.

You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed under the "Advisory Business" section in this Brochure, we primarily recommend the following types of securities: Mutual Funds, Exchange Traded Funds, Stocks and Bonds. You should be advised of the following risks when investing in these types of securities:

Mutual funds and exchange traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

There are numerous ways of measuring the risk of *equity securities* (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However,

stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Disciplinary Information

Form ADV Part 2A, Item 9

Allen Wealth Management LLC has been registered and providing investment advisory services since 2004. Neither our firm nor any of our associated persons has any reportable disciplinary information.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Registrations with Broker-Dealer

Persons providing investment advice on behalf of our firm are registered representatives with Raymond James & Associates, Inc., a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation.

Arrangements with Affiliated Entities

We are affiliated with Allen Financial Advisors ('AFA') through common control and ownership. Therefore, persons providing investment advice on behalf of our firm are licensed as insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

These referral arrangements we have with our affiliated entities present a conflict of interest because we may have a financial incentive to recommend our affiliates' services. While we believe that compensation charged by our affiliates are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services and may obtain comparable services and/or lower fees through other firms.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Form ADV Part 2A, Item 11

We have established the following restrictions in order to ensure that fiduciary responsibilities are being observed in your account:

We emphasize your unrestricted right to specify investment objectives, guidelines, and/or conditions on the overall management of your account. Associated persons or their immediate family members shall not buy or sell securities for their personal portfolio(s) where their decision is derived in whole or in part, by reason of the associated person's employment, unless the information is also available to the investing public on reasonable inquiry. No associated person of the firm shall prefer his or her own interest over your interest. Investment opportunities must be offered first to clients before we or our associated persons may participate in such transactions. We and our associated persons generally may not purchase and sell securities being considered for, or held by you without pre-clearance from the Compliance Officer. We and our employees generally may not participate in private placements or initial public offerings (IPOs) without pre-clearance from our Compliance Officer. We require that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. Records will be maintained of all securities bought or sold by us, our associated persons, and related entities. A qualified representative of the firm will review these records on a regular basis. Any individual not in observance of the above may be subject to termination.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Jonathan C. Allen at (828) 268-9693.

Participation or Interest in Client Transactions

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this Brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. Our firm or persons associated with our firm may recommend securities to you at the same time we or persons associated with our firm purchase such securities for our own account.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

Brokerage Practices

Form ADV Part 2A, Item 12

We recommend the brokerage and custodial services of Raymond James Financial Services Advisors, a securities broker-dealer and a member of FINRA/SIPC. We believe that Raymond James Financial Services Advisors provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by Raymond James Financial Services Advisors, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services Raymond James Financial Services Advisors provides, you may pay higher commissions and/or trading costs than those that may be available

elsewhere.

Research and Other Soft Dollar Benefits

From time to time Allen Wealth Management, LLC may receive compensation in the form of sponsorship fees for seminars, meetings or conferences from product sponsors such as limited partnerships, mutual funds, insurance companies and annuity sponsors. Such sponsorship fees generally entitle the sponsor to an allotted presentation to representatives of Allen Wealth Management, LLC.

As part of its fiduciary duties to clients, Allen Wealth Management, LLC endeavors at all times to put the interests of its advisory clients first. Clients should be aware, however, that the receipt of economic benefits by Allen Wealth Management, LLC [or its related persons] in and of itself creates a potential conflict of interest.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

Persons providing investment advice on behalf of our firm who are registered representatives of Raymond James Financial Services Advisors will recommend Raymond James Financial Services Advisors to you for brokerage services. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from Raymond James Financial Services Advisors unless Raymond James Financial Services Advisors provides the representative with written authorization to do so. Therefore, these individuals are generally limited to conducting securities transactions through Raymond James Financial Services Advisors. It may be the case that Raymond James Financial Services Advisors charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through Raymond James Financial Services Advisors, these individuals (in their separate capacities as registered representatives of Raymond James Financial Services Advisors) may earn commission-based compensation as result of placing the recommended securities transactions through Raymond James Financial Services Advisors.

This practice presents a conflict of interest because these registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use Raymond James Financial Services Advisors, we may not be able to accept your account. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

Block Trades

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

Review of Accounts

Form ADV Part 2A, Item 13

Jonathan C. Allen, Chief Compliance Officer, and Judd F. Allen, Investment Adviser Representative, of Allen Wealth Management, LLC, will monitor your accounts on a periodic basis and will conduct account reviews at least annually or more often based on your individual circumstances, to ensure the advisory services provided to you and that the portfolio mix are consistent with your current investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to: contributions and withdrawals, market moving events, security specific events, and/or, changes in your risk/return objectives.

We will not provide you with additional or regular written reports in conjunction with account reviews. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Jonathan C. Allen, Chief Compliance Officer, and Judd F. Allen, Investment Adviser Representative, of Allen Wealth Management, LLC, will review your financial plan periodically upon your request to ensure that the planning advice and asset allocation recommendations made to you are consistent with your stated investment needs and objectives.

Written updates to the financial plan will not be provided in conjunction with the review. Such reviews and updates will be subject to our then current hourly rate. We will not provide regular written reports to you for financial planning and consulting services. If you implement financial planning advice through Raymond James & Associates, Inc., you will receive trade confirmations and monthly or quarterly statements from relevant custodians.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

As disclosed under the "Fees and Compensation" section in this Brochure, persons providing investment advice on behalf of our firm are licensed insurance agents, and are registered representatives with Raymond James & Associates a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section.

Custody

Form ADV Part 2A, Item 15

We directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact Jonathan Allen, Chief Compliance Officer at (828) 268-9693 or at: jonathan.allen@raymondjames.com.

Investment Discretion

Form ADV Part 2A, Item 16

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s).

Voting Client Securities

Form ADV Part 2A, Item 17

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Financial Information

Form ADV Part 2A, Item 18

We do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements (including the Gramm-Leach-Bliley Act), we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will never sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact Jonathan Allen, Chief Compliance Officer at (828) 268-9693 or at: jonathan.allen@raymondjames.com if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, you will keep the profit.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.