

**Item 1. Cover Page for Brochure Supplement**

December 31, 2011

John M. Abernathy III

Abernathy Investment Management, LLC  
1803 Harpeth River Drive  
Brentwood, TN 37027

Contact: John M. Abernathy III  
Phone: 615-376-8244  
Fax: 615-376-9488  
E-mail: [jma\\_aim@yahoo.com](mailto:jma_aim@yahoo.com)

This brochure provides information about John M. Abernathy III that supplements the Abernathy Investment Management, LLC brochure. You should have received a copy of that brochure. Please contact John M. Abernathy III if you did not receive Abernathy Investment Management's brochure or if you have any question about the contents of this supplement.

**Item 2. Educational Background and Business Experience for  
John M. Abernathy III**

Year of Birth: 1952

Formal Education: Vanderbilt University  
Bachelor of Arts Degree, 1974

Business Background: Abernathy Investment Management, LLC  
2005 – Present  
Lee, Danner and Bass, Inc.  
1999 – 2005 (Portfolio Manager)  
The Robinson-Humphrey Co.  
1989 – 1999 (Registered Representative)

Additional Background: Naval Flight Training  
Naval Aviator  
1976 - 1986, Active Service  
1986 – 2004, Reserve Service  
Captain, U.S. Naval Reserve (Retired)

**Item 3. Disciplinary Information**

As stated in Item 9 (page 8) of the Brochure, John M. Abernathy III has not been involved in any legal or disciplinary events.

**Item 4. Other Business Activities**

As stated in Item 10 (page 8) and Item 19 (page 13) of the Brochure, John M. Abernathy III is not engaged in any other business activities, is not engaged in other financial industry activities and has no other financial industry affiliations.

**Item 5. Additional Compensation**

As stated in Item 5 (page 5) of the Brochure, John M. Abernathy III's sole source of compensation is the quarterly management fee outlined in the Schedule of Fees in Item 5.

**Item 6. Supervision**

As sole Principal, President, Chief Investment Officer and Chief Compliance Officer, the full burden of ethical business conduct falls on John M. Abernathy III. Item 11 (page 8), Item 12 (page 9) and Item 13 (page 11) of the Brochure address specific steps taken by John M. Abernathy III to ensure the execution of ethical business practices.

**Item 7. Requirements for State-Registered Advisors**

As stated in Item 3 of this Supplement, John M. Abernathy III has not been involved in any legal or disciplinary events.

As stated in Item 18 (page 12) of the Brochure, John M. Abernathy III has never been the subject of a bankruptcy petition.

