

# Axiom Asset Management

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Form ADV Part 2A  
March 25, 2013

This brochure provides information about the qualifications and business practices of WealthTrust Axiom, LLC (“Axiom Asset Management”). If you have any questions about the contents of this brochure, please contact Jim Checksfield, Operations Director, 610 688 0025. 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 Axiom Asset Management also is available on the (SEC’s) website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Axiom Asset Management is as a registered investment adviser with the SEC. The registration of an Investment Adviser does not imply any level of skill or training. Our oral and written communications will provide you with the information about us you need in order to fully understand Axiom Asset Management and its investment advisory role in managing our client assets.

## Item 2: Material Changes

This section only discusses any material changes to our Form ADV Part 2A disclosure document which we will refer to in this document as the brochure.

Since the date of our last annual update to this brochure which was March 2012 there have been no material changes to our business practices.

## Item 3: Table of Contents

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## Item 4: Advisory Business

### History

Axiom Asset Management was formed in 2003 by Albert Matt, president and chief compliance officer; Robert Loreaux, executive vice president; and Michael Heaberg, chief executive officer.

In 2007 WealthTrust LLC bought a financial stake in Axiom Asset Management becoming a majority owner (60%). WealthTrust LLC, a Nashville, TN-based holding company, is a strategic financial partner for U.S.-based investment management firms which provide comprehensive wealth management services to select individuals and families. WealthTrust strengthens each affiliate with its team of specialists providing execution and support in compliance, technology, back office and client services.

Currently the principal owners of Axiom Asset Management are WealthTrust LLC, Robert Loreaux, Albert Matt and Michael Heaberg. Falcon Mezzanine Partners II LP holds a majority interest in WealthTrust LLC through intermediaries.

Unchanged through our history, Axiom Asset Management was formed to provide investors with a distinctive investment approach. In our view, most investment firms are plagued by competing agendas that sap energy and creativity that should be directed toward solving problems and building wealth for clients. Axiom Asset Management is structured to allow a single-minded focus on our clients' success.

### Business

The principal business of WealthTrust Axiom, also known as Axiom Asset Management consists of furnishing "investment advisory services" to clients. Axiom Asset Management is structured to allow a single-minded focus on our clients' success. This activity includes the provision of continuous advice concerning investment of monies consistent with the circumstances, preferences, and objectives of each client.

The investment management process includes an assessment of each client's objectives, needs, restrictions, and portfolio holdings. We attempt to structure each client's investment portfolio in the context of these considerations.

Axiom Asset Management's investment philosophy is based upon:

- **Customized and Personal** - Our relationships begin with extensive profiling of each clients investment attitudes and objectives. Using fundamental principles, we build and manage a family's household of assets according to their unique balance of growth, income and tax minimization. The client may impose restrictions on our ability to implement particular types of investments or strategies if that is the client's preference. Axiom Asset Management's clients have direct access to our experienced portfolio managers for ongoing discussions of their changing needs and portfolio.
- **Value-oriented, Contrarian and Opportunistic** - We seek to find value and minimize risk by using rigorous and diligent research, often among "out of favor" companies or industry sectors. Focusing on company fundamentals and absolute value, we believe our approach has been successful over the years, in rising markets and perhaps more importantly, in stagnant or declining markets.
- **Low Turnover** - We believe our value approach allows for low transaction costs and tax savings, through a buy and hold strategy. We seek to invest in undervalued investment opportunities and then sell or trim holdings when prices exceed our targeted value expectations.

- **Experienced Personnel** - In our view, there is no substitute for investment experience. Both our investment and operational staff average greater than 20 years of working with individuals and families for investment success.

Our investment management services consisting primarily of discretionary asset management under which we determine and implement investment and reinvestment decisions on behalf of the client, through the use of equity, fixed income and balanced (between equity securities such as stocks and fixed income securities such as municipal or government bonds) portfolios.

Currently, Axiom Asset Management intends to primarily allocate its client's investment management assets, on a discretionary or non-discretionary basis, among individual bonds (fixed income), equity securities, mutual funds, and exchange-traded funds, in accordance with the client's investment objectives.

Axiom Asset Management investment advisory services are generally limited to the discretionary management of investment portfolios in accordance with the investment objective(s) of the client and subject to any investment restrictions imposed or additions by the client and applicable regulatory restrictions. Clients also may engage Axiom Asset Management investment advisory services on a non-discretionary basis at their request.

Axiom Asset does not provide financial planning services. However, Axiom Asset may provide consulting services on investment-related matters for which we may or may not receive additional compensation.

The amount of client assets we manage on a discretionary basis as of **12/31/2012** is \$374,479,549.00 and the amount of client assets we manage on a non-discretionary basis as of **12/31/2012** is \$111,373,704.00

### **Education and Business Background**

All individuals that render investment advisory services on behalf of Axiom Asset Management must have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations. Our investment adviser representatives are:

#### **MICHAEL C. HEABERG**

Born 1958

Post-Secondary Education:

Vanderbilt University – 1980, BS

Recent Business Background:

WealthTrust Axiom, LLC, CEO, 11/2007 - Present

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

Axiom Asset Management, LLC, Managing Director, 06/2003 – 10/2007

PaineWebber Incorporated, Vice President, 05/1995 – 06/2003

#### **ROBERT W. LOREAUX**

Born 1944

Post-Secondary Education:

Temple University – 1962 – 1964

Lehigh University – 1965 – 1967

Recent Business Background:

WealthTrust Axiom, LLC, Executive VP, 11/2007 – Present

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

Axiom Asset Management, LLC, Managing Director, 06/2003 – 10/2007

PaineWebber Incorporated, Senior Vice President, 05/1993 – 06/2003

**ALBERT C. MATT**

Born 1945

Post-Secondary Education:

University of Pennsylvania – 1967, BA

University of Pennsylvania – 1970, MA

Recent Business Background:

WealthTrust Axiom, LLC, President, 11/2007 – Present

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

Axiom Asset Management, LLC, President, 02/2003 – 10/2007

Rubicon Asset Management, President, 05/1995 – 03/2003

Rubicon Securities, Registered Representative, 05/1995 – 03/2003

**CRAIG A ROSE**

Born 1974

Post Secondary Education

West Virginia University - 1996, BA

Recent Business Background

WealthTrust Axiom, LLC, Investment Adviser Representative, 11/2007 – Present

Axiom Asset Management, LLC, Investment Adviser Representative, 02/2003 – 10/2007

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

PaineWebber Incorporated, Financial Advisor, 08/2000 – 06/2003

Olde Discount Corp, Registered Representative 8/1996 - 8/2000

**RICHARD DAVOL**

Born 1938

Post Secondary Education

Temple University – 1960, BS

Recent Business Background

WealthTrust Axiom, LLC, Investment Adviser Representative, 11/2007 – Present

Axiom Asset Management, LLC, Investment Adviser Representative, 11/2003 – 10/2007

Purshe Kaplan Sterling Invest, Registered Representative, 07/2005 – Present

Rubicon Asset Management, Managing Director, 05/1995 – 03/2003

## Item 5: Fees and Compensation

Axiom Asset Management is only compensated for its investment advisory services by charging you a Management Fee, scheduled below, based on the market value of your assets under our management and based upon the fee schedule set forth below.

Potential clients may also engage certain employees of Axiom Asset Management for a non-advisory, brokerage only arrangement, see item 10 for further information.

In the event the client determines to engage Axiom Asset Management to provide investment advisory services (discretionary or non-discretionary), client may do so on a fee-only basis. If engaged, Axiom Asset shall charge an annual fee based upon a percentage of the market value of the assets being managed by Axiom Asset Management. Axiom Asset Management's annual fee shall be charged quarterly, *in arrears*, based upon the market value of the assets on the last business day of the previous quarter. The annual fee shall vary depending upon the market value of the assets under management and the type of investment management services to be rendered, as follows:

## Fee Schedule

<u>Value of Household Portfolio</u>	<u>Annual Fee</u>
<u>Equity Portfolios</u>	
Assets below \$250,000	1.25%
Assets below \$2,500,000	1%
Assets above \$2,500,000	Negotiable
<u>Fixed Income Portfolios</u>	
Assets over \$100,000	0.35%

For the initial quarter of investment advisory services, the first quarter's fees shall be calculated on a *pro rata* basis. The *Management Agreement* (Agreement) between Axiom Asset Management and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. Axiom Asset Management's annual fee shall be prorated through the date of termination and charged to the client, immediately. Axiom Asset Management does not impose an account minimum for starting or maintaining an account.

Axiom Asset Management, in its sole discretion, may waive, negotiate or charge a reduced management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, pro bono activities, etc.) for clients. Employees may also receive services for a reduced fee or no fee at all.

**Other Costs:** The above referenced fee schedule does not include custody fees or brokerage commissions or fees or other costs or charges associated with securities transactions with or through a broker dealer, including dealer mark-ups or mark-downs in principal transactions, stock exchange fees, transfer taxes or other charges mandated by law, all of which will be separately charged to the client by our custodian. (Fidelity Investments). Please refer to the section on Brokerage Practices contained herein for more information on our brokerage practices.

Axiom Asset Management's investment management fee is generally inclusive of any investment-related consulting services. For non-investment management clients and investment management clients that require a disproportionate amount of consulting services, Axiom Asset Management may charge a separate fee for investment related consulting services. In these limited circumstances, the fees shall be agreed upon prior to rendering the consulting services.

Clients should understand that, in addition to the annual fee which would be charged by Axiom Asset Management, any mutual fund, including exchange traded funds, in which assets are invested will incur separate investment management fees and other operating expenses (as described in each fund's prospectus) for which the client will incur a proportionate share.

**Agreement Terms:** Axiom Asset Management's *Agreement* authorizes Axiom Asset Management through our custodian Fidelity Investments to debit the client's account for the amount of the Axiom Asset Management's fee and to directly remit that management fee to Axiom Asset Management in accordance with applicable custody rules. However, as an accommodation for clients who wish to pay their fee from personal funds, we will invoice them so they may send a check. You will receive a periodic statement from your custodian which will include the amount of the Management Fee which has been sent to us. It is important that you confirm the accuracy of our Management Fee calculation upon receipt of your custodian's statement.

Axiom Asset Management's clients are advised to promptly notify us if there are ever any changes in their financial situation or investment objectives, or if they wish to impose any reasonable restrictions upon our management services.

Neither Axiom Asset Management nor the client may assign the *Agreement* without the consent of the other party. Transactions that do not result in a change of actual control or management of Axiom Asset Management shall not be considered an assignment.

## Item 6: Performance-Based Fees and Side-By-Side Management

Axiom Asset does not accept performance-based fees of any kind.

## Item 7: Types of Clients

Axiom Asset Management provides portfolio management services to individuals, high net worth individuals, corporate pension and retirement plans, trusts, estates, corporations or other business entities other than those listed above.

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

Axiom Asset Management focuses most of all of our equity portfolios as value portfolios. We believe value stocks have generally outperformed growth stocks dating back to 1927. Although for any one year, growth stocks can outperform value stocks, it is Axiom Asset Management belief that over many years, value stocks will outperform. As such, it is advantageous for clients to tilt their portfolios towards value. By taking a value oriented approach, Axiom Asset Management, believes that it can achieve above average market rate investment returns. Consequently our primary methods of analysis include the following: fundamental analysis, technical analysis, and cyclical analysis.

***Fundamental analysis*** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

***Technical analysis*** involves the analysis of past market data; primarily price and volume.

***Cyclical analysis*** involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Portfolios are exposed to Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events. **Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## Item 9: Disciplinary Information

There have been no criminal or civil actions against Axiom Asset Management or any of its personnel. Furthermore, neither Axiom Asset Management nor any of its personnel has had any violations of investment-related statutes or regulations.

## Item 10: Other Financial Industry Activities and Affiliations

### **Brokerage**

Certain employees of Axiom Asset Management, (Robert Loreaux, Michael Heaberg, and Craig Rose) are registered as registered representatives of Purshe Kaplan Sterling Investments (“PKS”). In the event a client desires, they may be engaged to provide brokerage investment services under a commission based arrangement which is separate and distinct from the services provided by Axiom Asset Management. Under this arrangement, the brokerage customer will be a client of PKS only and not a client of Axiom Asset Management. This arrangement is provided on an infrequent basis as an accommodation service. PKS is an SEC registered broker-dealer and member of the FINRA. PKS only acts as a broker, and is not affiliated with Axiom Asset Management or involved with the advisory business in any manner of Axiom Asset Management. Since brokerage commissions are charged by PKS to effect these brokerage transactions and, a portion of these commissions will be paid by PKS to the employees identified above.

Prior to effecting any transactions, the brokerage customer will be required to enter into an account agreement with PKS. The brokerage commissions charged by PKS may be higher or lower than those charged by other broker-dealers. In addition, the employees identified above may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the brokerage customer maintains the mutual fund investment made through PKS.

Axiom Asset Management does not recommend or provide the foregoing brokerage arrangement as a service. Axiom Asset Management does not consider the arrangement involving the identified employees to be a conflict of interest with its advisory clients on its behalf or on behalf of its employees nor does it believe that it gives its employees an incentive to recommend investment products based on the compensation received rather than on the needs of a client.

The brokerage customer has the option of obtaining brokerage investment services from any other brokerage firm or registered representatives.

### **Affiliated Firms**

The following investment management firms are affiliated with Axiom Asset Management based on common ownership interest through one of our owners, WealthTrust, LLC:

Kanawha Capital Management, LLC  
Duncker Streett & Co., LLC  
Harvey Investment Company, LLC  
Optimum Investment Advisors, LLC  
Wilbanks, Smith & Thomas Asset Management, LLC  
Delta Asset Management, LLC  
WealthTrust Arizona, LLC  
WealthTrust Fairport, LLC

However, Axiom Asset Management does not have a relationship or arrangement with any of these affiliated investment management firms which is material to our business or to our clients.

## Item 11: Code of Ethics, Participation in Transactions, Personal Trading

Axiom Asset Management has adopted a written Code of Ethics under which all our full time employees are obligated to comply with certain trading restrictions in their personal accounts in order to seek to avoid conflicts of interest with transactions being effected in client accounts. Our



employees may buy or sell the same securities that we recommend that our clients invest in or that we purchase or sell on our clients' behalf. This presents a conflict of interest between our employees' own financial interest and the best interest of our clients. We have addressed this conflict of interest by imposing trading restriction under the Code of Ethics referenced above which include restrictions on our employees' personal trading based upon investment activity occurring in, or being contemplated for, our clients' accounts under which our employees can only buy or sell securities in their personal accounts simultaneously with, or after completion of, a purchase or sale of the same security in our clients' accounts.

The Code of Ethics also requires that all of Axiom Asset Management's personnel (called "Supervised Persons") report to the Chief Compliance Officer, their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Axiom Asset Management has adopted the following principles governing personal investment activities by supervised persons:

Axiom Asset Management's policy and practice is NOT to engage in any principal transactions.

Clients may contact Axiom Asset Management to request a copy of its Code of Ethics.

Axiom Asset Management's written Code of Ethics covers the following areas:

**Statement of General Policy**

**Standards of Business Conduct**

**Prohibition Against Insider Trading**

**Personal Securities Transactions**

**Gifts and Entertainment**

**Protecting the Confidentiality of Client Information**

**Service as a Director**

**Compliance Procedures**

**Certification**

**Records**

**Reporting Violations and Sanctions**

**Definitions**

## Item 12: Brokerage Practices

Axiom Asset Management shall generally recommend that clients utilize the brokerage and clearing services of Fidelity Investments and its affiliates (collectively referred to as "*Fidelity*") for investment management accounts. We have selected *Fidelity* as execution broker and custodian for our client's assets after evaluating the following five factors:

- 1 Fidelity's Financial Strength**
- 2 Long Term Reputation**
- 3 Execution and Pricing**
- 4 Research**
- 5 Service**

*Fidelity* enables Axiom Asset Management to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Fidelity* may be higher or lower than those charged by other broker-dealers.

#### **Software and Support Provided by Fidelity Investments**

Axiom Asset Management has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "*Fidelity*") through which *Fidelity* provides Axiom Asset Management with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. *Fidelity's* institutional platform services that assist us in managing and administering our clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

*Fidelity* also offers other services intended to assist Axiom Asset Management manage and further develop its advisory practice. Such services include, but are not limited to, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom we may contract directly.

Axiom Asset Management is independently operated and owned and is not affiliated with *Fidelity*.

*Fidelity* generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through *Fidelity* or that settle into *Fidelity* accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). *Fidelity* provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

*Fidelity* provides Axiom Asset Management with certain brokerage and research products and services that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

#### **Block Orders**

Axiom Asset Management may group or block orders from time to time for the same security for more than one client account in order to more effectively execute the orders. This is what is known as a "block transaction". This process can create trading efficiencies, prompt attention to the order and improved price execution since the block transaction may be executed at various prices but averaged as to price. Therefore, clients whose transactions are part of the block transaction will receive the same average price and trading costs. Personal transactions of our employees may be included in such block transactions.

## **Directed Brokerage**

Axiom Asset Management does not permit its clients to direct brokerage transactions to a specific brokerage firm.

## **Item 13: Review of Accounts**

For those clients to whom Axiom Asset Management provides investment management services, account reviews are conducted as a minimum, on an annual basis. Such reviews are conducted by one of the Axiom Asset's investment adviser representatives. The investment adviser (manager) is responsible for the management of each client will conduct the annual review.

Axiom Asset Management does not, as a general policy, provide our clients with regular or periodic written reports concerning their accounts although, upon request, our clients will be provided with a written report which may include such relevant account and/or market-related information such as an inventory of account holdings.

All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Axiom Asset Management and to keep us informed of any changes.

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

Axiom Asset Management does not compensate, nor do we receive compensation for client referrals. For more information on other economic benefits we receive from a non-client, please refer to the section on Brokerage Practices contained herein.

## **Item 15: Custody**

All financial assets, including stocks, bonds and cash are held by our custodian, Fidelity Investments, a qualified custodian. In addition to any account information you may receive from us as described above in the section on Review of Accounts, you will receive account statements directly from your custodian on at least a quarterly basis although you may receive them on a monthly basis. You should carefully review these statements and compare these statements to statements you receive from us for any discrepancies. You should also remember that the statements you receive from your custodian are your official record of your accounts and assets for tax purposes.

## **Item 16: Investment Discretion**

We will accept discretionary investment authority over your assets if you agree to such an arrangement, as stated in Item 4. This is typically accomplished through execution of a limited trading authority contained in your client agreement with us. When executing your client agreement with us, you can further limit the extent of discretionary investment authority to be granted to us although this may impact the level of services we can provide you.

## **Item 17: Voting Client Securities**

Axiom Asset Management does not accept authority to vote client securities on behalf of its clients. Clients will receive proxies directly from the issuer of the security or our custodian. We will not take any action or render any advice on investments in your accounts which become subject to class actions or related litigation or other matters such as mergers, acquisitions, tender offers, bankruptcy proceedings or other similar events although we may provide you limited assistance upon request on an informal basis.

## **Item 18: Financial Information**

Axiom Asset Management has no financial commitment that will impair its ability to meet contractual fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

# **Axiom Asset Management**

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Form ADV Part 2B  
March 25, 2013

This information about the below named supervised persons, supplements our ADV Part 2A, the Axiom Asset Management “Firm Brochure”. Please contact Jim Checksfield 610 688-0025 if you did not receive Axiom Asset management’s firm brochure or if you have any questions about the contents of the supplement.

“Supervised persons” within Axiom Asset Management covered by this brochure supplement are identified as persons who: (i) formulate investment advice for clients and have direct client contact; or (ii) make discretionary investment decisions for clients’ assets, even if the supervised person has no direct client contact.

<b>Albert Matt</b>	<b>610 688-0052</b>	<b>President/Managing Director/Chief Compliance Officer</b>
<b>Michael C. Heaberg</b>	<b>610 688-0053</b>	<b>Chief Executive Officer, Branch Mgr, Managing Director</b>
<b>Robert Loreaux</b>	<b>610 688-0051</b>	<b>Managing Director</b>
<b>Craig Rose</b>	<b>610 688-0054</b>	<b>Investment Adviser Representative</b>
<b>Richard Davol</b>	<b>610 688-0087</b>	<b>Investment Adviser Representative</b>

Additional information about each supervised person is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

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

### **Supervised person: ALBERT C. MATT**

Born 1945

Post-Secondary Education:

University of Pennsylvania – 1967, BA

University of Pennsylvania – 1970, MA

Recent Business Background:

WealthTrust Axiom, LLC, President, 11/2007 – Present

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

Axiom Asset Management, LLC, President, 02/2003 – 10/2007

Rubicon Asset Management, President, 05/1995 – 03/2003

Rubicon Securities, Registered Representative, 05/1995 – 03/2003

### **Item 3 - Disciplinary Information**

There are no legal or disciplinary actions to report for Albert C Matt

### **Item 4 - Other Business Activities**

Albert C Matt is currently not actively engaged in any other investment related business or occupation although he is a registered representative with Purshe Kaplan Sterling (“PKS”), a registered broker-dealer and Member FINRA/SIPC not affiliated with Axiom Asset Management.

### **Item 5 - Additional Compensation**

Albert C Matt receives compensation for providing advisory services solely from his responsibilities at Axiom Asset Management and does not receive any additional economic benefit from third parties for providing advisory services.

### **Item 6 - Supervision**

Our firm has in place written supervisory procedures, which include annual account reviews by the firm’s supervised persons that are reasonably designed to detect and prevent violations of the securities laws, rules and regulations. Jim Checksfield, Axiom Asset Management Director of Operations is responsible for supervision of Albert Matt.

\* \* \*

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

### **Supervised person: MICHAEL C. HEABERG**

Born 1958

Post-Secondary Education:

Vanderbilt University – 1980, BS

Recent Business Background:

WealthTrust Axiom, LLC, CEO, 11/2007 - Present

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

Axiom Asset Management, LLC, Managing Director, 06/2003 – 10/2007

PaineWebber Incorporated, Vice President, 05/1995 – 06/200

### **Item 3 - Disciplinary Information**

There are no legal or disciplinary actions to report for Michael C. Heaberg.

### **Item 4 - Other Business Activities**

Michael C. Heaberg is a registered representative with Purshe Kaplan Sterling (“PKS”), a registered broker-dealer and Member FINRA/SIPC not affiliated with Axiom Asset Management. In order to comply with FINRA Conduct Rule 3040, PKS, as an unaffiliated broker-dealer, may periodically review the investment advisory transactions of Michael. This information will be

viewed by PKS's compliance department personnel for supervisory purposes only. No information viewed will be utilized for purposes of solicitation or shared with any affiliation outside the scope of regulatory compliance.

Brokerage accounts established with PKS are not accounts of Axiom Asset Management and are established with PKS. Only Michael may offer non advisory clients (brokerage clients), trading services which give him the ability to execute trades through PKS of these client assets. Axiom Asset Management does not believe this creates a conflict of interest on its part or on the part of its supervised person nor does it believe that it gives its supervised persons an incentive to recommend investment products based on the compensation received rather than on the needs of a client. In his capacity as Registered Representative of PKS, Michael C. Heaberg may receive commissions or other compensation for these transactions.

#### **Item 5 - Additional Compensation**

Michael C. Heaberg receives compensation for providing advisory services solely from his responsibilities at Axiom Asset Management and does not receive any additional economic benefit from third parties for providing advisory services.

#### **Item 6 - Supervision**

Our firm has in place written supervisory procedures, which include annual account reviews by the firm's supervised persons that are reasonably designed to detect and prevent violations of the securities laws, rules and regulations. Albert C Matt, Chief Compliance Officer of Axiom Asset Management is responsible for supervision of Michael C Heaberg. He can be contacted at the phone number provided on the cover page.

\* \* \*

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

**Supervised person: ROBERT W. LOREAUX**

Born 1944

Post-Secondary Education:

Temple University – 1962 – 1964

Lehigh University – 1965 – 1967

Recent Business Background:

WealthTrust Axiom, LLC, Executive VP, 11/2007 – Present

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

Axiom Asset Management, LLC, Managing Director, 06/2003 – 10/2007

PaineWebber Incorporated, Senior Vice President, 05/1993 – 06/2003

#### **Item 3 - Disciplinary Information**

There are no legal or disciplinary actions to report for Robert W Loreaux.

#### **Item 4 - Other Business Activities**

Robert W Loreaux is a registered representative with Purshe Kaplan Sterling ("PKS"), a registered broker-dealer and Member FINRA/SIPC not affiliated with Axiom Asset Management. In order to comply with FINRA Conduct Rule 3040, PKS, as an unaffiliated broker-dealer, may periodically review the investment advisory transactions of Robert. This information will be viewed by PKS's compliance department personnel for supervisory purposes only. No information viewed will be utilized for purposes of solicitation or shared with any affiliation outside the scope of regulatory compliance.

Brokerage accounts established with PKS are not accounts of Axiom Asset Management and are established with PKS. Only Robert may offer non advisory clients (brokerage clients), trading services which give him the ability to execute trades through PKS of these client assets. Axiom Asset Management does not believe this creates a conflict of interest on its part or on the part of its supervised person nor does it believe that it gives its supervised persons an incentive to

recommend investment products based on the compensation received rather than on the needs of a client. In his capacity as Registered Representative of PKS, Robert W Loreaux may receive commissions or other compensation for these transactions.

#### **Item 5 - Additional Compensation**

Robert W Loreaux receives compensation for providing advisory services solely from his responsibilities at Axiom Asset Management and does not receive any additional economic benefit from third parties for providing advisory services.

#### **Item 6 - Supervision**

Our firm has in place written supervisory procedures, which include annual account reviews by the firm's supervised persons that are reasonably designed to detect and prevent violations of the securities laws, rules and regulations. Albert C Matt, Chief Compliance Officer of Axiom Asset Management is responsible for supervision of Robert W Loreaux. He can be contacted at the phone number provided on the cover page.

\* \* \*

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

##### **Supervised person: CRAIG A ROSE**

Post Secondary Education

Born 1974

West Virginia University - 1996, BA

##### **Recent Business Background**

WealthTrust Axiom, LLC, Investment Adviser Representative, 11/2007 – Present

Axiom Asset Management, LLC, Investment Adviser Representative, 02/2003 – 10/2007

Purshe Kaplan Sterling Invest, Registered Representative, 06/2003 – Present

PaineWebber Incorporated, Financial Advisor, 08/2000 – 06/2003

Olde Discount Corp, Registered Representative 8/1996 - 8/2000

#### **Item 3 - Disciplinary Information**

There are no legal or disciplinary actions to report for Craig A Rose.

#### **Item 4 - Other Business Activities**

Craig A Rose is a registered representative with Purshe Kaplan Sterling ("PKS"), a registered broker-dealer and Member FINRA/SIPC not affiliated with Axiom Asset Management. In order to comply with FINRA Conduct Rule 3040, PKS, as an unaffiliated broker-dealer, may periodically review the investment advisory transactions of Craig. This information will be viewed by PKS's compliance department personnel for supervisory purposes only. No information viewed will be utilized for purposes of solicitation or shared with any affiliation outside the scope of regulatory compliance.

Brokerage accounts established with PKS are not accounts of Axiom Asset Management and are established with PKS. Only Craig may offer non advisory clients (brokerage clients), trading services which give him the ability to execute trades through PKS of these client assets. Axiom Asset Management does not believe this creates a conflict of interest on its part or on the part of its supervised person nor does it believe that it gives its supervised persons an incentive to recommend investment products based on the compensation received rather than on the needs of a client. In his capacity as Registered Representative of PKS, Craig A Rose may receive commissions or other compensation for these transactions.

**Item 5 - Additional Compensation**

Craig A Rose receives compensation for providing advisory services solely from his responsibilities at Axiom Asset Management and does not receive any additional economic benefit from third parties for providing advisory services.

**Item 6 - Supervision**

Our firm has in place written supervisory procedures, which include annual account reviews by the firm's supervised persons that are reasonably designed to detect and prevent violations of the securities laws, rules and regulations. Albert C Matt, Chief Compliance Officer of Axiom Asset Management is responsible for supervision of Craig A Rose. He can be contacted at the phone number provided on the cover page.

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**Item 2 - Educational Background and Business Experience**

**Supervised person: RICHARD DAVOL**

Born 1938

Post Secondary Education

Temple University – 1960, BS

Recent Business Background

WealthTrust Axiom, LLC, Investment Adviser Representative, 11/2007 – Present

Axiom Asset Management, LLC, Investment Adviser Representative, 11/2003 – 10/2007

Purshe Kaplan Sterling Invest, Registered Representative, 07/2005 – Present

Rubicon Asset Management, Managing Director, 05/1995 – 03/2003

**Item 3 - Disciplinary Information**

There are no legal or disciplinary actions to report for Richard Davol.

**Item 4 - Other Business Activities**

Richard Davol is currently not actively engaged in any other investment related business or occupation although he is a registered representative with Purshe Kaplan Sterling ("PKS"), a registered broker-dealer and Member FINRA/SIPC not affiliated with Axiom Asset Management.

**Item 5 - Additional Compensation**

Richard Davol receives compensation for providing advisory services solely from his responsibilities at Axiom Asset Management and does not receive any additional economic benefit from third parties for providing advisory services.

**Item 6 - Supervision**

Our firm has in place written supervisory procedures, which include annual account reviews by the firm's supervised persons that are reasonably designed to detect and prevent violations of the securities laws, rules and regulations. Albert C Matt, Chief Compliance Officer of Axiom Asset Management is responsible for supervision of Richard Davol. He can be contacted at the phone number provided on the cover page.