

KMH Wealth Management, LLC
PO Box 2549 101 S. Main St. Suite 300
Victoria, TX 77902

361 573-4383

Fax 361 573-1168

www.kmhwealth.com
mail@kmhwealth.com

3/21/2014

FORM ADV PART 2
BROCHURE

This brochure provides information about the qualifications and business practices of KMH Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at 361 573-4383 or mail@kmhwealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about KMH Wealth Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for KMH Wealth Management is 111610.

KMH Wealth Management, LLC is an investment adviser registered with the United States Securities and Exchange Commission. Registration does not imply a certain level of skill or training.

SUMMARY OF MATERIAL CHANGES

KMH Wealth Management, LLC's Brochure has been reviewed and updated with no material changes since the last annual update of our brochure dated 3/21/2013.

Table of Contents

Contents

| | | |
|--------|--|----|
| Item 1 | Cover Page..... | 1 |
| Item 2 | SUMMARY OF MATERIAL CHANGES | 1 |
| | Advisory Business | 3 |
| | Fees and Compensation | 4 |
| | Performance-Based Fees and Side-By-Side Management..... | 4 |
| | Types of Clients..... | 5 |
| | Methods of Analysis, Investment Strategies and Risk of Loss | 5 |
| | Disciplinary Information | 5 |
| | Other Financial Industry Activities and Affiliations..... | 5 |
| | Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 6 |
| | Brokerage Practices | 7 |
| | Review of Accounts | 8 |
| | Client Referrals and Other Compensation..... | 8 |
| | Custody | 9 |
| | Investment Discretion | 9 |
| | Voting Client Securities | 9 |
| | Financial Information | 10 |
| | Additional Information..... | 10 |

Advisory Business

Form ADV Part 2A, Item 4

Since 1998, KMH Wealth Management, LLC has been a SEC registered investment advisor. KMH is a single member LLC with the owner being Thomas Lane Keller. KMH Wealth Management, LLC previously operated under the name Keller & Associates, CPAs until 2008.

KMH is an independent, Fee-Only advisory firm that offers Investment Supervisory Services and Financial Planning services to its clients. Because KMH is a Fee-Only firm, it is committed to its role as a fiduciary on behalf of its clients. As a fiduciary KMH recommends investment products from the universe of investment options that are in line with its client's investment goals.

Investment Supervisory Services, a service that forms part of KMH's wealth management services, are provided to insure that financial products recommended for such clients are based upon a client's lifestyle/life stage, financial goals, risk tolerance and tax situation. KMH takes a long-term approach to investing and believes in a portfolio primarily consisting of mutual funds and bonds. Portfolios are rebalanced when a client advises KMH of changes in their financial needs or when deemed advisable due to market volatility. Clients are advised of their responsibility to promptly notify KMH of changes in their financial situation or investment objectives.

KMH manages Investment Advisory Accounts by reviewing client assets held at brokerages or custodians and giving advice regarding asset allocation, risk analysis and diversification. If clients would like to impose restrictions on investing, such as only investing in impact securities or certain market segments, KMH will work with the client to accommodate these requests.

KMH also offers professional financial planning to its clients through Lane Keller, Lynn Miori and Gregory Hermes who are CERTIFIED FINANCIAL PLANNERTM professionals. These services include cash flow management, tax planning, education planning, asset protection, estate and gift planning, retirement planning, multi-generational planning, inheritance, charitable giving and insurance planning.

KMH through its wealth management services and financial planning services designs financial plans and portfolios based on the client's individual needs. This client specific planning helps clients chart paths towards financial security.

KMH does not participate in wrap fee programs.

KMH provides investment advice to approximately 258 clients and currently had approximately \$223,170,917 assets under management as of 12/31/2013. Of the \$223,170,917 assets under management, KMH manages approximately \$205,654,876 on a discretionary basis and the remaining \$17,516,041 on a non-discretionary basis.

Fees and Compensation

Form ADV Part 2A, Item 5

KMH is compensated for its investment advisory services based on a percentage of assets under management, as set forth below. For financial planning services, KMH receives compensation based either on hourly charges that ranges from \$90 per hour to \$300 per hour, or on a fixed fee basis, as may be agreed to with the client. Accounts of members of the same household and other related accounts are consolidated for fee calculation purposes.

The annual fee is calculated on a quarterly basis, based on the fair market value of assets under management as determined on the end of the last business day of the previous quarter. Individually managed bond portfolios will incur an additional .16% fee.

Fee Schedule

| Assets Under Management | Annual Fee |
|-----------------------------|------------|
| Less than \$1,000,000 - | .75% |
| \$1,000,000 - \$5,000,000 - | .50% |
| Over \$5,000,000 – | negotiable |

Fees are deducted from clients' accounts in advance. The billed period does not exceed three months, so clients are billed four times a year. Hourly and/or fixed fees for financial planning and other services are billed separately and are not deducted from client accounts.

Custodian fees or commissions are not applicable to KMH. In addition to the fees charged by KMH, clients may incur, and are solely liable for, brokerage commissions and other costs relating to the execution of a securities transaction. Please refer to Item 12 for a more detailed discussion relative to our brokerage arrangements.

All fees are generally negotiable, at the discretion of KMH.

All fees are considered fully earned until the terminating party, in accordance with the advisory agreement between KMH and the client, delivers a written notice of termination. Upon termination, refunds will be calculated based on how many days remain in the quarter after the written termination is received.

Neither KMH nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of financial products.

KMH does not receive revenue from commissions or other compensation for the sale of investment products.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

KMH does not charge performance based fees.

Types of Clients

Form ADV Part 2A, Item 7

KMH provides investment advice to individuals, high net worth individuals (including trust and estates), pension and profit sharing plans, and charitable organizations. KMH does not impose any minimum requirements on clients for opening or maintaining an account with KMH.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

The main sources of information KMH uses to analyze financial products is Morningstar Advisor Workstation, Advisory World, financial newspapers and magazines; research materials prepared by third parties; corporate rating services; and annual reports, prospectuses and filings with the SEC.

Investment strategies the firm uses are long term holding (securities held at least a year), short term holding (securities sold within a year) and margin transactions. Each client is interviewed to determine his/her specific investment needs, including: investment purpose, demographic characteristics (age, employment and family), and overall financial situation including taxable income, inheritance, life insurance and risk tolerance. The firm recommends products to assist clients in attaining their financial goals. The highest priority is given to placing the client's interest first.

KMH recommends an array of products; however, it primarily recommends mutual funds and bonds. The risk associated with mutual funds, including fluctuations in market value, are more fully set forth in each mutual fund's prospectus. There are also risks associated with bond investments such as default risk and interest rate fluctuations. All investing activities involve risk of loss that clients should be prepared to tolerate, including the possible loss of a client's entire investment and any gains earned thereon.

Disciplinary Information

Form ADV Part 2A, Item 9

There are no legal, disciplinary or administrative events affecting KMH or any of its management persons.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

KMH management persons or associated persons are not registered as broker-dealers or registered representatives of a broker-dealer.

KMH management persons or associated persons are not registered as futures commission merchants, commodity pool operators or commodity trading advisors.

Three individuals, Thomas Lane Keller, Lynn Miori and Gregory Hermes, who perform investment advisory services for KMH clients, are also CERTIFIED FINANCIAL PLANNER™ professionals. When financial planning is requested by the client, the client is billed separately and additionally for these services. KMH is affiliated with Keller & Associates, CPAs. Thomas Lane Keller, Lynn Miori, Gregory Hermes and Kyle Noack are all CPAs with Keller & Associates, CPAs and provide KMH clients with tax and accounting services as requested by the client for additional fees and a separate engagement. These associations do not pose a conflict of interest, as additional services requested are billed separately.

KMH does not recommend or select other investment advisers to clients for which KMH receives compensation.

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

Form ADV Part 2A, Item 11

KMH has a Code of Ethics (the "Code") that we will provide to clients upon their request. A summary of the Code is provided in this brochure.

The company is a fiduciary for its investment advisory clients. As a fiduciary, the firm puts the interests of the client first before the firm's interest. Because of this fiduciary relationship, it is improper for KMH or its employees to:

1. Use for their own benefit (or the benefit of anyone other than the client) information about the firm's trading or recommendations for client accounts; or
2. Take advantage of investment opportunities that would otherwise be available for the firm's clients.

All Associated Persons (all partners, officers, employees, consultants, and employees who have access to nonpublic information regarding the purchase, sale or recommendation of securities) must at all times reflect the professional standards expected of those engaged in the investment advisory business and will act within federal, state and local laws and regulations pertaining to investment advisers and the general conduct of business. These standards require us to be judicious, accurate, objective and reasonable in dealing with both clients and other parties.

All Associated Persons are required to file their quarterly securities transaction no later than 30 calendar days after the end of March, June, September and December of each year with KMH's Chief Compliance Officer. A review will be conducted by the CCO at least quarterly to monitor compliance with trading policies. KMH reserves the right to require any employee to reverse, cancel or freeze, at the employee's expense, any transaction or position in a specific security if the Company believes the transaction or position violates its policies or appears improper. All Associated Persons are required to report any violation of the Code to the CCO or other appropriate person of the Company immediately.

A copy of the Code is provided to all Associated Persons annually. Also, annually, all Associated Persons are required to certify in writing his or her understanding and continuing acceptance of, as well as agreement to abide by, the guidelines and policies set forth in the KMH Code. Additionally, any change or modification to the Code will be distributed to all Associated Persons and they will be required to certify in writing their receipt, understanding and acceptance of the change(s).

KMH does not recommend to clients securities in which KMH or an Associated Person has a material financial interest; thus avoiding a conflict of interest.

KMH has investment advisors that on occasion will buy or sell for himself or herself securities that they also recommend to clients. According to the Code, Advisors and all Associated Persons must avoid actions or activities that allow a person to profit or benefit from his or her position with the company at the expense of

clients; advisors and all associated persons have a fiduciary duty and must place the interest of the clients first; and if any violation of the Code occurs the Advisor or Associated Person will have disciplinary measures imposed on he or she.

All Associated Persons must conduct all personal securities transaction in full compliance with the Code and avoid serving their own personal interests ahead of the interests of the clients.

KMH Insider Trading Policy prohibits any Advisor and all Associated Persons from trading or recommending securities while in possession of non-public material information about the securities or its issuer.

Brokerage Practices

Form ADV Part 2A, Item 12

KMH does not have soft dollar arrangements with broker/dealers. Soft Dollar arrangements occur when a broker offers to provide certain products and services (pay soft dollars) to the investment advisor in exchange for the advisor directing trades to the broker. Because soft dollar credits are derived from commissions paid by the advisory client, they are viewed as assets of the client.

KMH mainly utilizes the TD Ameritrade Institutional platform program and The Vanguard Group, Inc. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions.

KMH investigates and analyzes products or services that reasonably address the client's needs. The products or services selected to implement the recommendation(s) must be in the client's financial best interest and consistent with the client's goals, needs and priorities. Transactions for the client will be executed in a manner that the client's total cost or proceeds in each transaction is the most qualitative under the circumstances or otherwise known as best execution. In keeping with KMH's best execution philosophy, broker commissions that may be paid by clients, range of a broker's services such as execution capability, pricing and responsiveness must be taken into consideration.

There is no direct link between KMH's participation in the program and the investment advice it gives to its clients, although KMH receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; access to a trading desk serving KMH clients; the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to KMH by third party vendors. Some of the products and services made available by TD Ameritrade through the program may benefit KMH but may not benefit its client accounts. These products or services may assist KMH in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help KMH manage and further develop its business

enterprise. The benefits received by KMH or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, KMH endeavors at all times to put the interests of its clients first.

KMH generally recommends that clients utilize the brokerage and clearing services of TD Ameritrade Institutional, however, KMH considers financial strength, reputation, execution, pricing, and service as criteria before recommending a broker-dealer. However, clients of KMH are also permitted, although not required, to instruct KMH to execute transactions through a specified broker dealer.

KMH does not use client brokerage commissions to obtain research or other products or services, nor do they have an incentive to select or recommend a broker-dealer based on receiving their research or other products or services. KMH also does not recommend broker-dealers based on receiving client referrals.

As a matter of general practice, KMH recommends mutual funds to clients with a need for equity securities. Mutual funds offer diversification and professional management to shareholders. When clients require fixed income securities to meet client needs, the firm will analyze and recommend direct purchases of U.S. Treasury, Agency, Municipal and Corporate Bonds, Certificates of Deposit or Fixed Income Mutual Funds.

KMH does aggregate the purchase or sale of securities on the same day on some individual securities.

Review of Accounts

Form ADV Part 2A, Item 13

All investment client accounts will be continuously monitored by the portfolio managers of KMH. Account statements are received by KMH monthly from the custodian and are reconciled with KMH's internal portfolio accounting reports. Transactions in the portfolio will be reviewed for accuracy as they occur. Annual reviews with the client is the suggested minimum, however depth and frequency of reviews vary by client. Client reviews consist of a "snapshot" of assets comparing current position to stated objectives, including asset allocation among various investment types. Market conditions, changes in an investor's economic or life circumstance, or new academic research may initiate an adjustment to the client's target allocation or rebalancing of the portfolio.

For each account, a portfolio manager and associate advisor will be responsible for client services. Every reviewer who performs client reviews is a CPA/PFS and CERTIFIED FINANCIAL PLANNER™ professional. Instructions vary by client. Portfolio managers include the following individuals: Thomas L. Keller, Lynn M. Miori, Gregory J. Hermes and Kyle Noack. They are assisted by two associate advisors each of whom hold their Series 65 License.

Portfolio reports are delivered to the clients quarterly, which contain a summary of assets held and a review of overall asset allocation.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

KMH does not receive any economic benefits such as gifts, cash or sales awards from any third party for

investment advisory services provided by them to our clients. We also do not receive any benefits from client referrals. We have no arrangements relating to the payment of compensation to anyone for client referrals.

Custody

Form ADV Part 2A, Item 15

KMH does not have physical custody of client funds and/or securities however it is deemed to have custody solely because it deducts clients' advisory fees directly from the clients' accounts.

KMH maintains client funds and securities with broker-dealers, banks and other "qualified custodians." The qualified custodians send quarterly account statements directly to clients, which should be reviewed carefully by the client. KMH also sends account statements to their clients. A client is urged in writing on the KMH statement to compare the account statement they receive from the qualified custodian with those statements they receive from KMH. Comparing statements will allow the client to determine whether account transactions, including deductions to pay advisory fees, are accurate.

Investment Discretion

Form ADV Part 2A, Item 16

A client can engage KMH to provide investment advisory services on a discretionary basis. The client will sign an agreement, which gives KMH the authority to make trading decisions on the client's behalf without first having to seek the client's permission. This allows KMH to take discretion over the following activities: the securities to be purchased or sold; the amount of securities to be purchased or sold; and when transactions are made. The advisor's decisions are based on what is suitable to the client's financial situation and consistent with the client's goals, needs and priorities. However, at anytime, a client may impose restrictions in writing to limit or change this authority.

Voting Client Securities

Form ADV Part 2A, Item 17

KMH does not vote proxies on behalf of clients.

Clients will receive proxy material directly from the custodian holding the client's account. Under circumstances where KMH receives proxy material on behalf of a client involving any security held in the client's account, the firm's advisors will promptly forward such material to the client's attention. It is the client's responsibility to vote his/her proxy (ies). Upon client request, the firm's advisors will provide advice regarding proxy voting.

Financial Information

Form ADV Part 2A, Item 18

KMH is not required to provide a balance sheet since it does not require prepayment of more than \$1,200 in fees per client, six months or more in advance.

KMH is required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. KMH has no disclosures applicable to this item.

KMH has not been the subject of a bankruptcy petition.

Additional Information

Protecting our clients' privacy is important to KMH Wealth Management, LLC. As part of our commitment to our clients, we want them to be informed about our policy to protect and safeguard their information.

We collect nonpublic personal information about clients that is provided by them on applications or other forms with their authorization. We will not collect any personal information from clients that they do not volunteer.

For current and former clients, we do not disclose any nonpublic personal information about our clients or former clients except as permitted by law. Permitted disclosures include providing information to our employees and affiliate who need information to provide services. In limited situations, we may contact nonaffiliated companies who need to know material non-public personal information relating to our clients in order to effectively assist us in providing services to our clients. These third parties are required, through contractual agreements, to treat the client's private information with the same strict degree of confidentiality that we do. We do not sell, share, or rent personal information to third parties except as described above.