



**ALLEN MOONEY BARNES**

Allen, Mooney & Barnes

Investment Advisors, LLC

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This Brochure provides information about the qualifications and business practices of Allen, Mooney & Barnes Investment Advisors (AMB). If you have any questions about the contents of this Brochure, please contact us at (229) 225-1500 or [information@AMBWealth.com](mailto:information@AMBWealth.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.

AMB is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provides you with information about which you determine to hire or retain an Adviser.

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

## **Item 2 – Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated February 2015 is a document prepared according to the SEC’s new requirements and rules. This document is materially different from our brochure dated January 2014.

The material changes in this brochure include in item 4 the amount of assets under management and in Item 8 additional information and explanation was included.

In the past, we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Carla Roach, Chief Compliance Officer at (229) 225-1500 or via email at [Carla.Roach@AMBWealth.com](mailto:Carla.Roach@AMBWealth.com) . Our Brochure is also available on our web site [www.AMBWealth.com](http://www.AMBWealth.com) , also free of charge.

Additional information about AMB is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with AMB who are registered, or are required to be registered, as investment adviser representatives of AMB.

## **Item 3 -Table of Contents**

Item 1 – Cover Page.....	i
Item 2 – Material Changes .....	ii
Item 3 -Table of Contents.....	ii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	1
Item 6 – Performance-Based Fees and Side-By-Side Management.....	2
Item 7 – Types of Clients .....	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	3
Item 9 – Disciplinary Information .....	4
Item 10 – Other Financial Industry Activities and Affiliations.....	4
Item 11 – Code of Ethics.....	4
Item 12 – Brokerage Practices .....	5
Item 13 – Review of Accounts .....	7
Item 14 – Client Referrals and Other Compensation .....	5
Item 15 – Custody .....	8
Item 16 – Investment Discretion .....	6
Item 17 – Voting Client Securities .....	6
Item 18 – Financial Information.....	6

#### **Item 4 – Advisory Business**

AMB was originally formed in June 2001 as Allen & Mooney Investments, LLC. AMB is wholly owned by FAIM Investments, LLC. The FAIM Investments principal owners are M.H. Allen, Jr., Richard G. Mooney, III, Gordon Maner and TNB Holding Company. FAIM Investments owns Allen, Mooney & Barnes Brokerage Services, LLC, Allen, Mooney & Barnes Investment Advisors, LLC and AMB Client Services, LLC.

The AMB Chief Compliance Officer is Carla Roach. The AMB Operating Committee consists of M.H. Allen, Jr., Richard Gordon Mooney, III, Gordon Maner and Rodney Hunter. As of December 31, 2014 total assets under management were \$413,377,801, this includes \$413,377,801 managed on a discretionary basis. During the initial client interview, the advisor determines if one of the AMB Model's or an individually managed account would be appropriate based on the clients objectives, time horizon and risk tolerance. The investment advisory and administrative service fees, negotiated between the client and Allen, Mooney & Barnes Investment Advisors, LLC are typically stated as a percentage of the market value of the assets in the account. The market values are computed at the end of each calendar quarter and billed for the quarter ended. The maximum annual fee charged to the client is 3% of the assets.

AMB utilizes a managed platform through our clearing firm First Clearing. This platform allows AMB the flexibility to manage accounts individually or in one of the AMB Models. The platform charges the client a transaction fee and allows AMB to bill a quarterly management fee in arrears.

#### **Item 5 – Fees and Compensation**

The investment advisory and administrative service fees, negotiated between the client and Allen, Mooney & Barnes Investment Advisors, LLC are typically stated as a percentage of the market value of the assets in the account. The market values are computed at the end of each calendar quarter and billed for the quarter ended. The maximum annual fee charged to the client is 3% of the assets. The fee schedule, shown as an annual rate based on gross asset value across a client's total account(s), is:

Assets	Fee
\$500,000 and below	2.0% - 2.5%
\$500,001 - \$1,000,000	1.0% - 2.0%
\$1,000,001 - \$5,000,000	.75% -1.5%
\$5,000,001and above	.50% - 1.0%

These fees are negotiated based upon the advisor recommendations and client relationship. Client fees outside of the stated fee schedule must be approved by the CCO or Operating Committee.

The specific manner in which fees are charged by AMB is established in a client's written agreement with AMB. AMB will generally bill its fees on a quarterly basis in arrears. Clients may also elect to be billed directly for fees or to authorize AMB to directly debit fees from client accounts. Management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

AMB's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses, which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to AMB's fee, and AMB shall not receive any portion of these commissions, fees, and costs.

Allen, Mooney & Barnes Investment Advisors, LLC is associated with First Clearing Corporation (FCC). FCC is a clearing firm, member of the New York Stock Exchange and is a subsidiary of Wells Fargo, a registered investment advisor. FCC acts as the clearing firm and/or custodian for clients of AMB. A portion of the costs from charges incurred to complete transactions within client accounts may be provided to Allen, Mooney & Barnes Brokerage Services, LLC (AMBBS). AMBBS, an affiliated company, acts as Broker Dealer for AMB. A conflict may exist due to the potential incentive to AMB to transact business through AMBBS, a firm under common ownership. Clients may elect to purchase investment products through other brokers or agents that are not affiliated with AMB.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

AMB does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### **Item 7 – Types of Clients**

AMB provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, municipalities, trusts and other U.S. institutions.

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

AMB seeks capital appreciation principally through investment in equity securities, fixed income products and cash/cash equivalents.

AMB employs charting, fundamental and technical methods of analysis.

AMB's initial universe of securities encompasses approximately 3500 companies, with a strong emphasis on sector allocation. Our Investment Strategists utilize a top-down, bottom-up approach to identify sectors of the economy that should be beneficiaries of current economic conditions. Then specific corporations are examined within these groups for potential inclusion on our list of companies for further research and analysis. Our bottom-up approach provides flexibility for researching companies within the top-down blueprint. When we apply valuation criteria to the universe of stocks, the group is substantially narrowed. To confirm our assumptions, we use proprietary, statistical software to evaluate several quantitative factors prior to purchase. The Investment Strategists and Research Analyst have final approval of the investments made in accounts following our Managed Models. Approved investments are purchased universally for all accounts following one of the managed models.

In our AMB model, our investment process is not governed or constrained by the strict boundaries of traditional growth, income, or value definitions, nor do we confine our selection process to the floating definitions of micro, small, medium, or large capitalization companies.

Our Portfolio Management Committee (PMC) reviews all managed accounts at least quarterly. Our committee consists of our Investment Strategists, a Research Analyst, our Chief Compliance Officer and a senior Registered Representative. The Chief Compliance Officer co-chairs our PMC meetings with the Senior Registered Representative and together they monitor the adherence to client objectives and time horizons. With this team approach, we strive to discover investment opportunities utilizing traditional measures and to preserve capital, utilizing stop-loss guidelines. We assign a price objective based on market condition, although it is the decision of the committee whether to capture the gain or continue to hold the security. If a security declines 20% from purchase cost, we review and if there has not been a dramatic change in fundamentals, we will continue holding the position. The committee considers liquidating a position if a company's management loses focus or if there are accounting irregularities.

Investing in securities involves risk of loss that clients should be prepared to bear.

Our fixed income investment process begins by analyzing interest rate trends, Federal Reserve policy, economic outlook and sector valuations. Then specific bonds are identified based on call risk/protection, capital gain potential, credit quality, coupon structure, duration, average life, cash flows, convexity and inefficient pricing. We utilize several outside fixed income institutions to assist our Research Analyst in analyzing and

monitoring our holdings. Our fixed income manager is a member of the PMC and the fixed income assets are also monitored by the PMC.

AMB clients can elect to have their assets managed following an AMB Model, the PMC, a member of the PMC or can elect for their assets to be managed on an individual basis by their Investment Advisor Representative. The same security could be purchased or liquidated on any day based on the client's money management selection.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of AMB or the integrity of AMB's management. We have no information applicable to this Item.

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

AMB is associated with First Clearing Corporation (FCC). FCC is a clearing firm, member of the New York Stock Exchange, and a registered investment advisor. FCC acts as the clearing firm and/or custodian for clients of Allen, Mooney & Barnes Brokerage Services, LLC (AMBBS). AMBBS, an affiliated company of AMB, acts as Broker/Dealer for AMB. AMB is associated with Farmers & Merchants Bank and TNB Financial (banking institutions), Tillman Insurance Agency and AMB Client Services (insurance agencies), and Wealth Advisors-Southeast (advisory firm). These associations include referrals of clients and payment of referrals.

AMB is also affiliated with Eastover Investment Advisors LLC, an investment advisory firm in Charlotte, North Carolina.

### **Item 11 – Code of Ethics**

First Clearing Corporation (FCC), an associated company, acts as a market maker for various securities, including over-the-counter stocks, municipal and government bonds as well as limited partnerships. All transactions must be executed at the best price in the market. Principal transactions in advisory accounts do not take place unless it is according to Section 206 of the Investment Advisors Act of 1940. AMBBS does not act as a principal on any transactions, unless disclosed in writing to the client with written acceptance by the client. Because AMB and its employees have a fiduciary relationship to clients, there is an affirmative duty not to overreach or disadvantage any client or otherwise take unfair advantage of his/her trust. Officers and employees of AMB may purchase or sell the same securities as our clients according to the guidelines in the AMB Code of Ethics. The Code of Ethics is in place to ensure transactions of employees do not disadvantage our clients. The AMB Code of Ethics places restrictions on employee trading including blackout periods,

short-term trading, and active trading by employees in their own account(s). The Chief Compliance Officer (or designee) monitors all personal securities transactions of all AMB employees to ensure that such persons are fulfilling their fiduciary responsibilities to AMB clients. In addition to monitoring all securities transactions, the Chief Compliance Officer will take all reasonable steps to determine that all employees of AMB comply with our Code of Ethics. A copy of our Code of Ethics is available to clients upon request.

## **Item 12 – Brokerage Practices**

AMB does not participate in any soft dollar arrangements.

Directed Brokerage:

If a client directs AMB to use a particular registered representative or brokerage firm, such instructions must be in writing. The client may at any time change such instructions by giving written notice to AMB. Appropriate disclosures will be provided to the client indicating that for any directed brokerage arrangements, AMB will not negotiate commissions, may not obtain volume discounts or aggregate directed transactions and that commission charges will vary among clients and best execution may not be obtained. The client will indicate in the Client Agreement any directed brokerage arrangements. During the review of the Client Agreement, the CCO will monitor for any directed brokerage arrangements to ensure AMB's policy is followed.

Bunched or Blocked Trading

- When bundling orders, the trades are allocated to the accounts in advance of the order being placed. Order memoranda must list the accounts participating in each trade and the extent of their participation. (If the portfolio manager waits to decide how to allocate the trade based on subsequent market movement that may be an indication that the manager is “cherry-picking” accounts to benefit from favorable price movements.) Once the order is executed, the trades are so allocated back to the clients according to the original allocation.
- All accounts for which any trade is bundled shall be treated the same, insofar as costs shall be shared on a pro rata basis across the accounts as applicable. Further, no client account may be favored over any other client account.
- Accounts participating in a bunched trade should receive the average price paid. Once an order is filled, however, subsequent orders for the same security on the same day may or may not be averaged with the previously filled orders for allocation purposes.
- When an order is filled, changes in accounts participating in the trade or the extent of their participation from that stated on the order ticket must be documented. An order will be deemed to be “filled in its entirety” even if it takes more than a single day to complete the entire transaction, so long as there is a reasonable expectation that the order will be filled within a reasonable period.



In such cases, the portion of the order completed each day ordinarily will be allocated in accordance with the preliminary allocation schedule.

- When an aggregated order is only partially filled (and there is no reasonable expectation that the entire transaction will be completed within a reasonable period), the order will, generally, be allocated among the participating clients on an objective basis, as described below.
- The original allocation may only be changed after execution upon good cause and as approved in writing by the CCO. Any such change must be promptly approved, typically within one hour after trading in the security commences on the following day. Further, all accounts must still receive fair and equitable treatment.
- Allocation instructions must be given to executing brokers on trade date to ensure that certain accounts are not favored if there are subsequent price movements.
- Each account shall be managed on an individual basis. Currently, bundling occurs for client accounts held at one custodian and not across client accounts at different custodians. Otherwise, the securities must be promptly allocated back into client accounts and other related procedures followed. Further, bundling of trades shall be consistent with the duty to seek best execution and best price for the client.
- Orders of AMB and affiliated persons may be aggregated with client orders. However, trades shall not be bundled to accommodate any affiliated person or any related party. The affiliated person shall simply be treated in the same manner and with the same respect as any other client and as if a client.
- If client orders are combined with an affiliated person of AMB the affiliated person shall receive the same execution and costs as clients. The affiliated person shall not be preferred in any manner by being included in bundled orders.

The CCO will review each bunched trade that is executed to ensure that it is executed in a manner consistent with AMB's policies and procedures. In that regard, the CCO will review transaction records to ensure that they contain information on all accounts. The CCO will evidence review in our electronic trading reporting system.

### ***Other Factors in Determining Allocation Methodology***

In addition to the above procedures for allocation of bunched or allocated trades, the portfolio manager should also consider the following other factors in determining allocation methodology:

- Account-specific investment restrictions, *i.e.*, no defense or tobacco stocks.
- Undesirable position size. In certain cases, the amount allocated to an account on a pro-rata basis may create an undesirably small or large position.
- Need to restore appropriate balance to client portfolio, if it has become over or under weighted due to market action.

- Client sensitivity to turnover. Such clients may be excluded from participation in positions that are not expected to be long-term holdings.
- Client tax status.
- Regulatory restrictions.
- Common sense adjustments that lead to cost savings or other transactional efficiencies.
- Investments may not be suitable for, or consistent with, known client investment objectives and goals.

### Broker Selection/Best Execution

Allen, Mooney & Barnes Investment Advisors typically executes trades through First Clearing Corporation. First Clearing acts as the custodian and clearing firm for our Broker Dealer, Allen, Mooney & Barnes Brokerage Services. Especially with equity transactions, the custodian executes the trade for our broker dealer resulting in better efficiencies. In most instances if the trade is executed away from First Clearing, transfer and other possible fees reduce any savings that might have been achieved in obtaining better price and execution elsewhere. In addition, delays and possible errors in transferring securities back to the custodial account warrant executing the trades with the custodian to further timeliness and accuracy.

Quarterly, the CCO and the Portfolio Management Committee will evaluate the broker that the IA uses for executions. Specifically, the Committee shall obtain and review execution and routing reports from First Clearing's website. On an annual basis, the CCO and the Portfolio Management Committee will review the quality of First Clearing's execution and other services in relation to other viable vendors to determine whether or not to retain the relationship. In doing so, the committee will receive input from the all personnel involved with trading activities. The decision will be documented in the Best Execution/Broker Selection file.

In addition, current market conditions and the competitive environment shall be noted every 3 to 5 years as needed. The advantages or disadvantages of moving to another service provider shall be explored, including any new broker-dealers/custodians that may become available. In this review, Allen, Mooney & Barnes Investment Advisors places great importance on maintaining an ongoing relationship for stability, service, loyalty, reputation and the attendant factors. A consistent ongoing and serious pattern of events should occur to change any relationship, not isolated or infrequent events or occurrences.

### **Item 13 – Review of Accounts**

A Portfolio Management Committee comprised of the Chief Investment Strategist, Director of Portfolio Management, Research Analyst and a Senior Advisor meets at least twice weekly. The Chief Compliance Officer also attends these meetings. The committee discusses investment strategies, securities, market outlook, and merits of individual issues in which AMB's clients are invested or contemplating for investment. Additional analysis is

undertaken by each investment advisor for each account they manage. The account review committee, which includes the managing partners, investment strategists, portfolio manager and Chief Compliance Officer, meets on an as needed basis to further review and discuss each managed account. The Chief Compliance Officer reconciles each account with the custodian's records each day. Portfolio evaluations and analyses are prepared for either monthly or quarterly periods based on the preference of the client. The custodian sends monthly statements and transaction confirmations to the clients.

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

AMB has written relationships with others that require compensation for client referrals. Payments for such referrals are either a percentage of the assets referred or a percentage of the fees charged to the client for investment advisory services. The fees can be paid fees as long as the client is retained or for a specified amount of time. AMB currently has fee sharing arrangements with the following professional partners:

- WealthAdvisors-SouthEast
- F. Alton Garrett
- Tillman Insurance
- AMB Client Services

AMB also has an agreement with Farmers and Merchants bank (FMB) detailing a client referral arrangement.

#### **Item 15 – Custody**

Clients receive at least quarterly statements from their broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. AMB urges clients to carefully review such statements and compare official custodial records to the account statements that we may provide to the client. Our statements may vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies of certain securities. AMB utilizes Advent/Axys portfolio accounting service to reconcile account positions with the custodial information. A reconciliation of all advisory account positions versus the custodial account position records is done on a daily basis. A record of this reconciliation is kept on file for each client.

#### **Item 16 – Investment Discretion**

AMB receives discretionary authority from the client at the time the advisory relationship is agreed upon via the AMB Management Agreement. The contract for the relationship identifies the client advisory fee, the custodian, the broker dealer and various other factors, including discretion. In all cases, discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. At any time, clients may place specific restrictions on the securities to be bought or sold in their portfolios. Additionally, clients may at times place trades on an unsolicited basis in their investment portfolios.

When selecting securities and determining amounts, AMB observes the investment policies, limitations and restrictions of the clients for which it advises. These investment guidelines and restrictions must be provided to AMB in writing.

## **Item 17 – Voting Client Securities**

Unless the right of proxy voting is specifically retained in writing by the client, AMB pursuant to SEC Rule 206-4(6) effective August 6, 2003, will receive and vote all proxies on behalf of Advisory Clients.

Allen, Mooney & Barnes votes client securities in the best interests of the client. In general, this entails voting client proxies with the objective of increasing the long-term economic value of client assets. In determining the best interests of the account, AMB considers, among other things, the effect of the proposal on the underlying value of the securities (including the effect on marketability of the securities and the effect of the proposal on future prospects of the issuer), the composition and effectiveness of the issuer's board of directors, the issuer's corporate governance practices, and the quality of communications from the issuer to its shareholders.

Where AMB has an obligation to vote client proxies:

- reasonable efforts will be made to monitor and keep abreast of corporate actions
- all stock, whether by proxy or in person, will be voted
- a record of such voting will be kept by AMB or its designated affiliate
- the Portfolio Management Committee will supervise the voting of client securities.

A copy of AMB's complete Proxy Voting Policy is available upon request.

## **Item 18 – Financial Information**

Registered investment advisers are required to provide you with certain financial information or disclosures about their firm's financial condition. AMB has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.