

Form ADV, Part 2A
Disclosure Brochure of



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Dated: March 1, 2019

Website: <http://www.swaimbrown.com>

This brochure provides information about the qualifications and business practices of SwaimBrown Wealth Management LLC. If you have any questions about the contents of this brochure, please contact us at (864) 833-4450 or dramage@swaimbrownwealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Additional information about SwaimBrown Wealth Management LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes Summary

This brochure provides prospective clients with information about SwaimBrown Wealth Management LLC that should be considered before or at the time of obtaining our advisory services. This brochure is required to be updated at least annually, or sooner when material changes to our business take place. Each year we will deliver to you, by no later than April 30th, either (i) a free updated brochure that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes and an offer to provide a free copy of the updated brochure and how to obtain it.

Since our last annual updated dated February 28, 2018, we have had the following material changes:

- As of July 2018, SwaimBrown Wealth Management, LLC is registered with the Securities and Exchange Commission ("SEC"), rather than the State of South Carolina Securities Division. This is due to our level of Assets Under Management, as Registered Investment Advisors with above \$100 million of Assets Under Management are subject to SEC, rather than State, regulation and oversight.
- As of December 31, 2018, Scott Keim relinquished his part of ownership, leaving J. Jay Peay as principal owner.

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Item 4. Advisory Business

Firm Description

SwaimBrown Wealth Management LLC (the "Adviser") is a Registered Investment Advisor based in Clinton, SC, incorporated under the laws of South Carolina and subject to the rules and regulations of the U.S. Securities and Exchange Commission. Founded in 2005, SwaimBrown Wealth Management, LLC provides investment advice and portfolio management services on a continuing basis, which may include the review of client objectives and goals, recommending asset allocation strategies of managed assets among investment products such as municipal securities and mutual funds, and/or preparing written investment strategies.

SwaimBrown Wealth Management, LLC provides investment advisory services through its Investment Advisory Representatives ("IAR") to accounts opened with SwaimBrown Wealth Management, LLC. Managed Accounts are available to both retail clients (for example, smaller accounts of individuals, IRAs, trusts and employee benefit plans) and institutional clients (for example, corporate pension plans, corporations and foundations). In addition, some programs will provide for the selection of specific securities to help meet the client's stated investment objectives or identifying, evaluating, and hiring independent, unaffiliated money management firms on behalf of clients.

Principal Owners

The Adviser's principal owner is J. Jay Peay.

More specific information regarding our services is as follows:

ASSET ALLOCATION THROUGH ADVISOR SERVICES

The Adviser offers an asset allocation program known as Advisor Services through Capital Directions LLC, an independent investment adviser registered with the SEC ("Capital Directions"). The Adviser will work with the client to determine the client's investment objectives, risk and return characteristics and types of investments and design a written Investment Policy Statement. The Adviser uses investment and portfolio allocation software to evaluate alternative portfolio designs and the Adviser assists the client in selecting the investment strategies that are consistent with the client's investment policy. The Adviser evaluates the client's existing investments with respect to the client's investment policy and individual performance. The Adviser works with the client to develop a transition plan in order to move from the client's existing asset allocation to the desired asset allocation. The Adviser will then direct, with the client's prior written or oral approval, the investment and reinvestment of the assets in the client's account, monitor the performance of the assets as well as the asset allocation strategy and will hold meetings with the client and produce quarterly performance reports for the client.

The Adviser provides investment advisory services on the client's behalf. These services shall include the following:

- a. Reviewing the client's Investment Policy Statement
- b. Reviewing of client's risk profile
- c. Recommending options to achieve the client's financial objectives
- d. Implementing investment strategies
- e. Monitoring performance of the client's investments

The Adviser has contracted with Capital Directions for services including trade processing, collection of management fees, report preparation and maintenance marketing assistance and research, and access to certain funds and investment strategies.

The Adviser will supervise client accounts and otherwise render its services to clients and conduct its activities in a manner that satisfies all applicable conditions of the Investment Advisers Act of 1940, as amended, and Rule 3a-4 under the Investment Company Act of 1940, as amended, including, without limitation: (i) obtaining information from the client concerning the client's particular financial situation and investment objectives as determined by the Adviser (including any reasonable investment restrictions the client may wish to impose on the management of client's account); (ii) contacting each client at least annually to determine whether there have been any changes in the client's financial situation or investment objective, or whether the client wishes to impose any reasonable restrictions on the management of the account or modify an existing restriction in a reasonable manner; and (iii) notifying each client in writing at least quarterly to contact the Adviser if there have been any changes in the client's financial situation or investment objectives, or if the client wishes to impose or clarify an investment restriction.

RETIREMENT PLAN SERVICES

The Adviser has contracted with Capital Directions for Retirement Plan services, including access to model investment portfolios and administrative and marketing support services.

Assets Under Management

The Adviser provides investment advice to clients on a discretionary basis.

As of February 22, 2019, the Adviser's total assets under management are as follows:

Discretionary Clients = \$100,708,143

Non-Discretionary Clients = \$0

Total: \$100,708,143

Item 5. Fees and Compensation

Description

ADVISOR SERVICES FEES

The Adviser fees for Advisor Services are as follows:

<u>Assets under Management</u>	<u>Fee</u>
Up to \$150,000	\$1,875
Next \$850,000	1.25%
Next \$2,000,000	1.15%
Next \$2,000,000	.95%
Next 5,000,000	.75%
Remainder over \$10,000,000	.60%

Capital Directions' fee is included in the Adviser's total fee as set forth above.

RETIREMENT PLAN SERVICES FEES

The standard fee schedule for Retirement Services is:

On the first \$1,000,000	1.00%
On the next \$1,000,000	0.75%
On the next \$3,000,000	0.55%
On the next \$5,000,000	0.40%
On all amounts thereafter	0.35%

Minimum Annual Fee: \$3,000

The Adviser and Capital Directions each receive a portion the Retirement Plan services fees paid by participating 401(k) plans according to the schedule above. The percentage of fees paid to Capital Directions and the Adviser may vary from time to time as agreed upon in writing by the Adviser and Capital Directions.

FEES GENERALLY

Annual fees are payable quarterly in arrears. The Adviser will, on occasion, negotiate alternative fees to the above for the client's account. The annual fee is charged on the entire account balance computed and billed quarterly in arrears based on the account value as of the last business day of the preceding quarter.

Fee Billing

The Adviser, upon written authorization from the client receives quarterly payments directly debited from the client's account held by an independent qualified custodian. The custodian of the account is advised in writing of the limitation on the Adviser's access to the account. The custodian will also send to the client a statement, at least quarterly, indicating all the amounts disbursed from the account including the amount of advisory fees paid directly to the Adviser.

Other Fees and Expenses

In addition to advisory fees paid to Adviser as explained above, clients may pay custodial service, account maintenance, transaction, and other fees associated with maintaining the account. These fees vary by broker and/or custodian. Clients should ask Adviser for details on transaction fees or other custodial fees specific to their account, as these fees are not included in the annual advisory fee. Adviser does not share any portion of such fees. Additionally, for any mutual funds purchased, the client may pay their proportionate share of the funds' distribution, internal management, investment advisory and administrative fees. Such fees are not shared with Adviser and are compensation to the fund manager.

Mutual fund companies impose internal fees and expenses on clients. These fees are in addition to the costs associated with the investment advisory services as described above. Complete details of such internal expenses are specified and disclosed in each mutual fund company's prospectus. Clients are strongly advised to review the prospectus(es) prior to investing in such securities.

Mutual funds purchased or sold in broker-dealer accounts may generate transaction fees that would not exist if the purchase or sale were made directly with the mutual fund company. Mutual funds held in broker-dealer accounts also charge management fees. These mutual fund management fees may be more or less than the mutual fund management fees charged if the client held the mutual fund directly with the mutual fund company.

Clients may purchase shares of mutual funds directly from the mutual fund issuer, its principal underwriter, or a distributor without purchasing the services of Adviser or paying the advisory fee on such shares (but subject to any applicable sales charges). Certain mutual funds are offered to the public without a sales charge. In the case of mutual funds offered with a sales charge, the prevailing sales charge (as described in the mutual fund prospectus) may be more or less than the applicable advisory fee. However, clients would not receive Adviser's assistance in developing an investment strategy, selecting securities, monitoring performance of the account, and making changes as necessary.

See additional information under Item 12.

Termination of Advisory Agreement

Clients may terminate their contract with the Adviser at any time upon written notice without the imposition of any penalty. The client will be billed for costs incurred up to the date of termination. The Adviser will refund the pro rata, unearned portion of the advisory fees paid to the Adviser.

Clients will receive full refunds should they terminate the agreement within five business days of signing with the Adviser.

Item 6. Performance Based Fees and Side by Side Management

The Adviser does not charge any performance based fees.

Item 7. Types of Clients and Minimum Requirements

The Adviser generally provides investment advice to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, corporations and/or business entities.

Client accounts in Advisor Services through Capital Directions are subject to a minimum dollar value requirement of \$150,000 and a minimum annual fee of \$1,875. Client accounts in the Retirement Plan Services program through Capital Directions are subject to a minimum dollar value requirement of \$300,000 and a minimum annual fee of \$3,000. The Adviser may, in its discretion, make exceptions to the minimum requirements for fees and size of account criteria.

Item 8. Method of Analysis, Investment Strategies and Risk of Loss

Principal Investment Strategies

The Adviser's advice is based upon long-term investment strategies that incorporate the principles of Modern Portfolio Theory. The Adviser's investment approach is firmly rooted in the belief that markets are "efficient", and that investor's returns are determined principally by asset allocation decisions, not marketing timing or stock picking. The Adviser develops

diversified portfolios, principally through the use of passively managed, asset class mutual funds that are available only to institutional investors and clients of a network of carefully selected investment advisers.

A long-term purchase strategy generally assumes the financial markets will go up in the long-term, which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may involve an opportunity cost – that of “locking-up” assets that may be better utilized in the short-term for other investments.

Principal Investment Risks

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

Risk refers to the possibility that you will lose money (both principal and any earnings) or fail to make money on an investment. The Adviser cannot guarantee that it will achieve a client's investment objective. Below are some of the more specific risks of investments which the Adviser may recommend to clients:

- **Municipal Market Volatility/Interest Rate Changes.** The municipal market is volatile and can be significantly affected by adverse tax, legislative, or political changes and the financial condition of the issuers of municipal securities. Interest rate increases can cause the price of a debt security to decrease.
- **Investment Companies Risk.** When a client invests in no-load, open-end mutual funds or exchange-traded funds (“ETFs”), the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below its net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide “circuit breakers” (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which client's invest. These underlying funds may, in turn, invest in a broad range of equity and fixed income securities, including securities of U.S. and foreign companies and issuers located in emerging markets. Underlying funds also may invest in equity securities of any market capitalization, including micro-, small- and mid-cap companies, real estate, commodities- related assets, fixed income securities of any maturity or credit quality, including high yield, high risk debt securities, and they may engage in leveraged or derivative transactions. In the event of dissatisfaction with a fund, the Adviser's only option would be to liquidate the client's investments in such fund. The Adviser has no control over the investment strategies, policies or decisions of the underlying funds.

Item 9. Disciplinary Information

The Adviser has no material legal or disciplinary events to report.

Item 10. Other Financial Industry Activities and Affiliations

Certain persons associated with the Adviser are also associated with SwaimBrown PA, an accounting and consulting firm providing audit, compliance, tax consulting and financial planning services to clients. SwaimBrown PA is an affiliate and under the same ownership as SwaimBrown Wealth Management, LLC. If you require accounting and/or tax services, Adviser may recommend SwaimBrown, PA. Our advisory services and compensation are separate and distinct from the services provided by SwaimBrown, PA. Our recommendation for you to use the services of SwaimBrown, PA may appear to present a conflict of interest because we have a financial incentive to recommend our affiliate's services. While we strongly believe that integrating tax and accounting services provides a value added to our investment advisory clients, you may choose to have another firm to provide these services. You are under no obligation to use our affiliate's services and may obtain comparable services through other firms. The owners of the Adviser expect to spend approximately 85% of their time providing advice to clients of the accounting firm and 15% of their time managing securities and providing investment advice.

Mr. Ramage is affiliated with Upstate Insurance Consultants LLC, an insurance agency for which Mr. Ramage is a licensed insurance agent. He expects to spend 85% of his time on investment advisory services and 15% of his time on his insurance-related business. Adviser may recommend insurance services to advisory clients, however clients are not under any obligation to use Upstate Insurance Consultants LLC for insurance services and lower prices may be obtained elsewhere. Upstate Insurance Consultants LLC may receive commissions as a provider of insurance services.

Advisor Services (through Capital Directions) provides a full array of quality investment management services to the Adviser. The program also offers back-office support in the form of quarterly performance reports, risk/return assessments, investment policy statements, and client services agreements which provide a clear, written description of the advisory relationship between the Adviser and their client. In addition, the program will assist in establishing and operating an investment advisory business, and provide ample communications materials for both prospective and existing investment clients. Adviser and Capital Directions are independently owned and operated and not affiliated.

Item 11. Code of Ethics, Interest in Client Transactions and Personal Trading

Code of Ethics

The Adviser has adopted a Code of Ethics which is based on the principle that the Adviser and its employees owe a fiduciary duty to clients. In complying with this duty, advisory personnel must avoid activities or interests that might interfere with making decisions in the best interests of clients. In addition, each person subject to the Code of Ethics is required to report all violations of which such person becomes aware to the Compliance Officer. The Adviser will provide a copy of its Code of Ethics, free of charge, upon the written or oral request of any client or prospective client.

Participation or Interest in Client Transactions

The Adviser generally does not recommend investments to clients in which Adviser or any of its principals has a financial interest. If any such investment were proposed, the Adviser shall disclose any participation or interest in the transaction to the client.

Personal Trading

From time to time, members and employees of the Adviser may purchase securities for their personal accounts, which are recommended to clients of Adviser. In such cases, employees will not effect transactions for their personal accounts which will be contrary to recommendations being made to clients. Further, employees will not compete with clients in connection with such transactions.

Item 12. Brokerage Practices

Recommending Brokerage Firms

The Adviser requests that each client establish a brokerage account with Charles Schwab & Co., Inc. ("Schwab"), a national discount brokerage firm, or other registered independent broker dealer to serve as custodian of client's assets and to execute securities transactions. The Adviser recommends a broker-dealer firm based on its national reputation, low transaction fees, good execution capabilities, financial stability and its ability to provide clients' account information in an electronic format acceptable to the Adviser. In particular, the Adviser recommends Schwab because it permits the client to purchase no-load mutual funds through the account as well as individual securities at discounted transaction costs. This arrangement allows all of the client's investments to be maintained at one place. The Adviser does not have the authority to determine, without obtaining specific client consent, the broker-dealer through which trades are to be executed.

Client's independent broker-dealer will charge each client a commission or fee to execute transactions in the customer's account. The broker-dealer, not the Adviser, determines the commission rate and fees charged to clients and, while the Adviser believes the commissions and fees charged by the broker-dealers that it recommends are competitive, transactions may not always be executed at the lowest available commission rate.

Best Execution

As a fiduciary, with respect to transactions it implements on behalf of its advisory clients, the Adviser has an obligation to obtain best execution of under the circumstances of the particular transaction. The Adviser seeks to execute client transactions in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances. Where client has entered into an arrangement where a third party manager executes transactions for the client's account (for example, clients participating in Advisor Services) the client should consult the third-party manager's disclosure brochure for that manager's policy with respect to best execution.

Soft Dollars

The Adviser does not enter into so-called "soft dollar arrangements," where the Adviser directs client commissions to a broker-dealer that provides research and brokerage services to the Adviser.

The Adviser recommends that clients custody their assets and execute brokerage transactions through Schwab or other independent qualified custodians. While there is no direct linkage between the investment advice given, the Adviser receives economic benefits from recommending these custodians. Benefits include: (i) receipt of duplicate client confirmations and bundled duplicate statements and ability to have investment advisory fees deducted directly from client accounts; (ii) receipt of compliance

publications; (iii) access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors; (iv) access to an electronic communication network for client order entry and account information; and (v) discounts on services offered by the broker-dealer and its affiliates, such as web site constructions and maintenance.

Item 13. Review of Accounts

Accounts are monitored at regular intervals and reviewed annually, at a minimum, by or under the supervision of the Managing Members of the Adviser. There is no minimum number of accounts assigned for the reviewer. The review process contains each of the following elements:

- a. review of the client's Investment Policy Statement;
- b. review of the client's risk profile; and
- c. address the need to rebalance if needed.

Account reviews may be triggered by any one or more of the following events:

- a. specific client request;
- b. change in client's investment objectives, risk and return characteristics; and
- c. imbalance of portfolio asset allocation.

Clients will receive quarterly performance reports, prepared by Capital Directions, which summarize clients' asset management account performance. The clients will also receive monthly statements from the custodian, Schwab, which outline the clients' current position, security cost basis, and current market value.

Item 14. Client Referrals and Other Compensation

Incoming Referrals

The Adviser encourages and promotes referrals of clients to our advisory firm. We do not compensate people or firms for providing referrals.

Referrals of Other Professionals

The Adviser will refer clients to other service professionals if requested or deemed necessary, based on the specific needs of the client. For example, the Adviser may refer clients to legal counsel, accountants and insurance agents. It is possible that these professionals may, in turn, make referrals of their clients seeking investment advice to the Adviser.

Other Compensation

The Adviser does not receive sales charges, commissions, service fees, 12b-1 fees or other compensation from a non-client in connection with providing investment advice to a client.

Item 15. Custody

Clients will receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. It was previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that the Adviser directly debits advisory fees from client accounts. The Adviser's ability to directly debit advisory fees from client accounts causes our

firm to exercise limited custody over client accounts, however client accounts will always be held with an independent qualified custodian. SBWM urges you to carefully review such statements and compare such official custodial records to any reports provided by Adviser. The Adviser does not maintain physical custody of client assets, which are held by the independent qualified custodian selected by the client. All checks deposited into client's custodial accounts must be made payable either to the custodian or for the benefit of the account name.

Item 16. Investment Discretion

Discretionary Trading Authority

The Adviser provides investment advice on a discretionary basis. In such cases, the client and the Adviser execute an investment advisory agreement wherein the client grants to the Adviser discretionary authority to act on the client's behalf for the limited purpose of buying, selling and trading securities and all actions necessary or incident to such activities. Clients may impose reasonable restrictions or limitations on the Adviser's investment discretion. Clients are contacted at least annually to determine whether there are any changes to their financial circumstances or restrictions they wish to impose.

Limited Power of Attorney

Clients who have granted discretionary trading authority to the Adviser are required to grant a "limited power of attorney" to the Adviser over client's custodial account for purposes of trading and fee deduction. The client grants this authority in the brokerage account application. Clients in Advisor Services also grant Capital Directions a limited power of attorney for trading purposes to allow Capital Directions to place trades or rebalance accounts as directed by the Adviser.

Item 17. Voting Client Securities

It is currently the Adviser's policy not to exercise proxy voting authority over client securities. Each client retains proxy voting authority over the securities that are held in such client's account. The Adviser will promptly forward to the client all proxy solicitation notices received by the Adviser that relate to securities held in the client's account. The client may thereafter, in the client's sole discretion and at the client's sole expense, decide how to vote such proxies.

Item 18. Financial Information

We are capitalized in compliance with applicable regulations and are not aware of any financial conditions that are reasonably likely to impair the fulfillment of our contractual commitments to our clients. In addition, we do not require or solicit the prepayment of \$1200 or more, six or more months in advance.

Item 19. Requirements for State Registered Advisers

This section is not applicable because the firm is registered with the Securities and Exchange Commission.

Appendix 1 - Privacy Policy

SwaimBrown Wealth Management, LLC has adopted this policy with recognition that protecting the privacy and security of the personal information we obtain about our customers is an important responsibility. We also know that you expect us to service you in an accurate and efficient manner. To do so, we must collect and maintain certain personal information about you. We want you to know what information we collect and how we use and safeguard that information.

WHAT INFORMATION WE COLLECT

We collect certain nonpublic personal identifying information about you (such as your name, address, social security number, etc.) from information that you provide on applications or other forms as well as communications (electronic, telephone, written or in person) with you or your authorized representatives (such as your attorney, accountant, etc.). We also collect information about your brokerage accounts and transactions (such as purchases, sales, account balances, inquiries, etc.).

WHAT INFORMATION WE DISCLOSE

We do not sell, share, or disclose your nonpublic personal information to non-affiliated third party financial companies. We will not disclose the nonpublic personal information we collect about our customers to anyone except as necessary as follows: (i) in furtherance of our business relationship with them and then only to those persons necessary to effect the transactions and provide the services that they authorize (such as broker-dealers, custodians, independent managers etc.); (ii) to persons assessing our compliance with industry standards (e.g., professional licensing authorities, etc.); (iii) our attorneys, accountants, and auditors; or (iv) as otherwise provided by law.

We are permitted by law to disclose the nonpublic personal information about you to governmental agencies and other third parties in certain circumstances (such as third parties that perform administrative or marketing services on our behalf or for joint marketing programs), however **we will not do so**. These third parties are prohibited to use or share the information for any other purpose. If you decide at some point to either terminate our services or become an inactive customer, we will continue to adhere to our privacy policy, as may be amended from time to time.

SECURITY OF YOUR INFORMATION

We restrict access to your nonpublic personal information to those employees who need to know that information to service your account. We maintain physical, electronic and procedural safeguards that comply with applicable federal or state standards to protect your nonpublic personal information.

CHANGES TO OUR PRIVACY POLICY OR RELATIONSHIP WITH YOU

Our policy about obtaining and disclosing information may change from time to time. We will provide you notice of any material change to this policy before we implement the change.