

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

3/15/2012

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 a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority 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 on 2/9/2011.

Table of Contents

Contents

<i>Advisory Business.....</i>	<i>1</i>
<i>Fees and Compensation</i>	<i>2</i>
<i>Performance-Based Fees and Side-By-Side Management</i>	<i>3</i>
<i>Types of Clients.....</i>	<i>3</i>
<i>Methods of Analysis, Investment Strategies and Risk of Loss.....</i>	<i>3</i>
<i>Disciplinary Information.....</i>	<i>4</i>
<i>Other Financial Industry Activities and Affiliations</i>	<i>4</i>
<i>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</i>	<i>5</i>
<i>Brokerage Practices</i>	<i>6</i>
<i>Review of Accounts.....</i>	<i>7</i>
<i>Client Referrals and Other Compensation.....</i>	<i>7</i>
<i>Custody.....</i>	<i>7</i>
<i>Investment Discretion</i>	<i>8</i>
<i>Voting Client Securities.....</i>	<i>8</i>
<i>Financial Information.....</i>	<i>8</i>
<i>Requirements for State-Registered Advisers.....</i>	<i>8</i>
<i>Additional Information.....</i>	<i>9</i>

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 was formerly Keller & Associates, CPAs until 2008.

KMH offers several types of advisory services. Investment Supervisory Services are provided to explore suitability of financial products based upon lifestyle/life stage, employment, resources, etc. KMH manages Investment Advisory Accounts where it reviews assets held at brokerages or custodians and gives advice regarding asset allocation, risk analysis and diversification. Investment advice through consultations is given to a client when requested. KMH also offers advice to clients on Non-Security Matters.

Lane Keller, Lynn Miori and Gregory Hermes are CERTIFIED FINANCIAL PLANNERTM professionals. Due to this designation, KMH offers professional financial planning which includes retirement planning; mortgage analysis; stock option analysis; tax minimizing analysis; government benefits; business structure and succession planning; life, disability, and long term care insurance analysis; portfolio design & monitoring; education planning; estate and wealth transfer planning, gift planning, charitable contribution and estate settlement administration.

KMH through its advisory services and financial planning services designs financial plans and portfolios based on the individual needs of clients that help chart them towards financial security. If clients would like to impose restrictions on investing, such as only investing in green securities, KMH will work with the client to accommodate these requests.

KMH does not participate in wrap fee programs.

KMH provides investment advice to nearly 197 clients with \$159,500,000 assets under management as of 12/31/2011. Of the \$159,500,000 assets under management, KMH manages over \$144,400,000 on a discretionary basis and the remaining \$15,100,000 on a non-discretionary basis.

Fees and Compensation

Form ADV Part 2A, Item 5

KMH offers investment advisory services for a percentage of assets under management, hourly charges and fixed fees. A minimum annual fee per account is \$1,500. Related accounts can be consolidated for fee purposes. The basis for the annual fee calculation is the fair market value of assets under management at the beginning of each calendar quarter. Individually managed bond portfolios will incur an additional .16% fee.

Assets Under Management Annual Fee

Less than \$1,000,000 - .75%

\$1,000,000 less than \$5,000,000 - .50%

\$5,000,000 or more – negotiable

Fees are deducted from clients' assets in advance of the quarter. The billed period does not exceed three months, so clients are billed four times a year. Fees for financial planning and other services are billed separately.

Custodian fees or mutual fund expenses are not applicable to KMH. KMH clients will incur brokerage and other transactions cost.

All fees are considered fully earned until a written termination notice is received. Refunds will be calculated based on how many days remain in the quarter after the written termination is received.

No one at KMH accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

Performance Based Fees and Side-By-Side Management are not applicable to KMH.

Types of Clients

Form ADV Part 2A, Item 7

KMH provides investment advice to individuals; pension and profit sharing plans; and trust, estates and charitable organizations. KMH has a minimum annual fee per account of \$1,500. Meetings with prospective clients are conducted to evaluate the clients' specific financial needs.

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 financial newspapers and magazines; research materials prepared by others; corporate rating services; and annual reports, prospectuses and filings with the SEC.

Investment strategies the firm uses are long term purchases (securities held at least a year), short term purchases (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), 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 suitability and placing the client's interest first.

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

KMH recommends an array of products; however, it primarily recommends mutual funds and bonds. The risk associated with mutual funds is fluctuations in market value.

Disciplinary Information

Form ADV Part 2A, Item 9

The firm and/or any management personnel do not have any material disciplinary events to report.

KMH has not been involved or named in any violation of an investment-related statute or regulation.

KMH has not been the subject of any order, judgment or decree limiting its investment-related activity.

KMH has not been involved in an administrative proceeding that caused an investment-related business to lose its authorization to do business.

KMH has not been involved in a violation of an investment-related statute or regulation and has not been the subject of an order by a regulatory agency.

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 to KMH clients, are also CERTIFIED FINANCIAL PLANNERTM 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 and Gregory Hermes are all CPAs with Keller & Associates, CPAs and provide KMH clients with tax and accounting services as requested by the client for additional fees. These associations do not pose a conflict of interest, as services requested additionally are billed separately.

KMH does not recommend or select other investment advisers to clients and receive 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 that we will provide to you upon your 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, by a person, 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 of Ethics. 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 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.

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 manager in exchange for the manager directing trades to the broker.

KMH does not use client brokerage commissions to obtain research or other products or services.

KMH does not have an incentive to select or recommend a broker-dealer based on receiving their research or other products or services.

KMH does not have soft dollar arrangements that would cause clients to pay higher commission than those charged by other broker-dealers.

KMH does not use soft dollar benefits with any of its clients.

KMH does not receive any products or services with client brokerage commissions (or markups or markdowns).

KMH does not use direct client transactions to a particular broker-dealer in return for soft dollar benefits.

KMH does not recommend broker-dealers based on receiving client referrals.

KMH does not direct client transactions to a particular broker-dealer in return for client referrals.

KMH is a client of TD Ameritrade Institutional. TD Ameritrade Institutional provides high quality services at low possible costs. The commissions and fees charged by TD Ameritrade Institutional are extremely competitive and most favorable. 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 allows clients to direct brokerage.

KMH does not aggregate the purchase or sale of securities as it does not typically recommend individual securities.

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 suitable to the client's financial situation 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.

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 monthly from the custodian and are reconciled to the portfolio software reports. Transaction confirmations in the portfolio will be reviewed for accuracy as they occur. Quarterly reviews per year per client is 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, two portfolio managers will be responsible for client services. Every reviewer who performs client reviews is a CPA/PFS and CERTIFIED FINANCIAL PLANNERTM professional. Instructions vary by client. Portfolio managers include the following individuals: Thomas L. Keller, Lynn M. Miori and Gregory J. Hermes.

KMH conducts quarterly reviews per year per client; however 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.

Regular reports are printed and mailed to the client at least quarterly. A formal report includes 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 sales awards or other gifts from anyone who may provide investment advisory services to clients. We also do not receive any benefits from anyone who refers clients.

No arrangements and/or compensation are given to anyone outside of the firm for client referrals.

Custody

Form ADV Part 2A, Item 15

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 they receive from KMH. Comparing statements will allow you to determine whether account transactions, including deductions to pay advisory fees, are accurate.

Investment Discretion

Form ADV Part 2A, Item 16

If a new client becomes an investment client, the client will sign a limited trading authority, which gives KMH advisors limited authority to make trading decision on the client's behalf. 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.

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.

Requirements for State-Registered Advisers

Form ADV Part 2A, Item 19

KMH is a SEC registered Advisor since it has over \$159,000,000 assets under management.

Additional Information