

Item 1 – Cover Page

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This brochure provides information about the qualifications and business practices of HHM Wealth Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at (423) 826-1670 and/or Salvatore Geraci at sgeraci@hhmwealth.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 HHM Wealth Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for HHM Wealth Advisors, LLC is 150843.

Any references to HHM Wealth Advisors, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.

Item 2 - MATERIAL CHANGES

This is the initial disclosure brochure. Therefore, there are no material changes to disclose.

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

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Item 4 - ADVISORY BUSINESS

HHM Wealth Advisors, LLC (hereinafter referred to as “HHM”) is an investment advisory firm offering a variety of advisory services customized to your individual needs.

- A. HHM was established in August of 2000. Members and owners of HHM are Salvatore Geraci as managing member, The CPA Group, LLC, Travis Hutchinson a member and minority owner. The CPA Group, LLC has several members. The only Member owning 25% or more of The CPA Group, LLC is James Hutcherson. All other Members own less than 25%.
- B. HHM offers the following advisory services. Each of the services is more fully described below.
 - Wealth Management
 - Financial Planning and Consulting
 - Employee Benefit Retirement Plan Services
- C. HHM tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities. HHM will conduct a series of interviews with you to gather information about you. Additionally, you will complete a questionnaire. Depending on the services you have requested, HHM will gather various financial information and history from you including, but not limited to:
 - Retirement and financial goals
 - Investment objectives
 - Investment horizon
 - Financial needs
 - Cash flow analysis
 - Cost of living needs
 - Education needs
 - Savings tendencies
 - Other applicable financial information required by HHM in order to provide the investment advisory services requested.
- D. HHM does not participate in any wrap fee programs.
- E. As of December 31, 2010, we have approximately \$144 million of client assets under our discretionary management and approximately \$17 million of non-discretionary client assets under management.

Wealth Management Services

Wealth Management Services include, but are not limited to, consultation with attorneys regarding estate planning documents; tax planning with regard to portfolio construction, income and IRA distributions; consultation regarding beneficiary designation of qualified accounts; 401(k) Consultation, periodic in person meetings, periodic phone consultations, preparation of annual

retirement accumulation/distribution financial plan, personal consultation regarding long term care (LTC) insurance, life insurance and other financial needs analysis.

Upon HHM completing its analysis of your situation, HHM will determine an asset allocation customized to your financial goals, objectives and risk tolerance. HHM has designed various model portfolios. After evaluating your information gathered by HHM, HHM will determine which of its model portfolios would be most suitable for you. From there, HHM customizes your portfolio allocation taking into consideration your limitations or restrictions, the market and economy at the time and your financial situation, goals and objectives.

HHM provides continuous and ongoing management of your account. Unless otherwise expressly requested by you, HHM will manage the account on a discretionary basis and will make changes to the allocation as deemed appropriate by HHM. HHM will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. HHM may actively trade securities and hold such holdings for periods of 30 days or less or maintain positions for longer or shorter term periods. Discretionary authority will be granted by you to HHM by execution of the Asset Management agreement.

If you elect to have your accounts managed on a nondiscretionary basis, no changes will be made to the allocation of your account without prior consultation with you and your expressed agreement.

Your accounts may or may not be managed similarly to another client's portfolio with a similar financial profile.

HHM will create a portfolio which typically consists of one or all of the following: individual equities, bonds, no-load, load-waived, and front-load mutual funds, and other investment products. Where front-loaded mutual funds are used, the client will not pay the load since shares will be purchased at net asset value (NAV). HHM will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances.

You are advised transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

Financial Planning and Consulting Services

HHM provides two levels of planning services: Full Service Planning and Segmented Planning and Consultative.

Full Service Planning

You will receive a written report containing a financial plan outlining recommendations to actions to take to assist you to work toward your financial goals and objectives.

In general, the financial plan will address areas of concern including, but not limited to, the following:

- Preparation of Statement of Net Worth
- Insurance and Estate Planning
- Capital Needs Analysis
- Tax & Cash Flow Planning
- Retirement Planning
- Education Planning

Segmented Planning and Consultative

You can engage HHM for investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, or any other specific topic. HHM's Consulting service may also involve advice and administrative services relating to employer stock options. Additionally, HHM provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, business succession, insurance, and/or annuity advice.

Planning and consulting services are based on your financial situation at the time and are based on financial information disclosed by you to HHM. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. HHM cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify HHM promptly of the changes. You are advised that the advice offered by HHM may be limited and is not meant to be comprehensive. Therefore, you may need to seek the services of other professionals such as an insurance adviser, attorney and/or accountant.

You are not obligated to implement advice through HHM or Advisory Representatives. Should you implement the plan with HHM's Advisory Representatives commissions or other compensation may be received in addition to the advisory fee paid to HHM.

Employee Benefit Retirement Plan Services

HHM provides institutional portfolio consulting and investment selection services to businesses with qualified retirement, profit sharing, pension and 401 (k) plans.

General Information

You are advised the investment recommendations and advice offered by HHM are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform HHM promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to

notify HHM of any such changes could result in investment recommendations not meeting your needs.

Item 5 - FEES AND COMPENSATION

Wealth Management Services

- A. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.

HHM charges a fee as (1) a percentage of assets under management or (2) an annual fee charged in equal installments on a quarterly basis.

You may make additions to the Account or withdrawals from the Account. Adjustments will be made for additional deposits to the account and withdrawals from the Account for dollar flows of greater than \$5,000. These adjustments are made in the first calendar quarter billing after the inflows/outflows occurred. Interim market value fluctuations for Account appreciation or depreciation are never adjusted. Because clients are billed at the beginning of a calendar quarter all dollar changes that occurred in the prior quarter including market value fluctuations will automatically be reflected in the Account value upon which the fee is calculated at the beginning of the new quarterly billing cycle

The minimum annual fee for accounts opened after July 1, 2009, is \$1,000 based on the household.

Percentage of Assets Under Management

Fees may be progressive (a fee will be assessed based on each threshold) or a fixed fee based on the value of the account.

Account Size	Annual Fee
First \$1,000,000	1.00%
Next \$500,000	0.90%
Next \$500,000	0.80%
Next \$1,000,000	0.60%
Over \$3,000,000	Negotiable

HHM aggregates or households all of your managed accounts together to determine your quarterly fee.

Annual Fixed Fee Charged Quarterly

Fee ranging from \$1,000 to \$20,000 annually. The fee is determined based on the nature and complexity of each client's circumstances. One-quarter (1/4) of the fixed fee will be directly debited from client accounts in advance at the beginning of each calendar quarter.

HHM may change the above fee schedules upon 30-days prior written notice to you.

HHM Wealth Advisors, LLC

- B. Advisory fees will generally be collected directly from your account, provided you have given HHM written authorization. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, HHM has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to HHM, except for ERISA and IRA accounts.
- C. In addition to the advisory fees above, you will pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule. Additionally, you may pay fees for custodial services, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. Such fees are not charged by HHM and are charged by the product, broker/dealer or account custodian. HHM does not share in any portion of such fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with HHM and are compensation to the fund-manager.
- D. Advisory fees will be charged in advance of each calendar quarter. The quarterly advisory fee will be based on the value (market value or fair market value in the absence of market value) of the account on the last business day of the just completed calendar quarter. Fees for partial period will be prorated. The initial quarterly fee will be a pro-rated portion of the fee based on the number of days remaining in the calendar quarter.

Typically, the first or initial fee payment will be due to HHM at the beginning of the first full quarter and will consist of a prorated portion of the fee for the quarter in which the account was established plus the fee for the first full quarter

You may purchase the securities recommended by HHM directly or through other brokers or agents not affiliated with HHM.

Financial Planning and Consulting Services

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees and/or commissions for additional services obtained such as asset management or products purchased such as securities or insurance.

Fees are negotiable. Your fees will be dependent on several factors including time spent with HHM, number of meetings, complexity of your situation, amount of research, services requested and staff resources. You will be provided with an estimate of the fee prior to execution of the advisory agreement with HHM.

Fee Type	Maximum Fee	Payable
Hourly Fee	\$100 to \$400 per hour	Payable at the end of each month based upon time spent by HHM.

Should you retain HHM for Wealth Management Services, Financial Planning fees may be offset against the management fee.

Employee Benefit Retirement Plan Services

The annual fee for Employee Benefit Retirement Plan Services typically ranges from 0.20% to 1.50% of assets under advisement, depending on the nature and complexity of each client's circumstances. In lieu of the percentage fee, HHM may charge a flat annual fee of between \$1,000 and \$25,000 depending on plan size and/or complexity or the level of serves.

These fees are negotiable depending on both the nature and complexity of client circumstances. HHM will quote an exact percentage to each client based on both the nature and total dollar value of that account, as well as the client's pre-existing relationship (if any) with HHM Management, Inc. HHM may group certain related client accounts for the purposes of determining the annualized fee.

Fees will be directly debited from client accounts in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement. In the alternative, HHM may directly invoice clients in advance at the beginning of each calendar quarter.

Generally, the above services are rendered at the retirement plan level. HHM may also enter into a separate client agreement with the plan participant to provide investment advisory and financial planning services.

Termination Provision for Services

You may terminate investment advisory services obtained from HHM, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with HHM. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you may terminate services at any time, for any reason upon written notice delivered and received by HHM. Upon termination of any account, any prepaid, unearned fees will be promptly refunded prorata based on the time remaining in the quarter, and any earned, unpaid fees will be due and payable.

Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

This section is not applicable to HHM since HHM does not charge performance based fees.

Item 7 - TYPES OF CLIENTS

HHM's services are geared toward individuals both high net worth (i.e. clients with a net worth of \$1,500,000) and other than high net worth individuals. Additionally, HHM's services are suitable for pension and profit sharing plans, trusts, estates, charitable organizations and corporations or other business entities.

The minimum annual fee for accounts participating in Wealth Management Services for any account opened after July 1, 2009, is \$1,000 based on the household. Under certain circumstances, HHM may waive the minimum annual fee. Such circumstances may include but not be limited to additional assets will soon be deposited, client has other accounts with HHM, or HHM elects at its discretion to waive the minimum. Clients are advised that performance may suffer due to difficulties with diversifying smaller accounts and due to risk controls potentially being compromised. Performance of smaller accounts may vary from the performance of accounts with more dollars invested due to fluctuations in the market may affect smaller accounts more and the effects of compounding may be greater in larger accounts

Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

- A. HHM conducts economic analysis and attempts to analyze and determine the trends. Additionally, HHM conducts fundamental analysis. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure.

HHM will conduct technical market analysis and technical trend following. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns.

Mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure.

When appropriate, HHM may recommend the use of trading (securities sold within 30 days), margin transactions or option writing. Because these investment strategies involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated tolerance for risk.

- B. You are advised investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by HHM will require you to be prepared to bear the risk of loss and fluctuating performance.

HHM does not represent, warrant or imply that the services or methods of analysis used by HHM can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives

will be achieved. Further, no promises or assumptions can be made that the advisory services offered by HHM will provide a better return than other investment strategies.

- C. As stated above in Item 5, HHM primarily uses mutual funds. The risks with mutual funds include the costs and expenses within the fund that can impact performance, change of managers, and fund straying from its objective. Open ended mutual funds do not typically have a liquidity issue and the price does not fluctuate throughout the trading day. Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time HHM will direct the client to the appropriate Web page to access the prospectus.

ETFs trade on an auctionable market. Therefore, there is more price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day. Also, since most ETFs only mirror a market index, such as the S&P 500, they won't outperform the index. The risks with stocks and bonds are that their prices fluctuate throughout the day. Stocks can drop in value and become worthless. The risks with bonds are interest rate, inflation and credit risk. Credit risk is the risk that the bond issuer will be unable to make its payments on time or at all, effectively default on the bonds.

The risks with stocks and bonds are that their prices fluctuate throughout the day. Stocks can drop in value and become worthless. The risks with stocks are market risk and company specific risk. The price of a stock can decline due to company-specific reasons as well as the health of the overall stock market. Even dividends, which many beginning investors believe are guaranteed payments by the company, can decline or be totally eliminated.

Item 9 - DISCIPLINARY INFORMATION

There is no reportable disciplinary information required for HHM or its management persons that is material to your evaluation of HHM, its business or its management persons.

Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

In addition to providing the advisory services described in Item 1.D., HHM also provides tax preparation services. These services are separate and distinct from HHM's advisory services, and are provided for separate and typical compensation. Clients are not obligated to utilize the tax preparation services.

Certain members of HHM are also partners in the accounting firm of Henderson, Hutcherson & McCullough, PLLC (hereinafter "CPA"), where they are individually licensed and practicing Certified Public Accountants providing accounting services for separate and typical compensation. HHM, which is under common control and ownership with CPA, may also share facilities, equipment and clerical personnel as needed with the accounting firm.

The CPA Group, LLC is a limited liability company that has ownership interests in both HHM and CPA. The CPA Group, LLC also owns SRC Networking, a company that provides technology services; and Southside

Marketing Group, a public relations firm There are no referral arrangements between SRC, Southside, and HHM.

HHM is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. Further, HHM is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

HHM attempts to mitigate the conflicts of interest with the potential receipt of commissions if recommendations are implemented by providing you with these disclosures. Further, you are encouraged to consult other professionals and may implement recommendations through other financial professionals. Furthermore, as a registered representative with DISNEYLAND BROKERAGE, Advisory Representatives are subject to a supervisory structure at DISNEYLAND BROKERAGE for his securities business.

HHM and its management persons are not actively engaged in any other business. Further, HHM does not have a related person who is a: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code Of Ethics

- A. HHM has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. HHM takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as HHM's policies and procedures. Further, HHM strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with HHM's Privacy Policy. As such, HHM maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, HHM's Code of Ethics establishes HHM's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.
- B. Neither HHM nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.

- C. HHM and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, HHM and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. HHM and its associated persons will not put their interests before your interest. HHM and its associated persons may not trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients.
- D. HHM is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

You have the right to decline any investment recommendation. HHM and its associated persons are required to conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

Prohibition on Use of Insider Information

HHM has adopted policies and procedures to prevent the misuse of “insider” information (i.e. material n, non-public information). A copy of such policies and procedures is available to any person upon request.

Item 12 - BROKERAGE PRACTICES

HHM does not maintain custody of your assets that we manage; although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see *Item 15 – Custody*, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker/dealer or bank. We recommend you use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so.

You are advised that not all investment advisers require you to maintain accounts at a specific broker/dealer. You are advised you may maintain accounts at another broker/dealer. However, if you select another broker/dealer, the broker/dealer must be able to efficiently accept trading instructions from HHM, provide details of trade information, and work with HHM on any account issues that may arise.

HHM may not be able to achieve most favorable execution of client transactions. If you direct HHM to use a particular broker/dealer it may cost you more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices.

How We Select Brokers/Custodians

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “*Products and Services Available to Us From Schwab*”)

Your Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab’s commission rates applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. In addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “*How We Select Brokers/Custodians*”).

Products and Services Available to Us From Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If our

clients collectively have less than \$10 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200. Following is a more detailed description of Schwab's support services:

Services That Benefit You.

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You.

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We

believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "*How We Select Brokers/Custodians*") and not Schwab's services that benefit only us. We have over \$50 million in client assets under management, and we do not believe that recommending our clients to collectively maintain at least \$10 million of those assets at Schwab in order to avoid paying Schwab quarterly service fees presents a material conflict of interest.

HHM may aggregate ("bunch") transactions in the same security on behalf of more than one client in an effort to strive for best execution and to possibly reduce the price per share and/or other costs to clients. However, aggregated or bunched orders will not reduce the transaction costs to participating clients. HHM conducts aggregated transactions in a manner designed to ensure that no participating client is favored over another client. Participating clients will obtain the average share price per share for the security executed that day. To the extent the aggregated order is not filled in its entirety and when possible, securities purchased or sold in an aggregated transaction will be allocated on a random basis. Under certain circumstances, the amount of securities maybe increased or decreased to avoid holding odd-lot or a small number of shares for particular clients.

Item 13 - REVIEW OF ACCOUNTS

- A. If you are participating in Wealth Management Services you will be invited to participate in at least an annual review. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. HHM will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections. Changes in variables such as market, political or economic circumstances, or changes in your individual financial objectives or circumstances may trigger more frequent reviews.

If you are participating in Financial Planning and Consulting Services you will not receive regular reviews. HHM recommends you have at least an annual review and update to any plans. However, the time and frequency of the reviews is solely your decision. Other than the initial plan or analysis, there will be no other reports issued.

The following individuals conduct reviews:

Salvatore Geraci, Chief Compliance Officer and Advisory Representative
Kyle Kelly, Advisory Representative
Travis Hutchinson, Advisory Representative
Patrick Farnsley, Advisory Representative
Suzanne Burrell, Advisory Representative

- B. You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him review the potfolio allocation and make recommendations for changes.
- C. You will be provided statements at least quarterly direct from the account custodian. Additionally, you will receive confirmations of all transactions occurring direct from the account custodian. HHM will provide you with a consolidated report of your managed account

at a frequency as agreed upon between you and HHM. You should compare reports generated by HHM with statements received direct from the account custodian. Should there be any discrepancy the account custodian's report will prevail.

Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION

- A. We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see *Item 12 – Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.
- B. HHM may from time to time compensate individuals for client referrals. Compensated persons may include certified public accountants of Henderson, Hutcherson & McCullough, PLLC. HHM is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940. Any prospective client referred to HHM will be provided with a Solicitor Disclosure. The Solicitor Disclosure will advise the prospective client about the solicitor relationship, compensation as a result of the referral and whether or not such compensation will affect the costs the prospective client will pay. Clients are advised the involvement of a referral fee being paid or the lack of a referral fee will not impact the amount of the fee being paid by the client or the services rendered to the client.

Item 15 - CUSTODY

With the exception of deduction of HHM's advisory fees from your accounts, HHM does not take custody of your funds or securities.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your account custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

Item 16 - INVESTMENT DISCRETION

You may grant HHM authorization to manage your account on a discretionary basis. Discretionary authority will give CCM the authority to buy, sell, exchange, convert securities in your managed accounts. You will grant such authority to HHM by execution of the advisory agreement. You may terminate discretionary authorization at any time upon receipt of written notice by HHM.

Additionally, you are advised that:

HHM Wealth Advisors, LLC

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish any mutual fund, variable annuity, or brokerage account;
- 3) With the exception of deduction of HHM's advisory fees from the account, if you have authorized automatic deductions, HHM will not have the ability to withdraw your funds or securities from the account.

Item 17 - VOTING CLIENT SECURITIES

HHM does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact HHM about questions you may have an opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

Item 18 - FINANCIAL INFORMATION

- A. HHM will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.
- B. As stated above, HHM has discretionary authority over client accounts; however that authority does not extend to the withdrawal of any client assets, with the exception of deduction of HHM's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.
- C. Neither HHM nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

Item 19 - REQUIREMENTS FOR STATE REGISTERED ADVISERS

This section is not applicable to HHM. HHM is not state registered. HHM is registered with the Securities and Exchange Commission.