

TBH Advisors, LLC

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Disclosure Brochure

May 11, 2016

This brochure provides information about the qualifications and business practices of TBH Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 615-690-4820. 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.

TBH Advisors, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about TBH Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

TBH Advisors, LLC has not made any material changes to our Brochure since our initial Brochure dated May 5, 2015.

We deliver our Brochure initially when an agreement for our advisory services is executed. We will offer or deliver information about our qualifications and business practices to clients on an annual basis thereafter, no later than April 29. We may also provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes will include the date of our last annual update of our brochure.

Our current brochure may be requested by contacting David S. Merrell, Managing Member and CCO, at 615-690-4820 or by e-mail at david@tbh advisors.com. We will provide you with a brochure at any time without charge.

Additional information about us and about persons affiliated with us who are registered as our investment adviser representatives (“your advisory representative, or IAR”) is also available via the SEC’s website, at www.adviserinfo.sec.gov. Information regarding your advisory representative can also be found in the supplements to this brochure.

TBH Advisors, LLC

SEC File number 801-96279

CRD Number 226555

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Advisory Business

TBH Advisors, LLC (“TBH Advisors”, we, us, our, ours) is a Limited Liability Company organized under the laws of the State of Tennessee. David Merrell, Samuel (“Sam”) Davis, Travis Anderson and Phillip (“Phil”) Reynolds co-founded the Brentwood, TN-based investment advisory firm in 2015 and are the principal owners. TBH Advisors is an SEC registered investment adviser.

We offer investment advisory services which include the discretionary management of investment portfolios in accordance with your investment objective(s). In addition, we may provide consulting services on investment-related matters.

Investment Management Services

Through the use of discussions, interviews and/or client questionnaires, we assist you in determining your investment goals and identifying your risk tolerance levels. Once this process is complete, we will develop a customized portfolio for you using a mix of domestic and foreign equities, fixed income securities, mutual funds and exchange traded funds. We may also use alternative investments, such as limited partnerships, private equity funds, and REITs, on a limited basis.

Portfolios are diversified based upon your risk profile, investment horizon, financial goals, income (current and potential), and other various suitability factors. We select individual securities with the aid of fundamental analysis and the review of independent research, news sources and rating services. We generally manage portfolios directly, although we may engage third party asset managers to meet specific needs.

If a third party asset manager is engaged to manage a portion of your assets, you will sign an advisory agreement with us allowing us discretionary authority to hire and fire managers. The third party manager will also have discretionary authority with respect to investment management of your accounts. We will monitor the third party asset manager(s) on an on-going basis for financial soundness, performance, and to insure that the third party asset manager is adhering to your goals and investment objectives.

In managing your investment portfolio, we consider your financial situation, risk tolerance, investment horizon, liquidity needs, tax considerations, investment objectives and any other issues important to your state of affairs.

You should notify us promptly if there are any changes in your financial situation or

investment objectives or if you wish to impose any reasonable restrictions upon the management of your account.

Financial Planning

We also offer financial planning services. We meet with you to gather information about your current financial position including securities and business holdings, insurance policies, real estate, other investments and potential inheritance. In addition, we will gather income and gift tax returns as well as estate planning documents. We will evaluate your current position and make recommendations on how you can achieve your business, estate and retirement goals. We do not make recommendations on specific securities but will recommend types of investments within specific asset classes. We will not draft legal documents but will recommend legal tools that can be drafted by your attorney. We will meet with you as often as requested, but no less than annually during the engagement period.

Consulting Services

We may provide consulting services to you involving a review of various wealth management concerns. These services are not to be considered financial planning services as we do not perform a comprehensive analysis of your financial position and do not prepare a written report documenting the review.

Retirement Plan Services

We provide services to pension and profit sharing plans that include establishing plans and related documents through data gathering, assessment of participant's goals, meeting with plan participants, fund selection and conducting education and enrollment meetings. The services also include a quarterly review of fund performance and an annual fund review meeting.

Assets Under Management

As of the December 31, 2015 we have no assets under management. We intend to manage client assets on a discretionary basis (where we made all of the investment decisions) and on a non-discretionary basis (where our clients made the investment decisions based upon our recommendations).

Fees and Compensation

Fees for Investment Management Services

We offer our services on a fee-only basis. Our fee is calculated based upon the market value of the assets in your account on the last day of the previous quarter.

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians). Your custodian determines the values of the assets in your portfolio.

Fees for the initial quarter are based on the value of your cash and securities on the date the custodian receives them and are prorated based upon the number of calendar days in the calendar quarter that our agreement is in effect.

Our fee schedule is described below:

| <u>Assets under Management</u> | <u>Advisory Fee</u> |
|---------------------------------------|----------------------------|
| First \$250,000 | 1.35% |
| Next \$750,000 | 1.10% |
| Next \$2,000,000 | 0.80% |
| Next \$2,000,000 | 0.60% |
| Above \$5 million | 0.55% |

All fees are negotiable at our sole discretion.

The fee charged by third party asset managers varies depending on the manager. A copy of the disclosure documents for each manager will be provided to you at the time you execute the management agreement with the third party asset manager.

Fees for Financial Planning

We offer our financial planning services for either an hourly or fixed fee; or, as a percent of gross income.

Financial Planning Fees

| | |
|-------------------|--------------------|
| Hourly Rate | \$175 |
| Fixed Rate | \$1,500 - \$30,000 |
| Percent of Income | Maximum 1% |

Fixed fees are based upon the complexity of assets, number of areas analyzed, depth of analysis required, or other unique reasons agreed upon by you and us. An estimate of the time involved will be provided before signing the advisory agreement. All fees are negotiable at our discretion.

Hourly fees for planning services are billed and paid on a monthly basis as services are provided. Fixed fees are billed 50% upon engagement and the remainder is due upon completion of the project. Fees assessed as a percent of income are billed semi-annually, with the first installment payable when the advisory agreement is executed. Billing will continue until the agreement is terminated.

Fees for Consulting Services

Consulting services are generally provided at an hourly rate of \$175. Consulting service fees are negotiable.

Fees for consulting services are billed and due monthly as services are rendered.

Fees for Retirement Plan Services

The fee for pension and profit sharing planning service is determined by the assets in the pension trust. The billable amount will be based upon the market value of the plan assets at the end of each calendar quarter and will range from 10 to 100 basis points. Fees are negotiable at our discretion.

Plan Sponsor authorizes us to have the custodian pay us directly by charging your account. This authorization must be provided in writing. One-fourth of the annual fee is charged each calendar quarter.

Your Third Party Administrator (“TPA”) sends a statement that includes the value of your investments, our advisory fee, and how it is calculated. Your custodian also provides you with statements that show the amount paid directly to us. You should compare the statement the TPA sends to your custodian’s statement and verify the calculation of our fees. Your custodian does not verify the accuracy of fee calculations.

Fees for retirement plan services may be payable either in advance or in arrears as negotiated at the time of execution of the advisory agreement.

General Information about Our Fees

In addition to our fee, you may be required to pay other charges such as:

- custodial fees,
- brokerage commissions,
- transaction fees,
- internal fees and expenses charged by mutual funds or exchange traded funds (“ETFs”),
- maintenance and termination fees for IRAs, certain retirement and qualified accounts; and
- other fees and taxes on brokerage accounts and securities transactions.

None of these fees are paid to or are shared with us.

Mutual fund companies, ETFs, and variable annuity issuers charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these explanations before investing any money. You may ask us any questions you have about fees and expenses.

If you purchase mutual funds through the custodian, you may pay a transaction fee that would not be charged if the transactions were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may pay internal fees that are different from funds held at the mutual fund company.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

Please be sure to read the section entitled “Brokerage Practices,” which follows later in this brochure.

Our advisory representatives may also recommend various asset management firms. If you establish an investment advisory relationship with one of these firms, our financial advisors may share in the advisory fees you pay to these asset management firms.

Termination of Advisory Agreement

You must pay our advisory fees in advance of receiving our services. You may terminate the advisory agreement within five (5) business days from the date the

agreement is executed without penalty and will receive a full refund of any fees paid.

Should either one of us terminate the advisory agreement before the end of a billing period, any unearned fees that were deducted from your account will be typically returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

The fixed fee for financial planning services is billed 50% upon engagement. You have the right to terminate any advisory contract within five (5) business days after executing the agreement. After that time, our services may be terminated at any time upon written notice and payment in full of all fees and expenses we have earned at the time of termination. Any unearned fees will be refunded. The amount of the refund will be the difference between the deposit amount and the hourly rate of \$175 times the number of hours spent to date on the planning project.

The agreement for retirement plan services may be terminated at any time with written notice. If you pay in arrears, any outstanding fees will be due immediately upon termination. If you are billed in advance, any prepaid fees will be returned on a pro-rata basis.

Performance-Based Fees

Performance-based fees are based on a percentage of the capital gains on or appreciation of the client account assets. We do not charge performance-based fees on any of our client accounts.

Types of Clients

We provide advisory services primarily to individuals and high net worth individuals, including their trusts, estates and retirement accounts. We also provide services to corporations or business entities including their pension and profit sharing plans.

As a condition for starting and maintaining an advisory relationship, we generally require a minimum portfolio size of \$250,000. We, at our sole discretion, may accept clients with smaller portfolios based upon certain factors including anticipated future earning capacity, anticipated future additional assets, account composition, related accounts, and pre-existing client relationships. We may consider the portfolios of

your family members to determine if your portfolio meets the minimum size requirement.

Methods of Analysis, Investment Strategies and Risk of Loss

We select specific investments for your portfolios through the use of fundamental analysis.

Fundamental analysis is a method of evaluating a company that has issued a security by attempting to measure the value of its underlying assets. It entails studying overall economic and industry conditions as well as the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current price of the issuing company's security to determine whether to purchase, sell or hold the security.

Our investment strategies may include long-term and short-term purchases and sales. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

As previously noted, we may recommend the use of third-party investment managers to implement our investment advice. We analyze individual investment managers based upon their investment strategies, experience, performance track record, reputations, and fee arrangements.

Although we manage your account in a manner we believe is consistent with your specific investment objectives and risk tolerances, there can be no guarantee that our efforts will be successful. General economic conditions, current interest rates, the performance of a particular industry or a particular company, and any number of other factors can affect investment performance.

You should be prepared to bear the risk of loss. All investments are subject to loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings.

Disciplinary Information

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

Other Financial Industry Activities and Affiliations

Certain owners and officers of TBH Advisors are also owners, officers and/or investment advisory representatives of TBH Global Asset Management, LLC (“TBH Global”). TBH Global is an SEC-registered investment adviser. David Merrell, owner, Director of Operations and Chief Compliance Officer of TBH Advisors, is also an owner and Chief Compliance Officer of TBH Global. Samuel Davis, owner and Director of Business Development of TBH Advisors, is also an investment advisory representative of TBH Global. Travis Anderson, owner and Director of Global Investment Solutions of TBH Advisors, is also an investment advisory representative of TBH Global. Phillip Reynolds, owner and Director of Practice Management of TBH Advisors, is also an investment advisory representative of TBH Global. You are under no obligation to utilize the services of TBH Global.

Our IARs may be registered with unaffiliated broker/dealers. You are under no obligation to utilize the services of your IAR in the purchase or sales of securities through his association with a broker/dealer. If you choose to implement your financial plan through our IAR in this capacity, he may receive commissions or other compensation such as mutual fund 12b-1 fees as a result of those securities transactions. This may create a conflict of interest for the IAR as he may recommend products based on the compensation he may receive.

Information about your IAR’s financial industry activities and affiliations is disclosed in the IAR’s Supplement which you will receive with this brochure. Additional information about your IAR is also available at www.adviserinfo.sec.gov.

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

We have adopted a *Code of Ethics* (“Code”) to address the securities-related conduct of our advisory representatives and employees. The *Code* includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our advisory representatives and employees be conducted in a manner consistent with the *Code* and avoid any actual or potential conflict of interest, or any abuse of an advisory representative’s or employee’s position of trust and responsibility;
- that advisory representatives may not take inappropriate advantage of their positions;

- ✦ that information concerning the identity of your security holdings and financial circumstances are confidential; and
- ✦ that independence in the investment decision-making process is paramount.

We will provide a copy of the *Code* to you or any prospective client upon request.

We do not buy or sell securities for our firm that we also recommend to clients. Our advisory representatives and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is owned by you or considered for purchase or sale for you.

We have adopted policies and procedures that are intended address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in your best interest,
- prohibit favoring one client over another, and
- provide for the review of transactions to discover and correct any same-day trades that result in an advisory representative or employee receiving a better price than a client.

Advisory representatives and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

Brokerage Practices

We may recommend that the broker-dealer/custodian for your account be either Fidelity Brokerage Services, LLC (“Fidelity”), Raymond James & Associates, Inc. (“Raymond James”) or Schwab Institutional division of Charles Schwab & Co., Inc. (“Schwab”) (together, “Custodians”). We are independently owned and operated and not affiliated with any custodian. Our use of a particular custodian is, however, a beneficial business arrangement for us and for them. Information regarding the benefits of this relationship is described below.

Our recommendation of a specific custodian is based in part on our existing relationships; the custodian’s financial strength; reputation; breadth of investment products; and, the cost and quality of custody and brokerage services provided to you and our other clients.

The determining factor in the selection of a custodian to execute transactions for your

accounts is not the lowest possible transaction cost, but whether a particular custodian can provide what is in our view the best qualitative execution for your account.

In addition to brokerage and custody services, services customarily made available to advisers include access to investments generally available to institutional investors; research; software; and, educational opportunities. Custodians may also make available or arrange for these types of services to be provided to us by independent third parties. Custodians may discount or waive the fees they would otherwise charge for some of the services they make available to us. They may also pay all or a part of the fees of a third party providing these services to us.

We receive economic benefits as a result of our relationship with the custodians because we do not have to produce or purchase the products and services listed above. These services are not contingent upon us committing any specific amount of business to the custodians in trading commissions. We do not enter into soft-dollar arrangements with custodians or brokers.

Because the amount of products or services we receive may vary depending on the custodian we recommend to be used by our clients and the amount of client assets in accounts at that custodian, we may have a conflict of interest in making that recommendation. Our recommendation of specific custodians may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

The custodians do not charge separately for holding our client accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions they execute for your account.

Commissions and other fees for transactions executed through the custodians we recommend may be higher than commissions and other fees available if you use another custodian or firm to execute transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by our recommended custodians outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

Many of the services described above may be used to benefit all or a substantial number of our accounts, including accounts not maintained through our recommended custodians. We do not attempt to allocate these benefits to specific clients.

Directed Brokerage

You may direct us in writing to use a particular custodian to execute some or all of the transactions for your account. If you do so, you may be responsible for negotiating the terms and arrangements for the account with that custodian.

We may not be able to negotiate commissions, obtain volume discounts, or best execution with custodians with whom we do not have a pre-existing relationship. A difference in transaction fees and expenses may also exist between those charged to clients who direct us to use a particular custodian and other clients who do not.

Bunched Trading

We may engage in “bunched trading”, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed. Accounts that participate in the same bunched trade will be charged commissions, if applicable, in accordance with their advisory contracts. Different accounts participating in a bunched transaction may not be charged the same commission rates. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients. Transactions for nondiscretionary client accounts are not bunched with transactions for discretionary client accounts. Transactions for the accounts of our employees and advisory representatives may be included in bunched trades. They receive the same average price and pay the same commissions and other transaction costs, as clients. Transactions for the accounts of our advisory representatives or employees will not be favored over transactions for client accounts.

We are not obligated to include any client account in a bunched trade. Bunched trades will not be effected for any client’s account if doing so is prohibited or otherwise inconsistent with that client’s investment advisory agreement. No client will be favored over any other client.

Review of Accounts

All client accounts are monitored on an ongoing basis with a formal review conducted

at least annually or as agreed upon with individual clients. The reviews focus on the consistency of portfolio investments with each client's stated objectives and risk tolerances. Reviews also consider investment restrictions requested by individual clients, investment time horizons, liquidity needs, tax considerations and other circumstances unique to each client.

On a quarterly basis, the performance of your account is reviewed to monitor consistency with market benchmarks that we deem applicable. Thereafter, your account is reviewed on a transaction, monthly, quarterly or annual basis, as needed. Account reviews may also be triggered by other factors such as changes in general economic and market conditions, analyst reports, issuer news and interest rate movement. Your advisory representative is responsible for all reviews.

You will receive statements from the custodian at least quarterly. These statements identify your current investment holdings, the cost of each of those investments, and their current market values. You will also receive performance analysis reports prepared by us which describe the returns realized on the investments in your account.

Client Referrals and Other Compensation

We may enter into written compensation agreements with certain unaffiliated investment adviser representatives and professionals such as CPAs, attorneys, etc. We would pay these persons a percentage of the fee that you pay to us if it is determined you have become a client as a result of their direct or indirect efforts. These payments are a portion of the fee that we charge and do not result in an increase in the amount of the fee that you pay. Any solicitation or referral arrangements will comply with applicable laws that govern:

- ◆ the nature of the service,
- ◆ fees to be paid,
- ◆ disclosures to clients, and
- ◆ any necessary client consents.

We receive certain economic benefits as a result of our participation in the Fidelity, Raymond James and Schwab institutional programs. Those benefits are described in detail in the preceding section entitled "Brokerage Practices."

Custody

Your assets are maintained with a qualified custodian. We do not have physical custody of your assets but may be deemed to have custody when you authorize us to deduct our fees from your account. You will receive statements from the custodian that holds your investment account on at least a quarterly basis. We urge you to carefully review these statements and compare them to the account statements that we may provide you. You should verify that the transactions in your account are consistent with your investment goals and the objectives for your account.

We also encourage you to contact your advisory representative or our Chief Compliance Officer should you have any questions or concerns regarding your account.

Investment Discretion

We offer our advisory services on a discretionary basis. This means that we do not need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts. We do not, however, have the ability to choose the broker-dealer through which transactions will be executed. Additionally, we do not have the ability to withdraw funds from your account (other than to withdraw our advisory fees which, may only be done with your prior written authorization.)

This discretion is used in a manner consistent with the stated investment objectives for your account, if you have given us written authorization to do so. We only exercise discretion in accounts where we have been authorized by you. This authorization is typically included in the investment advisory agreement you enter into with us.

We also manage accounts on a non-discretionary basis, which means we must obtain your approval before for each transaction. In the event of a market correction, if we cannot contact you to obtain consent, we would be unable to effect any recommended action.

Typically under third-party investment management arrangements, the third-party investment manager exercises discretion in the management of your account. All securities transactions are selected and executed by that manager. We do not manage or obtain discretionary authority over the assets in those accounts. You may, however, grant us the discretionary authority to hire and fire such third-party managers on your behalf.

Voting Client Securities

We do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may be invested. In addition, we do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. We will, however, forward to you any information received by us regarding proxies and class action legal matters involving any securities held in your accounts.

Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.