

INFORMATIONAL BROCHURE



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This brochure provides information about the qualifications and business practices of United South Wealth Management, LLC (hereinafter "USWM" of the "Firm"). If you have any questions about the contents of this brochure, please contact us at 917-213-9944 or via email at [contact@unitedsouthwm.com](mailto:contact@unitedsouthwm.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.

Our registration does not imply a certain level of skill or training. Additional information about United South Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**ITEM 2: STATEMENT OF MATERIAL CHANGES**

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In this Item, USWM is required to discuss any material changes that have been made to the brochure. As this is the first issuance of the brochure, there are no material changes to report.

### ITEM 3: TABLE OF CONTENTS

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#### TABLE OF CONTENTS

Item 1: Cover Page .....	1
Item 2: Statement of Material Changes .....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business .....	4
Item 5: Fees and Compensation .....	5
Item 6: Performance-Based Fees .....	7
Item 7: Types of Clients .....	7
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....	7
Item 9: Disciplinary Information .....	11
Item 10: Other Financial Industry Activities and Affiliations .....	11
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	12
Item 12: Brokerage Practices .....	12
Item 13: Review of Accounts .....	15
Item 14: Client Referrals and Other Compensation .....	15
Item 15: Custody .....	15
Item 16: Investment Discretion .....	15
Item 17: Voting Client Securities .....	16
Item 18: Financial Information .....	16
Item 19: Requirements for State-Registered Advisers .....	16
FORM ADV PART 2B BROCHURE SUPPLEMENT .....	17

INFORMATIONAL BROCHURE  
UNITED SOUTH WEALTH MANAGEMENT, LLC

**ITEM 4:      ADVISORY BUSINESS**

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United South Wealth Management, LLC (“USWM”) has been in business since January of 2018. The firm is owned by its Managing Member, Victor Droz, and Wall Street South Holdings, LLC.

USWM serves as an independent and unbiased advisor to our clients, characterized by a high level of accountability across our organization. As a fiduciary, USWM continues to place client interests at the forefront of all of our efforts. No adviser can guarantee that a client will meet their goals or achieve a given performance target. USWM does however guarantee that all clients will receive the benefit of qualified professionals performing due diligence and making investment recommendations with professionalism and integrity.

Each client who engages USWM for asset management services will participate in a goal-setting process with USWM. The process is in some ways similar to a traditional financial plan, but unlike traditional planning, the outcome is designed to discover the client’s investment goals and risk tolerance, rather than to evaluate other areas of the client’s financial life.

When we perform asset management services, we will do so on a discretionary basis. This means that while clients will communicate regularly with USWM, USWM will not seek specific approval of changes to client accounts. **Clients can always make deposits or withdrawals in their accounts at any time.** Clients should be aware that if USWM is managing your assets, you may not be able to place restrictions on the types of investments in an account or portfolio. Because we take discretion when managing accounts, clients engaging us will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and USWM.

In very limited circumstances, we may provide investment management services on a non-discretionary basis, which means we will manage the clients’ accounts as we do for our discretionary clients, except we will consult with the client prior to implementing any investment recommendation. Clients should be aware that some recommendations may be time-sensitive, in which case recommendations not implemented because we are unable to reach a non-discretionary client may not be made on a timely basis, and therefore the client’s account may not perform as well as it would have had USWM been able to reach the client for a consultation on the recommendation.

Financial Planning

USWM believes that thoughtful financial planning can be an effective tool for protecting and accumulating wealth. It can also assist in the planning for special needs for clients, including their businesses and wealth transfer issues.

USWM provides all financial planning services “in house”, meaning the services are provided by USWM professionals and not by any sort of sub-adviser or contractor. During the planning process, it may be determined that a client would benefit from the expertise of another professional, such as an estate planning attorney or tax advisor. If you request, USWM may recommend the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from USWM. If you engage the

services of any professional recommended by USWM, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

#### Assets under Management

As of this date, USWM is a newly formed business, and as such, USWM does not yet have any clients or assets under management.

### **ITEM 5: FEES AND COMPENSATION**

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#### **A. Fees Charged**

USWM offers services on a fee basis, which includes fixed fees and fees based upon assets under management.

#### Asset Management

USWM asset management fees range from 0.5% to 2.75% per annum of the gross market value of a client's assets managed by USWM, as shown in the schedule below. Fees are negotiable and may be higher or lower than this range, based on the nature of the account, and the origin of the client. Factors affecting fee percentages include the size of the account, complexity of asset structures, the extent of the anticipated financial planning work to be included with the engagement, and other factors. All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

<u>Portfolio Value</u>	<u>Annual Fee</u>
0 - \$500,000	2% - 2.75%
\$500,001 - \$1,000,000	1.5% - 2.5%
\$1,000,001 - \$5,000,000	1% - 2.25%
Above \$5,000,000	.5% - 2.00%

Ongoing financial planning services are included in the above fees for asset management clients whose financial plans were created by USWM. In the event that the client is in need of significant planning services beyond maintaining their existing plan, or if a client's plan originated with another advisor, USWM may determine to charge for these additional planning services. This would be determined by both USWM and the client prior to beginning the services, and a separate agreement detailing the services and fee would be required so that all parties are aware of the terms of the engagement.

There may be special circumstances in which USWM arranges a fixed fee for asset management with a client. This fixed fee is determined by USWM and the client, factoring the nature and size of the account and complexity of asset structures.

#### Financial Planning

Clients who are engaging USWM for financial planning services without asset management services will do so on an hourly basis. Hourly rates will not exceed \$350.00. An estimate of total hours to

complete the assignment will be determined at the start of the engagement. The estimate is subject to change, depending upon the circumstances that arise during the engagement. Fees are negotiable and will depend on the anticipated complexity of your plan.

#### B. Fee Payment

##### Asset Management

For clients whose assets are managed by the firm, investment advisory fees will be debited directly from each client's account. The advisory fee is paid monthly, in advance, and the value used for the fee calculation is the net value as of the last market day of the previous month. For example, if your annual fee is 1.00%, each month we will multiply the value of your account by 1.00%, then divide by the number of days in that calendar year and multiply that number by days in the month to calculate our fee. To the extent there is cash in your account, it will be included in the value for the purpose of calculating fees only if the cash is part of an investment strategy. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to USWM. While almost all of our clients choose to have their fee debited from their account, we will invoice clients upon request. If assets equal to or in excess of \$10,000 are deposited into an account, or any amount is withdrawn after the inception of a billing period, the fee payable with respect to such assets is prorated based on the number of days remaining in the billing period. Any reduction in fees related to the withdrawal of assets in an account will be credited against the next billing period's investment advisory fees.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each month, the client will receive a statement from their account custodian showing all transactions in their account, including the fee.

##### Financial Planning

Financial planning fees will be due upon receipt of invoice from USWM. All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

#### C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. You will be responsible for fees including transaction fees for the purchase or sale of a mutual fund or exchange traded fund, or commissions for the purchase or sale of a stock. Expenses of a fund will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. USWM can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

#### D. *Pro-rata* Fees

If you become a client during a month, you will pay a management fee for the number of days left in that month. If you terminate our relationship during a month, you will be entitled to a refund of any management fees for the remainder of the month. Once your notice of termination is received, we will assess pro-rated fees for the number of days between the end of the prior billing period and the

date of termination to be paid in whatever way you direct (check, wire). USWM will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within 30 (thirty) days of termination may be “de-linked”, meaning they will no longer be visible to USWM and will become a retail account with the custodian.

E. Compensation for the Sale of Securities.

This item is not applicable.

## **ITEM 6: PERFORMANCE-BASED FEES**

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USWM will not charge performance based fees.

## **ITEM 7: TYPES OF CLIENTS**

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Clients advised may include individuals, families, trusts, non-profit organizations, pensions and businesses. USWM does not impose a stated minimum fee or minimum portfolio value for starting or maintaining an investment advisory relationship.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

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It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

### *Investment Allocations & Investment Programs*

Each client’s portfolio will be invested according to that client’s investment objectives, which for clients who have a financial plan, are ascertained through the financial planning process or through a review of the existing plan. For clients without a plan in place, USWM will review with the client their circumstances, needs and goals to determine investment objectives for each account. Once we ascertain your objectives, we will develop a set of asset allocation guidelines that will aid in executing the proper allocation strategy. While the asset allocation of a client’s portfolio may adjust from time to time with changing market fundamentals, and the addition of new asset classes, these portfolios are invested for the long-term with a focus on broad diversification, mitigating cost, creating tax efficiency and ultimately put us in a position to reap the benefits of appropriate long-term market exposure.

The investment programs are not investment products. Clients may have different needs than others within the same investment program. Accordingly, not all clients in each investment program will have the same percentages of each underlying investment.

The investment programs that we recommend are based on the needs of the client as compared with the typical behavior of that security type or manager, current market conditions, the client’s current financial situation (including assets that may be managed by another advisor), financial goals, and the timeline to meet those goals. Because we develop an investment strategy based on your personal situation and financial goals, your asset allocation guidelines may be similar to or different from another client.

We may periodically recommend changes to the investment programs and client portfolios to meet the guidelines of the asset allocation for the program or an individual client's objectives. It is important to remember that because market conditions can vary greatly, your asset allocation guidelines are not necessarily strict rules. Rather, we review accounts individually and may deviate from the guidelines as we deem necessary.

When USWM makes changes to an investment program, these changes may not be made simultaneously to the accounts under the program, rather, some accounts may be modified before others. This may result in accounts being traded earlier inadvertently having an advantage over accounts traded later.

### Strategies and Methods of Analysis

We strive to find the best mix of investments geared to provide clients with low-cost options, while not surrendering the potential for returns. We combine fundamental and technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future. We also base our conclusions on predominantly publicly available research, such as regulatory filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses.

### Risk of Loss

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Tax Risks Related to Short-Term Trading.** Clients should note that USWM may engage in short-term trading transactions. These transactions may result in short-term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long-term strategies. USWM endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.



- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Margin Risk.** “Margin” is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin, therefore, carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. USWM may utilize margin on a limited basis for clients with higher risk tolerances.
- **Short Sales.** “Short sales” are a way to implement a trade in a security USWM feels is overvalued. In a “long” trade, the investor is hoping the security increases in price. Thus in a long trade, the amount of the investor’s loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. USWM utilizes short sales only when the client’s risk tolerances permit.
- **Risks specific to private placements, sub-advisors, and other managers.** If we invest some of your assets with another advisor, including a private placement, there are additional risks. These include risks that the other manager is not as qualified as we believe them to be, that the investments they use are not as liquid as we would normally use in your portfolio, or that their risk management guidelines are more liberal than we would normally employ.
- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.
- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company’s future. For example, a company’s management may lack experience, or the company’s capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short-term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.
- **Concentration Risk.** While USWM selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector-specific issue analysis. This means that a client’s equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific

sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.

- **Transition Risk.** As assets are transitioned from a client's prior advisers to USWM there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by USWM. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of USWM may adversely affect the client's account values, as USWM's recommendations may not be able to be fully implemented.

- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.

- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.

- **REITs.** In very limited circumstances, USWM may recommend that portions of client portfolios be allocated to real estate investment trusts, otherwise known as "REITs." A REIT is an entity, typically a trust or corporation, that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income, and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful, but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.

- **MLPs.** USWM may recommend that portions of client portfolios be allocated to master limited partnerships, otherwise known as "MLPs". An MLP is a publicly traded entity that is designed to provide tax benefits for the investor. In order to preserve these benefits, the MLP must derive most, if not all, of its income from real estate, natural resources and commodities. While MLPs may add diversification and tax favored treatment to a client's portfolio, they also carry significant risks beyond more traditional investments such as stocks, bonds and mutual funds. One such risk is management risk-the success of the MLP is dependent upon the manager's experience and judgment in selecting investments for the MLP. Another risk is the governance structure, which means the rules under which the entity is run. The investors are the limited partners of the MLP, with an affiliate of the manager typically the general partner. This means the manager has all of the control in running the entity, as opposed to an equity investment where shareholders vote on such matters as board composition. There is also a significant amount of risk with the underlying real estate, resources or commodities investments. Clients should ask USWM any questions regarding the role of MLPs in their portfolio.

- **Hedge Funds of Funds.** A hedge fund of funds is an investment vehicle whereby the investments are made into hedge funds (generally private placements) instead of directly into other securities such as stocks, bonds, and ETFs. Specific risks associated with hedge fund of funds include enhanced liquidity risk, in that the contractual liquidity terms available to the hedge fund of funds may be suspended, thus making it harder for the holder of an interest in a hedge fund of funds to access his or her own investment; enhanced manager risk, in that the fund is relying upon the management of the underlying funds (which is not known to the hedge fund of funds investor at the time of investment) as well as the hedge fund of funds manager; transparency risk, in that the fund of hedge funds manager may not be aware of all of the underlying holdings in each investee fund, and thereby be unaware of concentrations or exposures that may be excessive, or of specific positions that may be volatile. Additional risks exist, and for a complete list, any investor should carefully review the fund of hedge funds placement memorandum.
- **BDCs (Business Development Companies).** Business Development Companies (BDCs) are a specific subset of investment companies that receive preferential tax treatment provided they meet certain investment restrictions and other regulatory requirements. Because BDCs are managed by third parties, and are frequently chosen for the perceived strength of their managers, the investment thesis, and tax treatment, the risks associated with a BDC investment generally follow directly from the manager, in that the manager ultimately controls the investments, and can adversely impact the tax treatment of the vehicle. Additional risks exist, and may be specific to the particular BDC. Accordingly, investors should carefully review the BDC's prospectus and any addendums thereto.
- **Options.** The use of options transactions as an investment strategy involves a high level of inherent risk. Although the intent of many of the options-related transactions implemented by USWM is to hedge against principal risk, certain options-related strategies (i.e., straddles, short positions, etc.), may in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, clients may direct USWM, in writing, not to employ any or all such strategies for his/her/their/its accounts. Clients participating in the Options Strategy should *carefully* consider all information regarding the strategy and its risks prior to participating.

## ITEM 9: DISCIPLINARY INFORMATION

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There are no disciplinary items to report.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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### A. Broker-dealer

Neither the principal of USWM, nor any related persons are registered, or have an application pending to register, as a broker-dealer, or as an associated person of the foregoing entities.

### B. Futures Commission Merchant/Commodity Trading Advisor

Neither the principal of USWM, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

### C. Relationship with Related Persons

This item is not applicable.

D. Recommendations of Other Advisers

This item is not applicable.

**ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT  
TRANSACTIONS AND PERSONAL TRADING**

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A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

B. Not applicable. USWM does not recommend to clients that they invest in any security in which USWM or any principal thereof has any financial interest.

C. On occasion, an employee of USWM may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. On occasion, an employee of USWM may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

**ITEM 12: BROKERAGE PRACTICES**

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A. Recommendation of Broker-Dealer

USWM does not maintain custody of client assets, though USWM may be deemed to have custody if a client grants USWM authority to debit fees directly from their account (see Item 15 below). Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. USWM recommends that investment accounts be held in custody by Schwab Advisor Services ("Schwab"), which is a qualified custodian. USWM is independently owned and operated and is not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when USWM instructs them to, which USWM does in accordance with its agreement with you. While USWM recommends 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. USWM does not open the account for you, although USWM may assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

## **How we select brokers/custodians**

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including both quantitative (Ex: costs) and qualitative (execution, reputation, service) factors. We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to USWM as part of our evaluation of these broker-dealers.

## **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. 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 USWM. They provide USWM and our clients with access to its institutional brokerage services (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 USWM manage or administer our clients' accounts, while others help USWM manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to USWM. 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. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. We may have 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 do not consider whether Schwab or any other broker-dealer/custodian, refers clients to USWM as part of our evaluation of these broker-dealers.

#### **B. Aggregating Trades**

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, executed one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, if a *pro rata* division would result in a client receiving a fraction of a share, or a position in the account of less than 1%.)

## **ITEM 13: REVIEW OF ACCOUNTS**

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All accounts and corresponding financial plans will be managed on an ongoing basis, with formal reviews with the client by a member of senior management on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

The annual report in writing provided by USWM is intended to review asset allocation. All clients will receive statements and confirmations of trades directly from Schwab. Please refer to Item 15 regarding Custody.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

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### **A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.**

*Please refer to Item 12, where we discuss recommendation of Broker-Dealers.*

### **B. Compensation to Non-Advisory Personnel for Client Referrals.**

Clients may be introduced to USWM via other third parties. If a client is introduced to USWM by either an unaffiliated or an affiliated solicitor, USWM may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from USWM investment management fee, and shall not result in any additional charge to the client. If the client is introduced to USWM by an unaffiliated third party, that third party will disclose to the client the referral arrangement with USWM, including the compensation for the referral, and provide the client a copy of USWM's ADV Part 2A and 2B. The referral source will also provide a written disclosure to the client regarding the relationship between USWM and the referral source, including the fact that referral fees will be paid.

## **ITEM 15: CUSTODY**

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USWM deducts fees from client accounts, but would not have custody of client funds otherwise. Clients will receive statements directly from Schwab, and copies of all trade confirmations directly from Schwab. Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each month, the client will receive a statement from their account custodian showing all transactions in their account, including the fee.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on reports prepared by USWM against the information in the statements provided directly from Schwab. Please alert us of any discrepancies.

## **ITEM 16: INVESTMENT DISCRETION**

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When USWM is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any

changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. **You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type.** You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and USWM.

## **ITEM 17: VOTING CLIENT SECURITIES**

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Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. USWM will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. USWM will not give clients advice on how to vote proxies.

## **ITEM 18: FINANCIAL INFORMATION**

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USWM does not require the prepayment of fees of \$1,200 or more, more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.

## **ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

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- A. Principal Officers: The firm's owner, Victor Droz Gomez, attended the University of Florida from 2012 through 2016, where he received a Bachelor's in Business Administration. Prior to forming USWM, Mr. Droz Gomez served as an analyst with Allied Millennial Partners, LLC.
- B. Other Business: Mr. Droz Gomez is an independent consultant to South Metal Traders, a metals trading firm. He does not receive compensation for this role and it takes less than one hour per month of his time.
- C. Performance Based Fees: USWM will not collect performance based fees.
- D. Disclosure Events: No management person of USWM has been involved in any applicable disclosure events.
- E. Material Relationships That Management Persons Have With Issuers of Securities: No management person of USWM has any relationship or arrangement with issuer of securities.



**FORM ADV PART 2B**  
**BROCHURE SUPPLEMENT**

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**Victor E. Droz Gomez**



77 Water St. Suite 870  
New York, NY 10005

(917) 213-9944

**July 6, 2018**

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**This Brochure Supplement provides information about Victor E. Droz Gomez that supplements the United South Wealth Management Brochure. You should have received a copy of that Brochure. Please contact us at 917-213-9944 if you have any questions about the contents of this supplement. Registration does not imply any certain level of skill or training.**

**Additional information about Victor E. Droz Gomez is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Educational Background and Business Experience**

**Victor E. Droz Gomez**

**Born: 1994**

**EDUCATION:**

B.S. in Business Administration, University of Florida, 2016

**BUSINESS EXPERIENCE:**

United South Wealth Management LLC  
Principal, Owner 01/2018 – Present

Allied Millennial Partners LLC  
Analyst, 01/2017 – 07/2017

Millennial Advisers LLC  
Analyst, 05/2017 – 07/2017

**Item 3: Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item for Mr. Droz Gomez.

**Item 4: Other Business Activities**

Mr. Droz Gomez is an independent consultant to South Metal Traders, a metals trading firm. He does not receive compensation for this role and it takes less than one hour per month of his time.

**Item 5: Additional Compensation**

Not applicable.

**Item 6: Supervision**

Mr. Droz Gomez is a principal of the firm, and also the firm's Chief Compliance Officer. He has no direct supervisor. However, all employees of United South Wealth Management are required to follow the supervisory guidelines and procedures manual which is designed to ensure compliance with securities laws.

**Item 7: State Requirements**

A. Mr. Droz Gomez has **not** been involved in any of the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- a) an investment or an investment-related business or activity;
- b) fraud, false statement(s), or omissions;
- c) theft, embezzlement, or other wrongful taking of property;
- d) bribery, forgery, counterfeiting, or extortion; or
- e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- a) an investment or an investment-related business or activity;
- b) fraud, false statement(s), or omissions;
- c) theft, embezzlement, or other wrongful taking of property;
- d) bribery, forgery, counterfeiting, or extortion; or
- e) **dishonest, unfair, or unethical practices.**

B. Mr. Droz Gomez has **not** been the subject of a bankruptcy petition at any time.