

Item 1 Cover Page
Form ADV Part 2A Brochure

Austin Money Management Corporation
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May 18, 2020

This brochure provides information about the qualifications and business practices of Austin Money Management Corporation. If you have any questions about the contents of this brochure, please contact us at 512-431-4898. 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. Registration as a registered investment advisor does not imply a certain level of skill or training.

Additional information about Austin Money Management Corporation also is available on the SEC's website at <http://www.adviserinfo.sec.gov>.

Item 2 Material Changes

April 14, 2020 – Items 12 and 14 were updated to provides disclosures concerning Austin Money Management Corporation’s relationship with its custodian.

May 18, 2020 – In order to conform to federal securities regulations, Austin Money Management Corporation is required to update its regulatory assets under management once they cross the \$100 million threshold. Item 4 was amended for this update.

The material changes discussed above are only those changes that have been made to this brochure since the firm’s initial brochure filed on February 14, 2020.

Item 3 Table of Contents

Item 1 Cover Page	i
Item 2 Material Changes	ii
Item 3 Table of Contents	iii
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation	6
Item 6 Performance-Based Fees and Side-by-Side Management	8
Item 7 Types of Clients	8
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9 Disciplinary Information.....	10
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	14
Item 14 Client Referrals and Other Compensation	15
Item 15 Custody	16
Item 16 Investment Discretion	16
Item 17 Voting Client Securities	16
Item 18 Financial Information.....	16

Item 4 Advisory Business

Austin Money Management Corporation is a new investment advisor firm formed in May 2018 and registered with the U. S. Securities & Exchange Commission since February 2020.

The principal owner of Austin Money Management Corporation is Steven D. Aycock, CFP®, President.

Advisory Services

Austin Money Management Corporation's ("AMMC" or "Advisor") principal service is providing fee-based investment management and consulting services and financial planning services. The Advisor practices custom management of portfolios, on a discretionary basis, according to the client's objectives. The Advisor's primary approach is to use a tactical allocation strategy aimed at reducing risk and increasing performance. The Advisor may use exchange listed securities, foreign securities, corporate debt securities, commercial paper, CDs, municipal securities, mutual funds, United States government securities, private investments (such as closely held stock, private equity investments, and real estate funds), and options on securities to accomplish this objective. The Advisor measures and selects mutual funds by using various criteria, such as the fund manager's tenure, and/or overall career performance. The Advisor may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. The Advisor may recommend specific stocks to increase sector weighting and/or dividend potential. The Advisor may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. The Advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of client, or any risk deemed unacceptable for the client's risk tolerance.

Pension Consulting Services

AMMC will evaluate and provide monitoring services for qualified retirement plans. Depending on the requirements of the plans and their sponsors, AMMC may evaluate the qualified retirement plans fiduciary compliance program, recordkeeping and third-party administration services, investment policy statement and management process, employee communication and education program, and retiree/rollover transitional consulting services.

Based on the evaluation, AMMC will make objective recommendations to the plan sponsor. Upon approval, AMMC will implement, manage, and monitor the recommendations with the authorization of the plan sponsor.

As part of the process, AMMC will provide an investment policy statement. AMMC will recommend, monitor, and benchmark the selected investment platform according to the investment policy statement. AMMC may assist the client in completing the Investment Manager's client questionnaire and opening account paperwork. AMMC will also assist in the development of the initial policy recommendations. In consideration for this service, AMMC will receive an investment advisory, based on the value of the plan/assets. Third-party money managers and investment managers recommended by AMMC are hired by the client. AMMC is only making

recommendations to the client about who should be hired. The third-party investment managers will have discretion as to the model portfolios/asset allocations not the individual participants elections, or asset allocation of any participants should they elect to customize their own portfolio. The client, prior to entering into an agreement with a third-party money managers recommended by AMMC will be provided with those managers' Form ADV Part 2A (Brochure). In addition, AMMC and its client will agree in writing that the client's account will be managed by that selected third-party money manager on a discretionary basis. Additionally, Investment Advisor Representatives of AMMC may provide consultation services on general non-securities advice on topics including operations management, business model integration and management, and retirement plan consulting and business planning. Consultation services will be charged an hourly fee of \$300 for these services and is invoiced monthly as services are rendered. Fees are negotiable.

AMMC will recommend and refer clients to unaffiliated money managers or investment advisors. Through this arrangement, the client will then enter into an advisory agreement with the third-party money manager or investment advisor authorizing them to assist and advise the client in establishing investment objectives and develop an investment strategy to meet those objectives by identifying appropriate investments and monitoring such investments.

Selection of Other Advisors

Aycock may recommend and refer clients to unaffiliated money managers or investment advisors through Managed Account programs sponsored by a third-party provider. In these arrangements, the client will then enter into a program and investment advisory agreement with the program sponsor and sub-advisors. AMMC will assist and advise the client in establishing investment objectives for the sub-advisors in the Managed Account program and continue to provide oversight of the client account and ongoing monitoring of the activities of the sub-advisors. The sub-advisors will develop an investment strategy to meet those objectives by identifying appropriate investments and monitoring such investments. In consideration for such services, the program sponsor will charge a program fee that includes the investment advisory fee of the sub-advisors, the administration of the program and trading, clearance and settlement costs. The program sponsor will add AMMC's investment advisory fee (described below in Item 5) and will deduct the overall fee from the client account quarterly in advance based on the fair market value at the end of the quarter. The asset-based Managed Account program fee is tiered and varies depending on the size of the account, the asset class of the underlying securities and the sub-advisors selected.

AMMC will ensure that all third-party money managers recommended to clients will be either an investment advisor registered with the Securities Exchange Commission, the appropriate state securities regulators, or exempt from such registrations. The client, prior to entering into an agreement with a third-party money manager recommended by AMMC, will be provided with that manager's Form ADV Part 2A (Brochure). In addition, AMMC and its client will agree in writing that the client's account will be managed by that selected third-party money manager on a discretionary basis.

Financial Planning

In addition to investment supervisory services, AMMC may provide Financial Planning Services to some of its clients. The Advisor's Financial Planning services will be tailored to the specific

needs of clients, but may include recommendations for investment portfolio customization based on their client's investment objectives, goals and financial situation, recommendations relating to investment strategies as well as tailored investment advice. Financial planning may also include the preparation of comprehensive financial plans, or specific topic advice and plans on non-investment issues such as developing strategies to achieve retirement or other financial goals, tax optimization strategies, cash flow and budgeting analysis and recommendations, financing and financial education, estate planning, and asset protection strategies.

AMMC will tailor its advisory services to its client's individual needs based on meetings and conversations with the client. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

As described in Item 5 below, AMMC offers two fee options to its client. Certain clients will be charged a "wrap fee" which is a management fee that is inclusive of both the compensation to AMMC for advisory services as well as the securities execution fees charged by the executing broker-dealer (except for short-term trading or redemption fees). Other clients will pay a management fee to AMMC for the advisory services, and separately pay the custodial and securities execution fees directly to the custodian and executing broker-dealer from their brokerage account. The specific fee arrangement will be based on client circumstances and will be defined in the investment advisory agreement between the client and AMMC. Those clients choosing the inclusive management fee alternative will be provided with a copy of the Austin Money Management Corporation Wrap Program Brochure.

A wrap fee program is defined as one where a fee is charged to the account that is not based directly on transactions in the account, and includes both the investment advisory services and the costs of executing the transactions in the account. AMMC offers both the wrap fee and separate pricing options to clients as a convenience. AMMC provides its services to all clients in the same way, as described throughout this brochure, no matter which pricing option is chosen. Since AMMC does not include access to third-party asset managers in the wrap fee arrangement, AMMC retains the entire fee charged to the client. Management fees for the wrap fee pricing option are typically slightly higher than management fees where the client pays securities transaction costs separately, to compensate for the estimated costs of trading in the account. However, the fee will never exceed the maximum fee described in Item 5, and all AMMC management fees are negotiable and agreed with the client prior to establishing the account.

As of May 11, 2020, AMMC had \$53,772,000 in discretionary and \$46,845,000 in non-discretionary client assets under management.

Item 5 Fees and Compensation

Asset Management Fees

Pursuant to an investment advisory contract signed by each client, the client will pay AMMC an annual management fee of up to 1.00%, payable monthly or quarterly, in advance or in arrears, as agreed between the client and Advisor. The fee will be calculated based on the value of portfolio

assets of the account managed by the Advisor as of the beginning or end of the billing period, depending on the agreed upon billing arrangement. The management fee may be adjusted to account for significant contributions or withdrawals made to the account during the quarter. New account fees will be prorated from the inception of the account to the end of the first quarter.

These fees may be negotiated at the sole discretion of the Advisor. Asset management fees will be directly deducted from the client account by the qualified custodian. The client will give written authorization permitting the Advisor to be paid directly from their account held by the custodian. The custodian will send a statement at least quarterly directly to the client. Where it is not practical to have the Advisor's fee deducted directly from the client account, client will be sent an invoice for any outstanding advisory fees due.

Hourly Fee

Some clients will contract to have investment advisory advice and/or financial planning advice provided based on an hourly fee rather than based on the assets under management. The Advisor's hourly fee will be billed at a rate of \$300 per hour, but may be negotiated in advance at the sole discretion of the Advisor. Hourly fee-based clients are billed on a monthly basis upon completion of work performed.

Fixed Fees

AMMC may charge a fixed fee for ongoing comprehensive financial planning services of up to \$50,000 per year payable quarterly in advance as contracted with client in advance of the services being performed. Fixed fees may be negotiated in advance based at the discretion of the Advisor.

Pension Consulting Fees

Plan Sponsors will pay the Advisor, as compensation for its services, a consulting fee at an annual rate of 1.00% of assets in the Plan. The consulting fee is payable quarterly, in advance, based on the fair market value of assets in the Plan at the end of each quarter. The consulting fee in the first quarter of the Agreement shall be prorated from the inception date to the end of the quarter. Fees are negotiable at the sole discretion of the Advisor. The Advisor shall invoice the Plan Sponsor for the consulting fee. The Plan Sponsor may, at its election, submit invoices for this consulting fee to the custodian of the Plan's assets for payment. The Plan Sponsor agrees to payment of these invoices, whether directly from the Plan Sponsor or from the Plan's custodian, promptly, and, under normal circumstances, by the end of the month in which the invoice is submitted.

The Plan Sponsor and the Advisor may agree, from time to time, that the Advisor be compensated for additional non-investment related duties outside the normal scope of this Agreement on an hourly basis of \$300 per hour. In such cases, the additional duties and hourly rate of compensation shall be agreed to by both parties, in advance, by execution of a separate agreement. Invoices and terms of payment, in such cases, will be as expressed in the previous paragraph.

For each of the Advisor's services described above, the Client may terminate these services within five business days of the effective date of an Agreement signed with the Advisor without any payment of the Advisor's fee.

All fees paid to AMMC for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses.

At no time will AMMC accept or maintain custody of a client's funds or securities except for authorized fee deduction. In the non-wrap fee pricing option, client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. In the wrap fee pricing option securities transaction fees are included in the advisory fee.

Depending on the arrangement with each client, AMMC's management fee may be payable in advance. Upon termination, any fees paid in advance will be prorated to the date of termination and any unearned fees will be refunded to client.

Neither AMMC nor its supervised persons accept compensation for the sale of securities or other investment products (except insurance products as described in Item 10 below), including asset-based sales charges or service fees from the sale of mutual funds.

Item 6 Performance-Based Fees and Side-by-Side Management

AMMC does not charge performance-based fees.

Item 7 Types of Clients

The Advisor will offer its services to individuals, banks or thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, and corporations or other business entities.

The Advisor does not have any minimum requirements for opening or maintaining an account.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

The Advisor utilizes fundamental and technical analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives; to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall.

The investment strategies the Advisor will implement may include long-term purchases of securities held at least for one year, short-term purchases for securities sold within a year, trading of securities sold within 30 days, margin transactions, and option writing, including covered options, uncovered options or spreading strategies.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

Investing includes the risk that the value of an investment can be negatively affected by factors specifically related to the investment (e.g., capability of management, competition, new inventions by other companies, lawsuits against the company, labor issues, patent expiration, etc.), or to factors related to investing and the markets in general (e.g., the economy, wars, civil unrest or terrorism around the world, concern about oil prices or unemployment, etc.).

Risks of fundamental analysis may include risks that market actions, natural disasters, government actions, world political events or other events not directly related to the price or valuation of a specific company's fundamental analysis can adversely impact the stock price of a company causing a portfolio containing that security to lose value. Risks may also include that the historical data and projections on which the fundamental analysis is performed may not continue to be relevant to the operations of a company going forward, or that management changes or the business direction of management of the company may not permit the company to continue to produce metrics that are consistent with the prior company data utilized in the fundamental analysis, which may negatively affect the Advisor's estimate of the valuation of the company.

The primary risks in technical analysis are that the factors used to analyze the price, trends and volatility of a security may not be replicated, or the outcomes of such analysis will not be the same as in past periods where similar combinations existed. Because of the reliance on trends, technical analysis can signal buying at market peaks and selling at market troughs.

All investments involve some degree of risk. In finance, risk refers to the degree of uncertainty and/or potential financial loss inherent in an investment decision. In general, as investment risks rise, investors seek higher returns to compensate themselves for taking such risks.

Every saving and investment product have different risks and returns. Differences include how readily investors can get their money when they need it, how fast their money will grow, and how safe their money will be. The primary risks faced by investors include:

Business Risk

With a stock, you are purchasing a piece of ownership in a company. With a bond, you are loaning money to a company. Returns from both of these investments require that the company stays

in business. If a company goes bankrupt and its assets are liquidated, common stockholders are the last in line to share in the proceeds. If there are assets, the company's bondholders will be paid first, then holders of preferred stock. If you are a common stockholder, you get whatever is left, which may be nothing.

The business risk in purchasing an annuity is that the financial strength of the insurance company issuing the annuity may decline and not be able to pay out the annuity obligation.

Volatility Risk

Even when companies aren't in danger of failing, their stock price may fluctuate up or down. Large company stocks as a group, for example, have lost money on average about one out of every three years. A stock's price can be affected by factors inside the company, such as a faulty product, or by events the company has no control over, such as political or market events.

Inflation Risk

Inflation is a general upward movement of prices. Inflation reduces purchasing power, which is a risk for investors receiving a fixed rate of interest. The principal concern for individuals investing in cash equivalents is that inflation will erode returns.

Interest Rate Risk

Interest rate changes can affect a bond's value. If bonds are held to maturity the investor will receive the face value, plus interest. If sold before maturity, the bond may be worth more or less than the face value. Rising interest rates will make newly issued bonds more appealing to investors because the newer bonds will have a higher rate of interest than older ones. To sell an older bond with a lower interest rate, you might have to sell it at a discount.

Liquidity Risk

This refers to the risk that investors won't find a market for their securities, potentially preventing them from buying or selling when they want. This can be the case with the more complicated investment products. It may also be the case with products that charge a penalty for early withdrawal or liquidation such as a certificate of deposit (CD).

The Advisor does not primarily recommend a particular type of security. However, clients are advised that many unexpected broad environmental factors can negatively impact the value of portfolio securities causing the loss of some or all of the investment, including changes in interest rates, political events, natural disasters, and acts of war or terrorism. Further, factors relevant to specific securities may have negative effects on their value, such as competition or government regulation. Also, the factors for which the company was selected for inclusion in a client portfolio may change, for example, due to changes in management, new product introductions, or lawsuits.

Item 9 Disciplinary Information

AMMC is not currently, nor has it been in the past, involved in any disclosable legal or disciplinary events.

In 1996, without his knowledge, Mr. Aycock was charged with a misdemeanor. Two years later, when he learned of the charge, he immediately made restitution and the charge was dismissed. He believed that because of the dismissal, the charge was not a reportable event on his application for registration as a registered representative. The misdemeanor charge has since been expunged. In 2017, after being registered for almost two decades, in connection with an application for registration submitted to the Florida Office of Financial Regulation, he learned that the charge did require disclosure. Without admitting or denying the finding, he consented to the entry of an order for making a material misstatement on the application for registration and the denial of his application. The agreement and a subsequent amended order allowed Mr. Aycock to correct the Form U4 and reapply for registration in December 2017. Mr. Aycock's subsequent registration application as an associated person of a broker-dealer was approved by Florida in January 2018.

Item 10 Other Financial Industry Activities and Affiliations

Neither AMMC nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither AMMC nor any of its management 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.

AMMC does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund" and offshore fund), other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

Steven D. Aycock, President, is also licensed and registered as an insurance agent to sell life, accident and other lines of insurance for various insurance companies. Therefore, he will be able to purchase insurance products for any client in need of such services and will receive separate, yet typical compensation in the form of commissions for the purchase of insurance products. This creates a conflict of interest because of the receipt of additional compensation by Mr. Aycock. Clients always have the right to decide whether to act on the insurance recommendation by Mr. Aycock, and if they choose to accept the recommendation, they can choose where to purchase those products. However, in instances where they utilize the services of Mr. Aycock, there is no advisory fee associated with these insurance products, and clients will be made aware of all commissions associated with the products prior to the transactions. Further, AMMC and Mr. Aycock are fiduciaries by law and required to only provide recommendations that are in the best interest of clients.

AMMC recommends or selects other investment advisors for clients. For more details, see the response to Item 4 above.

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

AMMC is registered with the SEC and maintains a Code of Ethics pursuant to SEC rule 204A-1. AMMC has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of AMMC deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of AMMC are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. AMMC collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. AMMC will provide a copy of the Code of Ethics to any client or prospective client upon request.

AMMC and/or its investment advisory representatives may from time to time purchase or sell products that they may recommend to clients. AMMC and/or its investment advisory representatives have a fiduciary duty to act in the client's best interests. The trading of AMMC and its investment advisor representatives will not be permitted to front run or disadvantage the trading of client accounts.

AMMC requires that its investment advisory representatives follow its basic policies and ethical standards as set forth in its Code of Ethics.

Item 12 Brokerage Practices

AMMC may suggest brokers or dealers to be used based on execution and custodial services offered, cost, quality of service and industry reputation. AMMC will consider factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client in making its suggestion.

AMMC participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.)

AMMC may receive proprietary research services or other products as a result of recommending a particular broker which may result in the client paying higher commissions than those obtainable through other brokers. If AMMC does receive such products or services, it will follow procedures which ensure compliance with Section 28(e) of the Securities Exchange Act of 1934 or applicable state securities rules.

The firm seeks to obtain the most favorable net results for clients' price, execution quality, services and commissions. Although the firm seeks competitive commission rates, it may pay commissions on behalf of clients which may be higher than those available from other brokers in order to receive other services. The firm may enter into such transactions so long as it determines in good faith

that the amount of commission paid was reasonable in relation to the value of the brokerage and research services provided by the broker. The services that may be considered in this determination of reasonableness may include (1) advice, either directly or through publications or writing, as to the value of securities, the advisability of investing in, purchasing or selling securities, and the availability of securities or purchasers or sellers of securities; (2) analysis and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts; or (3) effecting securities transactions and performing functions incidental thereto. Such research furnished by broker-dealers may be used to service any or all of AMMC's clients and may be used in connection with accounts other than those that pay commissions to the broker-dealers providing the research. In particular, third-party research provided by broker-dealers may be used to benefit all of the firm's clients. This creates a conflict of interest in that the firm has an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on the clients' interest in receiving most favorable execution.

Such research and other services provided by the custodian may be used as soft dollars provided that:

- The service is primarily for the benefit of AMMC's clients
- The commission rates are competitive with rates charged by comparable broker-dealers; and
- AMMC does not guarantee a minimum amount of commissions to any broker-dealer.

AMMC does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

AMMC recommends that all retail clients use a particular broker-dealer for execution and/or custodial services. The broker-dealer is recommended based on criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and the Advisor, and convenience of access to the account trading and reporting. The client will provide authority to AMMC to direct all transactions through that broker-dealer in the investment advisory agreement.

As an investment advisory firm, AMMC has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. AMMC's primary objectives when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. AMMC may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the broker.

AMMC will allow clients to direct brokerage at the firm's sole discretion. Clients should be aware that if they direct AMMC to a particular broker-dealer for execution AMMC may be unable to

achieve most favorable execution of client transactions. Directing brokerage may cost clients more money than if AMMC were to execute transactions at the broker-dealer where it has an established relationship. The client may pay higher brokerage commissions because AMMC may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

AMMC may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of AMMC's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. AMMC may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

Item 13 Review of Accounts

The firm reviews client accounts on a quarterly basis, or when conditions would warrant a review based on market conditions or changes in client circumstances. Financial Plans, once prepared and delivered to the client are not reviewed again unless the client requests a financial plan be updated, or the client engages AMMC for ongoing financial planning and consulting services. Client accounts are reviewed by Steven D. Aycock, President. Triggering factors may include AMMC becoming aware of a change in client's investment objective, a change in market conditions, change of employment, or a change in recommended asset allocation weightings in the account that exceed a predefined guideline. The nature of the review is to determine if the client account is still in line with the client's state objectives.

The client is encouraged to notify the Advisor and Investment Advisor Representative if changes occur in his/her personal financial situation that might materially affect his/her investment plan.

The client will receive written statements no less than quarterly from the custodian. In addition, the client will receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, insurance companies, broker-dealers and others who are involved with client accounts. AMMC does not deliver separate client reports.

Item 14 Client Referrals and Other Compensation

As disclosed under Item 12 above, AMMC participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

Advisor also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include subscriptions to Advyzon and eMoney for portfolio management services, and Morningstar Workstation for investment portfolio research with a total value of \$12,000. TD Ameritrade provides the Additional Services to Advisor in its sole discretion and at its own expense, and Advisor does not pay any fees to TD Ameritrade for the Additional Services. Advisor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Advisor's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Advisor, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Advisor's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with Advisor, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, Advisor may have an incentive to recommend to its Clients that the assets under management by Advisor be held in custody with

TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. Advisor's receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including to seek best execution of trades for Client accounts.

AMMC does not directly or indirectly compensate any person who is not a supervised person for client referrals.

Item 15 Custody

AMMC does not have custody of client funds or securities, except for the withdrawal of advisory fees directly from client accounts (please see Item 5 which describes the safeguards around direct fee deduction). However, as noted in Item 13 above, clients will receive statements not less than quarterly from the qualified custodian, and we encourage you to review those statements carefully. Any discrepancies should be immediately brought to the firm's attention.

Item 16 Investment Discretion

AMMC generally has discretion over the selection and amount of securities to be bought or sold in client accounts and the broker or dealer to be used for those transactions without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales are subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by AMMC.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by AMMC will be in accordance with each client's investment objectives and goals.

Item 17 Voting Client Securities

AMMC will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, AMMC cannot give any advice or take any action with respect to the voting of these proxies. The client and AMMC agree to this by contract. Clients will receive proxy solicitations from their custodian and/or transfer agent.

Item 18 Financial Information

AMMC does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance, and is not required to file a balance sheet.

AMMC has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If AMMC does become aware of any such financial condition, this brochure will be updated and clients will be notified.

AMMC has never been subject to a bankruptcy petition.