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## Form ADV Part 2A Brochure

March 22, 2023

**This Brochure provides information about the qualifications and business practices of Absher Wealth Management, LLC. You should review this brochure to understand your relationship with our firm and help you determine to hire or retain us as your investment adviser. If you have any questions about the contents of this brochure, please contact us at (919) 283-2340. The information in this Brochure has not been approved or verified by the United States of America Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about Absher Wealth Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by our firm name or by using a unique identifying number, known as a CRD number. The CRD number for Absher Wealth Management is 304642.**

**Absher Wealth Management is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.**

## **Item 2 – Material Changes**

This section of the brochure discusses specific material changes that have been made to the brochure since the firm's last annual update in March 2022. There have been no material changes made to the brochure since our last annual update.

We encourage you to carefully review this Brochure prior to entering into an investment advisory contract with our firm. You may receive an updated copy of this brochure at any time by contacting us at (919) 283-2340.

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## **Item 4 – Advisory Business**

### **About Our Firm**

Absher Wealth Management, LLC (“Absher Wealth Management”) is a fee-only registered investment adviser that provides investment management and financial advisory services to individual investors to help them achieve their financial needs and goals. Founded in 2019, the firm is owned by Mike Absher.

Our firm takes pride in providing personalized service to our clients and acknowledges that it is held to a fiduciary standard of care.

### **Types of Advisory Services We Offer**

Absher Wealth Management offers portfolio management and wealth management services, as well as financial planning and consulting, to individuals, high net worth individuals, trusts, businesses and corporations. We work with our clients to determine their investment objectives and risk profile and develop a customized investment plan based on their individual needs and goals. Absher Wealth Management will utilize the financial information provided by the client to analyze and develop strategies and solutions to assist the client in meeting their financial goals.

Prior to Absher Wealth Management rendering any of the foregoing services, clients are required to enter into one or more written advisory agreements with Absher Wealth Management setting forth the relevant terms and conditions of the advisory relationship.

### **Portfolio and Wealth Management Services**

Absher Wealth Management manages our clients’ portfolios on a discretionary and, in limited circumstances, non-discretionary basis. Our portfolio and wealth management services are tailored to the needs of our clients and are based on a comprehensive understanding of each client’s current situation, past experiences, and future goals. With this acquired knowledge we create, analyze, strategize, and implement goal-oriented investment solutions. These solutions become our clients’ investment policy. This policy and our matched strategies are designed to be risk appropriate, cost effective and tax efficient.

Our wealth management services generally include a broad range of comprehensive financial planning and/or consulting services, as well as discretionary or, in limited circumstances, non-discretionary management of investment portfolios.

Client assets are generally allocated among individual equity and debt securities in accordance with the client's stated investment objective and risk/volatility parameters. Where appropriate, Absher Wealth Management may also provide advice about many types of legacy positions or other investments held in client portfolios. Clients may also engage Absher Wealth Management to manage and/or advise on certain investment products that are not maintained at their primary

custodian, such as variable life insurance and annuity contracts (to the extent permissible without an insurance license) and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Absher Wealth Management will direct or make recommendations on a non-discretionary basis for the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or custodian for the plan trustee or administrator and clients retain responsibility for effecting trades in these accounts.

Clients may also retain Absher Wealth Management to provide advisory services for their retirement plan account. When providing these services, the firm acts as an ERISA 3(21) fiduciary and is required to act under the standard of care in ERISA that is generally a higher standard than imposed on our firm under the Investment Advisers Act of 1940. Advisory services available to plan participants include:

- Non-discretionary investment advice
- Asset allocation models
- Strategic investment allocations
- Investment performance reporting

Absher Wealth Management consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. You should promptly notify us if there are changes in your financial situation or if you wish to place any limitations on the management of your account. You may impose reasonable restrictions or mandates on the management of your account if Absher Wealth Management determines, in our sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the firm's management efforts.

### **Financial Planning and Consulting Services**

Absher Wealth Management offers different levels of financial planning and consulting services to help our clients identify, prioritize and work towards their goals and objectives. Our consulting services give our clients the ability to receive a broad range of financial advice and services, including specific security recommendations, for the duration of the advisory agreement.

Our process starts with an extensive review of a client's family situation, which includes assets and liabilities as well as estate, tax, and insurance needs. We then employ a risk tolerance and risk capacity-focused simulation to get a detailed cash flow analysis and proposed asset allocation. Together, this information is analyzed to develop a proposed financial plan, which is designed to be dynamic in nature, ever-evolving due to life changes, along with changes in cash flow needs, risk tolerance, time horizon, or investment objectives.

Absher Wealth Management's financial planning and consulting services may include any or all of the following topics:

- Cash Flow Analysis: Planning around one-time expenses, as well as ongoing distribution needs and savings goals.
- Financial Record Organizing: Guidance with organizing important financial records so you know what to keep.
- Estate Planning: Analyzing and suggesting wealth transfer strategies to meet your objectives, as well as reviewing beneficiary designations and proper account titling.
- Charitable Giving: Discussing your desired social impact, exploring tax-appropriate vehicles to accomplish your philanthropic objectives, and determining which assets to use for giving.
- Education Planning: Reviewing 529 plans and general assistance in preparing to meet dependents' continuing educational needs.
- Business Planning: Advice on how to structure an entity, reviewing cash flow expectations, strategies for using debt effectively, succession and transition planning, and assistance with office space decisions.
- Concentrated Stock: Managing the risk of owning highly appreciated investments, as well as decisions concerning equity compensation offered through an employer.
- Federal Benefits & Health Care: Optimization of Social Security, Medicare and other Federal Benefits, as well as navigating health care decisions before Medicare.
- Death & Disability: Evaluating cash needs at death, income needs of surviving dependents, and disability income.
- Divorce Planning: Assisting with financial issues and decisions that couples face when going through a divorce.
- Liability Management: Guidance on using debt productively and paying off strategically.
- Investment Consulting: Analyzing investment allocations, possible alternatives to consider, and their effect on your portfolio.
- Tax Planning: Reviewing tax returns and proposing options for reducing tax liability.
- Insurance Review: Analyzing current insurance coverage and, where appropriate, recommending strategies to mitigate risks.
- Family Governance: Coordinating family meetings, formulating mission statements, helping identify the purpose for the wealth, and reviewing how future generations might preserve and continue the legacy.
- Retirement Plan Consulting and Employee Benefits Analysis

While each of these services is available on a stand-alone basis, certain of them may also be rendered in conjunction with investment portfolio management services, as part of a comprehensive wealth management engagement. In performing these services, Absher Wealth Management is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.), and is expressly authorized to rely on such information. Absher Wealth Management may recommend clients engage the firm for additional related services, or we may recommend other professionals to implement our recommendations. These additional services by Absher Wealth Management or another professional are provided at an additional cost to you, which is based on the nature, extent, complexity, and other characteristics of the services. This

creates a conflict of interest because the firm will have an incentive to recommend additional services based on the compensation to be received, rather than solely based on your needs, and in some cases, based on the prospect of cross-referrals of advisory clients from the other professional or his or her firm. Implementation of financial planning recommendations is entirely at your discretion. You have complete freedom in selecting a financial adviser to assist you with implementing the recommendations made in your financial plan and are under no obligation to act on the advice of Absher Wealth Management. Financial planning recommendations are of a generic nature and are not limited to any specific product or service offered by a broker dealer or insurance company. Should you choose to implement the recommendations contained in the plan, Absher Wealth Management suggests you work closely with your attorney, accountant and/or insurance agent.

Absher Wealth Management will act solely in its capacity as a registered investment adviser and does not provide any legal, accounting or tax advice. You should seek the counsel of a qualified accountant and/or attorney when necessary. As part of our advisory services, we may assist clients with tax harvesting and will work with the client's tax specialist to answer any questions related to the client's portfolio.

### **Portfolio Management Services for Wrap Fee Program**

Absher Wealth Management offers portfolio management services through the Absher Portfolio Management program. A bundled or "wrap fee" program is an advisory fee program under which you pay one bundled fee to compensate Absher Wealth Management for portfolio management and trade execution. A wrap fee program may not be the lowest cost option if you would like to restrict your investments to open-end mutual funds or other long-term investment products.

### **Amount of Assets We Manage**

As of December 2022, Absher Wealth Management managed approximately \$697,654,171 on a discretionary basis and \$52,959,591 on a non-discretionary basis. Discretionary assets under management are those for which we have an ongoing responsibility to select and make securities recommendations that are in line with your financial needs and objectives and then effect those securities transactions without first consulting you. Non-discretionary assets under management are those for which we have an ongoing responsibility to select and make securities recommendations that are in line with your financial needs and objectives and then effect those securities transactions only after consulting with you to inform you of the transaction(s) and obtaining your approval to move forward.

## Item 5 – Fees and Compensation

### How We Are Compensated for Our Advisory Services

Absher Wealth Management offers its advisory services on a fee-only basis. Our fees vary among the different types of advisory services we offer and may be negotiated at our sole discretion. The specific fees and manner in which fees are charged and calculated are described in your investment advisory agreement. You should carefully review the investment advisory agreement prior to signing it.

Fees for our advisory services may be higher or lower than fees charged by other advisers who offer similar services. You may be charged different fees than similarly situated clients for the same services. You should carefully review this brochure to understand the fees and other sources of compensation that exist among our services prior to entering into an investment advisory contract with our firm.

### Portfolio and Wealth Management Services

Absher Wealth Management offers investment and wealth management services for an annual fee based on the amount of assets under the firm's management. Fees are generally billed in advance each calendar quarter based on the market value of the assets under management/advisement on the last day of the previous calendar quarter. For investment and wealth management services Absher Wealth Management provides with respect to certain client holdings (e.g., held-away assets, 529 plans, etc.), we may negotiate a fee rate that differs from our standard fee schedule.

Our graduated fee schedule is as follows:

Assets Under Management	Annual Advisory Fee
\$0 to \$1,000,000	1.10%
\$1,000,001 to \$2,000,000	1.00%
\$2,000,001 to \$3,000,000	0.90%
\$3,000,001 to \$5,000,000	0.85%
\$5,000,001 to \$10,000,000	0.80%
More than \$10,000,001	0.75%

This fee schedule may be based on cumulative household assets under management. However, certain ERISA rules prevent householding corporate plans with personal assets for fee reductions. You should refer to your advisory agreement for your specific fee rate(s).

### Financial Planning and Consulting Services

Fees for financial planning and/or consulting services can be billed on an hourly rate, fixed rate, or project basis in advance on a monthly or quarterly basis. There is no minimum fee required for financial planning or consulting services; however financial planning and consulting fees shall



generally not exceed \$20,000. Fees are due and payable as incurred. Absher Wealth Management may agree with clients to charge fixed fees for consulting services.

Factors we consider when determining our financial planning and consulting fees include, but are not limited to:

- The amount of time we expect to spend completing the financial planning or consulting services and providing related advice;
- The complexity of your goals, issues and/or needs;
- The extensiveness and complexity of the data needed regarding your personal financial information;
- Your net worth or the value of your investment accounts and/or other assets that are the subject of the financial planning or consulting services; and/or
- Special circumstances related to life changes, marital status, health or special income needs, or growth or decline of a personal business.

Absher Wealth Management may request a retainer to initiate financial planning and consulting services. However, we will not request the prepayment of fees more than \$1,200 in advisory fees more than six months in advance.

You may engage Absher Wealth Management for additional investment management services to assist with implementing one or more financial planning recommendations. You will incur additional fees if you retain our firm for such services. You have complete freedom in selecting an investment adviser to assist you in implementing any recommendations by Absher Wealth Management and are under no obligation to act upon the advice we provide.

For consulting services, the investment advisory agreement between Absher Wealth Management and the client will continue in effect until terminated by either party. For stand-alone financial planning services, the agreement between Absher Wealth Management and the client will terminate upon delivery of the plan or completion of the service.

## **Payment of Fees**

Clients must authorize Absher Wealth Management to instruct the account custodian to directly debit fees from the client's account. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee.

Fees for our advisory services generally require you to pay investment advisory fees in advance of receiving services. Upon termination of your advisory agreement with our firm, we will promptly refund any prepaid, unearned fees.

- For investment and wealth management services, refunds are calculated by taking the total advisory fee billed for the calendar quarter, dividing that amount by the number of days in

the calendar quarter and multiplying that amount by the number of days services were not provided during the calendar quarter.

- For financial planning and consulting services, refunds are calculated based on the value of the services that were completed prior to termination of the advisory agreement.

### **Other Types of Fees and Expenses You May Incur**

Absher Wealth Management's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investments and other third parties, such as custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Decisions to reallocate your account assets may result in you incurring a redemption fee imposed by one or more mutual funds held in your account. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Absher Wealth Management's fee. Absher Wealth Management shall not receive any portion of these commissions, fees, and costs, including any distribution or "12b-1" fees paid by the mutual funds in which your account assets are invested.

### **Other Types of Compensation We Receive**

Absher Wealth Management has contracted with Trade-PMR, Inc. ("Trade-PMR") for brokerage services, including trade processing, collection of management fees, marketing assistance and research. Item 12 – Brokerage Practices further describes the factors that Absher Wealth Management considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Absher Wealth Management does not charge any performance-based fees or participate in side-by-side management.

## **Item 7 – Types of Clients**

Absher Wealth Management offers investment advisory services to a wide variety of clients, including individuals, high net worth individuals and families, pension, profit-sharing and other employer sponsored plans, trusts, estates, family entities, charitable institutions, foundations, corporations, and other business entities.

Absher Wealth Management generally requires a minimum initial investment of \$500,000 for the Absher Portfolio Management (APM) program. The firm, in its sole discretion, may accept clients with smaller portfolios based upon each client's particular circumstances.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis and Investment Strategies**

Absher Wealth Management carefully constructs a tax-efficient and cost-effective asset allocation strategy based on a client's unique cash flow needs, stated return and risk profile. Security selection is based on qualitative, quantitative, technical, and relative strength metrics. Portfolios holdings are constantly monitored and adjusted as market conditions and our clients' circumstances dictate. Clients may hold or retain other types of assets as well, and Absher Wealth Management may offer advice regarding those various assets as part of our services. Advice regarding such assets generally will not involve portfolio management services.

Our core belief is that wealth is created over time by investing in high-quality businesses and participating in the long-term growth of those businesses. We employ a value methodology that focuses on a company's history of producing predictable free cash flow, high profit margins or market share compared to their competitors, a conservative balance sheet compared to their peers and a history of increasing dividends over time. Client assets are primarily allocated among stocks and bonds, however individual client circumstances may dictate the use of other types of securities, including but not limited to master limited partnership units, exchange-traded funds, mutual funds and cash alternatives.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. All investments present the risk of loss of principal – the risk that the value of securities (e.g., stocks, bonds, ADRs, etc.), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment. There is no guarantee that investment recommendations made by Absher Wealth Management will be accurate. We cannot assure that your account will increase, preserve capital or generate income, nor can we assure that your investment objectives will be realized. Although all investments involve risk, our investment advice seeks to limit risk through diversification among various asset classes.

Described below are the material risks associated with investing in the types of securities we generally use in client accounts:

## **Equity Securities**

In general, prices of equity securities (common, convertible preferred stocks and other securities whose values are tied to the price of stocks, such as rights, warrants and convertible debt securities) are more volatile than those of fixed-income securities. The prices of equity securities could decline in value if the issuer's financial condition declines or in response to overall market and economic conditions. Investments in smaller companies and mid-size companies may involve greater risk and price volatility than investments in larger, more mature companies.

## **Fixed-Income Securities**

The return and principal value of bonds fluctuate with changes in market conditions. Fixed-income securities are subject to interest rate risk and credit quality risk. The market value of fixed-income securities generally declines when interest rates rise, and an issuer of fixed-income securities could default on its payment obligations. Changes in interest rates generally have a greater effect on bonds with longer maturities than on those with shorter maturities. If bonds are not held to maturity, they may be worth more or less than their original value. Credit risk refers to the possibility that the issuer of a bond will not be able to make principal and/or interest payments. High yield bonds, also known as "junk bonds," carry higher risk of loss of principal and income than higher rated investment grade bonds.

## **International Investing**

The risks of investing in foreign securities include loss of value as a result of political or economic instability; nationalization, expropriation or confiscatory taxation; changes in foreign exchange rates and foreign exchange restrictions; settlement delays; and limited government regulation (including less stringent reporting, accounting, and disclosure standards than are required of U.S. companies). These risks may be greater with investments in emerging markets. Certain investments utilized by Absher Wealth Management may also contain international securities.

## **Cash and Cash Equivalents**

A portion of your assets may be invested in cash or cash equivalents to achieve your investment objective, provide ongoing distributions and/or take a defensive position. Cash holdings may result in a loss of market exposure.

## **Item 9 – Disciplinary Information**

As a registered investment adviser, Absher Wealth Management is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm or the integrity of our management. Absher Wealth Management has no disciplinary information to report.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Absher Wealth Management has no other financial industry activities or affiliations.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

### **Our Code of Ethics**

Absher Wealth Management is committed to providing investment advice with the utmost professionalism and integrity. Our firm strives to identify manage and/or mitigate conflicts of interest and has adopted policies, procedures and oversight mechanisms to address conflicts of interest. We have adopted a Code of Ethics that emphasizes our fiduciary obligation to put client interests first and is designed to ensure personal securities transactions, activities, and interests of employees will not interfere with the responsibilities to make decisions in the best interest of clients. All supervised persons of our firm must acknowledge and comply with our Code of Ethics.

You may request a copy of our Code of Ethics by contacting us at (919) 283-2340.

### **Participation in Client Transactions**

Absher Wealth Management does not affect principal or agency cross securities transactions for client accounts. Absher Wealth Management also does not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells a security to an advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

### **Employee Personal Trading**

Supervised persons of Absher Wealth Management may purchase or sell the same security that we recommend for investment in client accounts. This creates a conflict of interest as there is a possibility that employees of our firm might benefit from market activity by a client in a security held by the employee. Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Absher Wealth Management will not interfere with making decisions in the best interest of advisory clients and implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Absher Wealth Management's clients. Our Code of Ethics also places restrictions on our employees' personal

trading activities. These restrictions include, but are not limited to, a prohibition on trading based on non-public information and pre-clearance requirements for certain types of transactions. Employee trading is continually monitored under the Code of Ethics in an effort to prevent conflicts of interest between Absher Wealth Management and our clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Absher Wealth Management's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Absher Wealth Management will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

## **Item 12 – Brokerage Practices**

### **Selection and Recommendation of Broker-Dealers**

Though Absher Wealth Management recommends brokers with which we've negotiated pricing on behalf of our clients, we do not have discretionary authority to select brokers. We endeavor to recommend broker-dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's ability to provide professional services, competitive commission rates, research and other services that will help our firm provide investment management services to clients. Absher Wealth Management may recommend brokers who provide useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance.

We have negotiated competitive pricing and services with Trade-PMR for brokerage back-office and trade execution services and First Clearing for clearing and custodial services. First Clearing is a trade name used by Wells Fargo Clearing Services, LLC., a non-bank affiliate of Wells Fargo & Company. Trade-PMR and First Clearing are members of SIPC and are unaffiliated registered broker-dealers and FINRA members. The brokerage commissions and/or transaction fees charged by Trade-PMR or any other designated broker-dealer are exclusive of and in addition to Absher Wealth Management's advisory fee. Absher Wealth Management regularly reviews the reasonableness of the compensation received by the broker-dealers used for executing client transactions in an effort to ensure that our clients receive favorable execution consistent with our fiduciary duty. Factors which Absher Wealth Management considers in recommending Trade-PMR and First Clearing or any other broker-dealer to clients include, but is not limited to, their respective financial strength, reputation, execution, pricing, research, and service. The commissions and/or transaction fees charged by these brokers may be higher or lower than those charged by other broker-dealers.

In addition, Trade-PMR provides Absher Wealth Management with access to its institutional trading and custody services, which are typically not available to retail investors. These brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Other benefits we may receive include receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its participants; access to block trading which provides the ability to aggregate securities transactions and then allocates the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. Trade-PMR also provided Absher Wealth Management with nominal funding to assist with startup expenses establishing the business entity.

The commissions paid by Absher Wealth Management's clients are intended to be consistent with our duty to obtain "best execution." However, a client may pay a commission that is higher than what another qualified broker-dealer might charge to affect the same transaction when Absher Wealth Management determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while Absher Wealth Management will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

### **Research and Other Soft Dollar Benefits**

Absher Wealth Management does not participate in soft-dollar relationships.

### **Brokerage for Client Referrals**

When selecting broker-dealers for the execution of client securities transactions, Absher Wealth Management does not consider whether we will receive any client referrals from the broker-dealer or any other third-party.

### **Directed Brokerage**

As Absher Wealth Management will not request the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct Absher Wealth Management as to the broker-dealer to be used. The commissions and transaction fees charged by these broker-dealers could be higher or lower than those charged by other custodians and broker-dealers. In directing the use of a particular broker-dealer, it should be understood that Absher Wealth Management will not have authority to negotiate commissions among various broker-dealers or obtain volume discounts. As such, best execution may not be achieved. Not all investment advisers require clients to direct the use of specific broker-dealers



## **Aggregation of Orders**

Absher Wealth Management will generally block trades where possible and when advantageous to clients. Certain trades will be effected independently. The blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts where transaction costs are shared equally and on a pro-rated basis between all accounts included in the block. Block trading allows us to execute equity or fixed income trades in a timely, equitable manner and to reduce overall commission charges to clients. Clients who do not provide Absher Wealth Management with discretion will not participate in block trades, and their trades in similar securities will be placed with brokers after trades for discretionary accounts. Accounts owned by supervised persons of our firm may participate in block trading with your accounts; however, these individuals will not be given preferential treatment of any kind.

## **Item 13 – Review of Accounts**

Accounts at Absher Wealth Management are reviewed on a periodic basis. This informal review includes assessing client goals and objectives, monitoring the account and addressing the need to rebalance, as necessary. Individual securities held in client accounts are periodically monitored by Absher Wealth Management. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes to a client's individual circumstances, market conditions, or the political or economic environment.

Absher Wealth Management may also review tax-planning needs, cash-flow needs, as well as charitable giving, insurance, and estate planning as part of our ongoing client reviews. Reviews are tailored to the services we provide to you, as well as your individual needs and goals. We encourage you to discuss your needs, goals, and objectives with us and keep us informed of any changes. If you engage our firm for ongoing investment advisory services, we will contact you at least annually to determine whether there have been any changes to your financial situation or investment objectives and whether you wish to impose any reasonable restrictions on the management of your account or reasonably modify any existing restrictions. At this time, we will advise you of any account changes we feel are necessary to help you stay on track with meeting your financial goals and consider whether the current services provided by our firm continue to be suitable for your needs.

In addition to the account statements you receive for your account custodian at least quarterly, Absher Wealth Management may also provide you with written quarterly performance reports for your account that provide details on account holdings and performance. As a convenience to our clients, in addition to reporting on clients' financial assets, at a client's request we may prepare a global consolidated report that also includes certain non-financial assets (e.g., real assets). In such instances, Absher Wealth Management relies on the client to provide current and accurate price or other valuation information for those assets to be included in the client's consolidated account report. In no instance are non-financial assets included in performance reporting. Absher Wealth Management does not independently verify, and expressly disclaims responsibility for, the accuracy of any non-financial asset values clients provided to us to include in their reporting.



## **Item 14 – Client Referrals and Other Compensation**

### **Other Compensation Arrangements**

Absher Wealth Management receives compensation from Trade-PMR, Inc., the broker-dealer used for your account, and your account custodian in the form of access to electronic systems that assist us in the management of client accounts, as well as research, software and other technology that provide access to client account data (such as trade confirmations and account statements), pricing information and other market data, facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), and client reporting capabilities. Trade-PMR provided our firm with nominal funding to assist with startup expenses establishing our business entity. Your account custodian also offers Absher Wealth Management discounts for products and services offered by vendors and third-party service providers, such as software and technology solutions. These economic benefits create a conflict of interest in that it gives our firm an incentive to recommend one broker-dealer or custodian over another that does not provide similar electronic systems, support or services. We address this conflict of interest by disclosing to our clients the types of compensation that our firm receives so clients can consider this when evaluating our firm. It is important that you consider the fees, level of service and investment strategies, among other factors, when selecting an investment manager.

### **Client Referrals**

Absher Wealth Management does not pay any referral fees to other individuals for referring clients to our firm.

## **Item 15 – Custody**

When you establish a relationship with our firm for investment management services, your assets will be maintained by a bank, broker-dealer, mutual fund transfer agent or other such institution deemed a 'qualified custodian' by the SEC. We rely on the custodian to price and value assets, execute and clear transactions, maintain custody of assets in your account and perform other custodial functions. Absher Wealth Management does not maintain physical possession of any client account assets. Clients' assets must be held by a bank, broker dealer, mutual fund transfer agent or other such institution deemed a qualified custodian. We utilize First Clearing as the qualified custodian for client accounts.

Nevertheless, Absher Wealth Management is deemed to have custody, pursuant to Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended, due to its authority over certain accounts to distribute assets subject to a third-party standing letter of authorization. The firm relies on the seven requirements outlined in the SEC's No-Action Letter to the Investment Advisers Association, dated February 21, 2017, which provides relief from an annual surprise custody examination by an independent public accountant.

You will receive monthly and/or quarterly account statements directly from the qualified custodian. Absher Wealth Management may also provide you with written quarterly performance reports for your account. We urge you to carefully review your account statements and compare the account balances with the balances reflected on any performance report you may receive from our firm for accuracy. Balances on our reports may vary slightly from custodial statements due to differences in accounting procedures, reporting dates, valuation methodologies of certain securities or other operational factors. You should promptly notify us if you do not receive account statements from your custodian at least quarterly or if you believe the information on your account statements is inaccurate.

## **Item 16 – Investment Discretion**

Absher Wealth Management typically has investment discretion over clients' securities accounts. Investment discretion is the authority to determine the securities or other assets to purchase or sell on behalf of an account. Investment discretion may also include the authority to select or terminate an Independent Manager. This authority is exercised in a manner consistent with your stated investment objective for the particular account. You must provide written authorization to our firm before we can assume discretionary authority over your account. Any investment guidelines or restrictions you would like to place on your account must be provided to Absher Wealth Management in writing.

## **Item 17 – Voting Client Securities**

As a general policy, Absher Wealth Management will retain proxy voting authority for clients that have given us the authority to do so. In such cases, we will follow the proxy voting guidelines outlined in our Proxy Voting Policies and Procedures. You may obtain a copy of our Proxy Voting Policies and Procedures and/or a record of ballots voted upon by contacting us at (919) 283-2340.

## **Item 18 – Financial Information**

As a registered investment adviser, Absher Wealth Management is required to provide you with certain financial information about our firm.

### **Prepayment of Fees**

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

### **Our Financial Condition**

We do not have any financial commitment that is reasonably likely to impair our contractual commitments to our clients, nor has our firm ever been the subject of a bankruptcy proceeding.