

# Family Asset Management

997 Morrison Drive, Suite 401  
Charleston, South Carolina 29401  
Telephone: 843-723-2994

Website: <http://familyasset.us>  
Email: [andrew@familyasset.us](mailto:andrew@familyasset.us)

## **Part 2A of Form ADV: *Firm Brochure***

April 27, 2022

This brochure provides information about the qualifications and business practices of Family Asset Management, LLC. Family Asset Management, LLC (“FAM” or “Advisor”) is a Registered Investment Advisor. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

If you have any questions about the contents of this brochure, please contact Andrew Barrett at 843-723-2994 or [andrew@familyasset.us](mailto:andrew@familyasset.us). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about FAM is available on the SEC’s website at [www.Advisorinfo.sec.gov](http://www.Advisorinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm’s CRD number is 129738.

## Item 2 Material Changes

This Firm Brochure, dated April 27, 2022, is an amendment to our Annual Amendment disclosure document prepared according to the Securities and Exchange Commission's requirements and rules, filed on March 30, 2022.

This item of the Brochure discusses only the material changes that have occurred since FAM's annual update, dated March 31, 2021. Since the last annual amendment, the following material changes were made:

- Updated email addresses to current contact information for the Firm throughout this Brochure.
- Item 4 – Updated FAM's Assets Under Management as of December 31, 2021.
- Item 4 – Updated Advisor's disclosures regarding rollover recommendations pursuant to United States Department of Labor's adoption of the Prohibited Transaction Exemption 2020-02.
- Item 5 – Updated Advisor's Fee Schedule for its Investment Management Services. Also updated to disclose FAM includes cash balances in its fee calculations.
- Item 7 – Updated the firm's account minimum to \$2,000,000 assets under management.
- Item 8 – Updated disclosures related to risks associated with FAM's methods of analysis and investment strategies. Specifically, disclosures include taxation risks and risks associated with investments in real estate, and REITS.
- Item 10 – Updated to include disclosure of financial tool used to aid Advisor's investment process, offered through 55ip.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we may provide you with other interim disclosures about material changes, as necessary. A copy of FAM's Brochure may be requested by contacting the Chief Compliance Officer, Andrew Barrett, at 843-723-2994 or [andrew@familyasset.us](mailto:andrew@familyasset.us).

### **Item 3 Table of Contents**

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	7
Item 6	Performance-Based Fees and Side-By-Side Management	10
Item 7	Types of Clients	10
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	11
Item 9	Disciplinary Information	18
Item 10	Other Financial Industry Activities and Affiliations	18
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
Item 12	Brokerage Practices	21
Item 13	Review of Accounts	25
Item 14	Client Referrals and Other Compensation	26
Item 15	Custody	26
Item 16	Investment Discretion	27
Item 17	Voting Client Securities	27
Item 18	Financial Information	28

## Item 4 Advisory Business

### 4.A. Advisory Firm Description

Family Asset Management, LLC (“FAM” or “Advisor”) is an SEC registered investment Advisor with its principal place of business in Charleston, South Carolina. FAM began conducting business in 2004.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Andrew Thomas Barrett, Member
- Daniel Terrill Russler, Jr., Member

### 4.B. Types of Advisory Services

FAM provides individual portfolio management services, pension consulting services, and general consulting services. Prior to providing any investment advisory services, and/or consulting services, FAM requires each client to enter into a written Investment Management Agreement (“Advisory Agreement”) that sets forth the terms and conditions under which FAM will render its services. The Advisor works closely with its clients to identify their goals, objectives, risk tolerance and liquidity needs and then constructs a portfolio tailored to the individual client.

#### Investment Management Services

Our firm provides individual portfolio management services, which includes selection of securities and, in certain cases, other Advisors, on a discretionary and non-discretionary basis based on individual client needs. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment policy. We create and manage a portfolio based on that policy. We consider a client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background. Account supervision is guided by the client's stated objectives and risk tolerance questionnaire as well as tax considerations.

Once the client's portfolio has been established, we review the portfolio at least annually, unless a more frequent review is deemed necessary by the Advisor.

Our investment selections and or recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities.
- Securities traded over the counter.

- Corporate debt securities (other than commercial paper).
- Certificates of deposit.
- Municipal securities.
- Mutual Funds.
- Options contracts on securities.
- Investment partnerships; and
- Limited offerings and private placements.

Because some types of investments involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, and tolerance for risk and liquidity.

#### Pension Consulting Services

Our firm also provides pension consulting services on a discretionary and non-discretionary basis to 401K, profit sharing and cash balance plan sponsors to create a menu of mutual funds for selection by retirement plan participants.

We meet with the plan participants at least on an annual basis to assist them in the selection of investments for their portfolio.

#### General Consulting

In addition to the foregoing services, we may provide general consulting services to clients. Our consulting services may include the following:

- Personal Cash Flow Analysis
- Retirement Planning
- Major Purchase decisions
- Debt Analysis

These services are generally provided on a project basis and are specific to the client as and when requested by the client and agreed to by us. The scope and fees for consulting services will be negotiated with each client at the time of engagement for the applicable project.

#### Family Legacy Planning and Development Services

In addition to our investment advisory and wealth management services noted above, FAM also offers family legacy planning and development services.

FAM provides the following legacy planning and development services:

- Strategic Legacy Development/Planning
- Family Visual Consulting

- Family Photography
- Creative design of family books, photography, and legacy projects
- Brand Development/Brand Identity

Retirement Plan Rollovers - No Obligation / Potential for Conflict of Interest

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If FAM recommends that a client roll over their retirement plan assets into an account to be managed by FAM, such a recommendation creates a conflict of interest if FAM will earn an advisory fee on the rolled over assets. **No client is under any obligation to roll over retirement plan assets to an account managed by FAM.**

#### **4.C. Client Investment Objectives/Restrictions**

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Each client is advised that it remains their responsibility to promptly notify FAM if there is ever any change in their financial situation, investment objectives, or if they wish to impose reasonable restrictions. In performing its services, FAM shall not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon.

#### **4.D. Wrap Fee Program**

FAM does not participate in or sponsor a Wrap Fee Program.

#### **4.E. Assets Under Management**

FAM's assets under management as of December 31st, 2021, were approximately \$307,936,673 with approximately \$251,481,800 representing discretionary accounts and approximately \$56,454,873 representing non-discretionary accounts.

A copy of FAM's written Brochure as set forth on Part 2 of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the Investment Advisory Agreement.

## Item 5 Fees and Compensation

### 5.A. Advisory Compensation

FAM's fees are generally described below and are detailed in each client's advisory agreement. Our fee for portfolio management services is based on an annual percentage of the account's assets under management and ranges from 0.50% to 1.00%.

The current fee schedule is detailed below:

*For Pension Consulting Services the fees are as follows:*

- .5% per annum of the plan balances to be received quarterly in arrears.

*For our Investment Management services, and all other managed portfolios including Capital Preservation, Balanced, Growth and non-Investment Grade Fixed Income Portfolios the fees are as follows:*

- 1.00% per annum on the first \$2,000,000 of managed account balances.
- 0.70% per annum on balances \$2,000,001 to \$5,000,000.
- 0.60% per annum on balances \$5,000,001 to \$10,000,000.
- 0.50% per annum on balances over \$10,000,000

Accounts with a balance in excess of \$20,000,000 will be charged a flat fee of .5% per annum.

Fees are automatically deducted from client accounts as permitted by the investment management agreement. Clients of the firm whose accounts were established prior to September 2010, are billed quarterly in arrears. Clients whose accounts were established after September 2010, are billed quarterly in advance.

FAM requires an account minimum of **\$2,000,000** of assets under management. This minimum amount may be negotiable under certain circumstances. FAM may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

#### *Family Legacy Planning and Development Services*

For client who has engaged FAM for our Investment Management services, the legacy planning and development services as noted above may be included, and FAM may charge a separate fee for these services to those clients.

For clients who have not engaged FAM for Investment Management services and who are only interested in the family legacy planning and development services listed above, FAM will charge a fixed fee on a quarterly basis. The fixed quarterly fee will be

negotiated with each client at the time of engagement. Fees will generally range between \$2,000 and \$10,000 per quarter depending on the scope and complexity of services involved or that are requested by the client. These fees are determined on a case-by-case basis and are specific to the client's needs/requests.

### ***Limited Negotiability of Advisory Fees***

Although FAM retains the discretion to negotiate alternative fees on a client-by-client basis. A client's facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the Advisor and each client.

### ***Termination of the Advisory Relationship***

A client agreement may be canceled within 5 days of the signing of the agreement with written notice, without penalty. Thereafter, a client may cancel their agreement with Advisor according to the terms of the advisory agreement or as otherwise agreed upon by the parties. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

### ***Mutual Fund Fees***

All fees paid to FAM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. FAM generally invests in institutional shares of mutual funds which typically charge lower fees than shares offered to retail customers. A client may invest in the same or similar mutual fund(s) directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

### ***Private Investment Funds and Fees***

As appropriate and when consistent with a client's investment objective(s) and risk tolerance, FAM may recommend investments in private funds ("Funds") to its clients. Clients must meet certain eligibility requirements to invest in these products and must

complete subscription documents required by the investments. These documents must be reviewed carefully to determine what fees and expenses are applicable. A FAM advisor will explain in detail any fees associated with the investment.

There will be advisory or management fees, profit participations and other additional expenses charged to clients who invest in the Funds. These fees and expenses will be separate from and in addition to the advisory fee charged by FAM. For monitoring the client's investment in the private fund(s), FAM will receive its annual fee, calculated as a percentage of assets under management, as disclosed in this Item 5.

It should be noted that investing in a private fund upon FAM's recommendation will cost clients more than investing in the private fund independently of their advisory relationship with FAM. FAM will not share in any performance fee arrangements applicable to a private fund.

### ***ERISA Accounts***

FAM is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, FAM may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees.

### ***Advisory Fees in General***

Clients should note that similar advisory services may be available from other investment Advisors for similar or lower fees.

### ***Cash Balances***

FAM considers cash to be an asset class, and include cash balances in our fee calculation. There are some cases, where FAM may not bill on a client's cash reserves, for example, where a client has designated significant percentage / amount of cash to be held aside purposefully.

## **5.B. Direct Billing of Advisory Fees**

Advisory fees are automatically deducted from client accounts as permitted by the investment management agreement.

## **5.C. Other Non-Advisory Fees**

### *Additional Fees and Expenses*

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transaction for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

## **5.D. Advance Payment of Fees**

Under no circumstances do we require or solicit payment of fees, of any amount, more than six months in advance of services rendered.

## **5.E. Compensation for Sale of Securities**

Some providers of investment products offer compensation to Advisors for each sale. Such practices can create a conflict of interest for investment Advisors. FAM does not receive any transaction-based compensation for the sale of securities or any investment product. FAM does not receive asset-based sales charges or service fees from the sale of the mutual funds or pooled investment funds. Where an account is invested in a mutual fund or other pooled investment vehicle, FAM does not receive dual level advisory fees.

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

FAM does not charge performance-based fees or participate in side-by-side management.

Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation in client accounts. Our fees are calculated as described in Item 5 and are not charged based on a share of capital gains or capital appreciation of funds in client advisory accounts.

### **Item 7 Types of Clients**

FAM provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Corporations or other businesses
- Non-profit organizations/Charities

- Pension and Profit-Sharing Plans
- Trusts; and
- Foundations

### *Minimum Account Requirements for Advisory Services*

Generally, FAM requires a minimum of **\$2,000,000** of assets under management. This minimum amount may be negotiable under certain circumstances. FAM may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

### *Grandfathering of Minimum Account Requirements and Fee Schedules*

Pre-existing advisory clients are subject to FAM's minimum account requirements and advisory fees in effect at the time the client entered the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

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

### **8.A. Methods of Analysis and Investment Strategies**

In managing client accounts, FAM uses various investment strategies and methods of analysis. We may use one or more of the following methods of analysis or investment strategies as described below when providing investment advice to you. This section also contains a discussion of the primary risks associated with these investment strategies. However, it is not possible to identify all the risks associated with investing and the risks applicable to a client account will depend on the nature of the account, its investment strategy or strategies and the types of securities held in the account.

While FAM seeks to manage accounts so that risks are appropriate to the return potential for the strategy, it is often not possible to fully mitigate risks. Any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved. It is important to note that investing in securities involves the risk of loss that clients should be prepared to bear.

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

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security

can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of equities, fixed income, and cash, and, for qualified clients, alternative investments suitable to the client's investment goals and risk tolerance. Asset allocation poses the risk that the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis.** We review the experience and track records of mutual funds or exchange-traded funds ("ETF") to determine a manager's demonstrated ability to invest over a period and in different economic conditions. We review the underlying assets in a mutual fund or ETF to determine if there is significant overlap in the underlying investments held in other fund(s) in the client's portfolio. We also monitor the funds or ETFs to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Market Risk.** The profitability of a significant portion of FAM's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that FAM's will be able to predict those price movements accurately. There is the possibility that the value of securities may decline due to daily fluctuations in the securities markets. Security prices vary daily because of many factors, including developments that affect the condition of an individual company and the market in general. Investment portfolios may be affected by other economic conditions such as changes in interest rates, foreign currency fluctuations, availability of credit, inflation rates, changes in laws, and national and international political circumstances. In particular, the price of many securities assumes favorable tax treatment (e.g., taxes on dividends and capital gains or certain tax-exempt municipal bond interest payments). The continued tax-favored treatment of certain securities cannot be guaranteed, and the suspension or limitation of tax advantages could have a material, negative impact on the market price of a security.

## 8.B. Material Risks of Investment Strategies

***Risks for all forms of analysis.*** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

***Long-term purchases of securities.*** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

Investments in securities are subject to the risk of movements in the stock market that may adversely affect the specific securities. “Undervalued” securities are, by definition, out of favor with investors, and there is no way to predict when, if ever, the securities may return to favor. FAM may invest in the securities of mutual funds and exchange-traded funds (“ETFs”). These funds are subject to the risks associated with movements in the stock market. Additionally, investments in ETFs carry the risk that the area of the market representing the underlying index or benchmark the ETF is designed to track does not perform as expected.

***Short-term purchases of securities.*** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Securities purchased when utilizing a short-term strategy pose similar risks to those securities purchased using a longer-term strategy, as noted above.

***Margin transactions.*** We may purchase securities with money borrowed on margin. This allows the purchase of more securities than would be allowed with available cash.

Among the risks for margin transactions are that the client may lose more funds than are deposited into the account. Margin calls may result in the involuntary liquidation of margined securities. Please refer to the custodian's Margin Account Supplemental

Application for further explanation of the risks involved.

***Option buying and writing.*** From time to time, we may purchase or write call and/or put options on individual securities and/or ETFs. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative because it derives its value from an underlying asset. The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We may use options to speculate on the possibility of a sharp price swing. We may also use options to "hedge" a purchase of the underlying security; in other words, we may use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We may use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We may use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time, and other factors.

Options transactions contain several inherent risks, including the partial or total loss of principal if the value of the underlying security or index does not increase or decrease to the level of the respective strike price. The purchase and writing of options may result in the entire loss of the options premium paid or received. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

### ***General Economic and Market Conditions***

The success of FAM's investments can be adversely affected by general economic and market conditions such as employment rates, interest rates, inflation (or deflation), economic uncertainty as well as changes in global health conditions and geopolitical circumstances which would include pandemics or disease outbreaks, wars, and terrorist attacks. These factors will likely impact investment prices and liquidity of investments. Volatility or lack of liquidity in the investing markets may result in losses.

### ***Cyber Security Risks and Disaster Recovery Planning***

Cyber security incidents and cyber-attacks have been occurring globally at a more frequent and severe level. FAM and its service providers' information and technology systems may be vulnerable to damage or interruption from computer viruses or other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals or service providers, power, communications or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes, and earthquakes. If unauthorized parties gain access to such information and technology systems, they may be able to steal, publish, delete, or modify private and sensitive information. Although FAM has implemented, and service providers may implement or already have implemented, various measures to manage risks relating to these types of events, such systems could prove to be inadequate and, if compromised, could become inoperable for extended periods of time, or fail to adequately secure private information. Breaches such as those involving covertly introduced malware or impersonation of authorized users may not be identified even with sophisticated prevention and detection systems, potentially resulting in further harm. The failure of these systems and/or of disaster recovery plans for any reason could cause interruptions in the FAM's operations and result in a failure to maintain the security, confidentiality, or privacy of sensitive data and, potentially including personal information relating to clients, if any.

### ***Taxation Risks***

FAM does not represent in any manner that the tax consequences described as part of its tax management techniques and strategies will be achieved or that any of FAM's tax-management techniques, or services, will result in any particular tax consequence. The tax consequences of the tax-management techniques, including those intended to harvest tax losses, and other strategies that FAM may pursue are complex and uncertain and may be challenged by the IRS. A portfolio that is managed to minimize tax consequences to Clients will likely still earn taxable income and gains from time to time. In order to pay tax-exempt interest, tax-exempt securities must meet certain legal requirements. Failure to meet such requirements may cause the interest received and distributed by the portfolio to shareholders to be taxable. Changes or proposed changes in federal tax laws may cause the prices of tax-exempt securities to fall. The federal income tax treatment on payments with respect to certain derivative contracts is unclear. Consequently, a portfolio may receive payments that are treated as ordinary income for federal income tax purposes.

### **8.C. Material Risks of Securities Used in Investment Strategies**

Clients should understand that all investments are subject to risks and that the return

and the principal value of investments fluctuate depending on general market conditions and other factors, so that from time to time the value of an investment may be worth more or less than its original cost. You should be prepared to bear the risk of loss if you desire to sell your investment at a time when its value is worth less than its original cost. Clients should also understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable.

### ***Risks related to Investments in Mutual Funds and Exchange Traded Funds (ETFs)***

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event, they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders' fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

### ***Risks Related to Alternative Investments***

We advise certain clients to invest in alternative investments in private funds (e.g., hedge funds, private equity funds, etc.). Clients investing in alternative investments must meet qualified and/or accredited investor criteria to invest in these types of funds. We do not

directly manage these vehicles; these investment vehicles retain their own managers who make the investment decisions and underlying security selections for the vehicle. The managers of these vehicles have broad discretion in selecting the investments. Typically, there are few limitations on the types of securities or other financial instruments which may be traded or used, and no requirement to diversify. Some types of these investment vehicles may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because private investment vehicles are not registered investment companies, they are not subject to the same regulatory reporting and oversight of a registered entity. There are numerous risks in investing in these types of securities. Clients should consult each investment's private placement memorandum and/or other prospectus or documents explaining such risks prior to investing.

Please refer to FAM's *Addendum to Investment Management Agreement for Investment in Private Funds* for an expanded explanation of the risks involved.

#### ***Risks related to Investments made in Fixed Income Instruments***

FAM may choose to invest portions of client assets directly into fixed income instruments. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

#### ***Risks related to Investments in the Real Estate Industry***

Securities of companies principally engaged in the real estate industry may be subject to the risks associated with direct ownership of real estate. Risks commonly associated with the direct ownership of real estate include fluctuations in the value of underlying properties, defaults by borrowers or tenants, changes in interest rates and risks related to general or local economic conditions. If a portfolio's investments are concentrated in issuers conducting business in the real estate industry, the portfolio may be subject to legislative or regulatory changes, adverse market conditions and/or increased competition affecting that industry.

#### ***Risks related to Investments in Real Estate Investment Trusts (REITs)***

REITs are trusts that invest primarily in commercial real estate or real estate-related loans. Investments in REITs are subject to the risks associated with the direct ownership of real estate which is discussed above. Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties.

## *Sampling Risk*

With respect to investments in index funds or a portfolio designed to track the performance of an index, a fund or portfolio may not fully replicate a benchmark index and may hold securities not included in the index. As a result, a fund or portfolio may not track the return of its benchmark index as well as it would have if the fund or portfolio purchased all of the securities in its benchmark index.

## **Item 9 Disciplinary Information**

Registered Investment Advisors are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

### **10.A. Registered Representatives**

FAM's management persons are not registered, nor do any management persons have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

### **10.B. Other Registrations**

FAM's management persons are not registered, nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

### **10.C. Material Relationships or Arrangements**

FAM is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons.

FAM CCO, Andrew Barrett, serves as a Member of the Investment Committee for the Spoleto Festival USA, a nonprofit organization that creates and produces an annual performing arts festival held in Charleston, South Carolina. Mr. Barrett also serves as Treasurer for Spoleto Festival USA. Additionally, Mr. Barrett provides pro bono investment related services to Spoleto Festival USA. While the Spoleto Festival USA does not pay advisory fees to Mr. Barrett or FAM in exchange for these advisory services, Mr. Barrett and employees of FAM may receive some non-monetary forms of compensation related to the Spoleto Festival event (i.e., in the form of food or other

entertainment opportunities at the Festival).

Ashley Warnock is an independent contractor of the Advisor and assists with marketing as well as the legacy development/ family branding services offered by the Firm. In addition, Mrs. Warnock owns and operates a photography business, Photo Org. For clients of the Advisor who have requested family photography or family legacy and brand development services, in addition to Advisor's investment management services, Mrs. Warnock may charge a separate fee for these services, and those fees, net of any related expenses, are remitted to the Advisor.

FAM employees are required to report all outside business activities. In an effort to prevent and/or mitigate any potential conflict of interests to the firm, all outside business activities are subject to review and approval by compliance.

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

#### **10.D. Recommendations of Other Investment Advisors**

FAM may engage with 55I, LLC ("55ip"), a registered investment Advisor, to utilize certain financial technology tools into Advisor's investment process. This technology is supplied through 55ip, and helps execute, monitor, and adjust FAM's Client portfolios more efficiently. For taxable accounts, the technology helps enable FAM to execute a more aggressive tax harvesting program that aims to boost after tax returns and help reduce tax friction when reallocating assets within a portfolio. Use of the tool is included in FAM's investment advisory services, Clients are not charged any additional fees for the use of the tool within their portfolio. Clients are offered the service at FAM's discretion, but Clients may choose whether to utilize the tool within their portfolio. There is no compensation arrangement between FAM and 55ip.

FAM may recommend other investment advisors, but it does not receive any compensation related to its recommendation of other investment advisors.

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

#### **11.A. Code of Ethics Document**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required

to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **11.B. Recommendations of Securities and Material Financial Interests**

FAM employees are prohibited from engaging in principal transactions or in agency cross transactions unless approved by the CCO. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, 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 advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

All our employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

### **11.C. Personal Trading**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities. We maintain a list of all reportable securities holdings for our firm, and anyone associated with this advisory practice that has access to advisory recommendations (“access persons”). These holdings are reviewed on a regular basis by our Chief Compliance Officer or his Compliance Designee.

### **11.D. Timing of Personal Trading**

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our

own account. When compliant with our duty to seek best execution for our clients, we may also choose to aggregate our employee trades with client transactions (“block trading”). Refer to the Brokerage Practices section in this brochure for information on our block trading practices. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

A copy of our *Code of Ethics* is available to our advisory clients and prospective clients. You may request a copy by email sent to [kim@familyasset.us](mailto:kim@familyasset.us) or by calling us at 843-723-2994.

## **Item 12 Brokerage Practices**

### **12.A. Selection of Broker-Dealers**

FAM does not conduct its own brokerage activities. FAM generally recommends clients utilize the brokerage and clearing services of Fidelity Investments and its affiliates, National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") and TD Ameritrade ("TD") for investment management accounts. FAM may only implement its investment management recommendations after the client has arranged for and furnished FAM with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to Fidelity and TD, any other broker-dealer, trust, company, bank, recommended by FAM or as directed by discretionary clients.

For discretionary clients, FAM requires written authorization for discretionary authority. Clients may include certain limitations on this discretionary authority. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

FAM has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like FAM in conducting business and in serving

the best interests of our clients but that may also benefit us.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables FAM to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement, Fidelity also makes available to our firm, at no additional charge to us, certain research, and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by FAM (within specified parameters). These research and brokerage services presently include services such as software and other technology that (i) provide access to client account data (such as trade confirmation and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple clients; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting and are used by our firm to manage accounts for which we have investment discretion.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter the relationship with Fidelity and have determined that the relationship is in the best interests of FAM's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where we determine 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 the value of research provided, execution capability, commission rates, and responsiveness.

Accordingly, while FAM will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. FAM and Fidelity are not affiliated.

FAM maintains a similar arrangement with TD Ameritrade for servicing its clients.

You may direct us in writing to use a particular broker-dealer to execute some or all the transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.

### **Trade Errors**

If a trade error occurs in the handling of any client transactions due to FAM's actions or inaction, FAM will seek to identify the error and use its best efforts to assist with correcting the error according to the Firm's trade error policy and the applicable client agreement. Each trade error will be documented and maintained in a trade error file.

When a trade error occurs, it is the Firm's responsibility to evaluate the error and ensure that the appropriate party corrects it. FAM will use its best efforts to ensure that orders are entered correctly; however, to the extent that an error occurs, it is to be (1) reported to the CCO; and (2) corrected as soon as practical. In general, if the trade error results in a loss, such loss will not be reimbursed, except for losses caused by gross negligence, willful misconduct, or violation of applicable laws. Alternatively, if the trade error results in a gain, Family Asset will donate the proceeds of the trade error to charity. In the event Family Asset is responsible for correcting the trade error, the Firm may utilize methods including, but not limited to the following, for correcting a loss:

- Selling excess securities at current market prices and reimbursing the account for the difference between the purchase and sale prices in the event of a loss;
- For accounts custodied at any broker maintaining "error accounts" for Family Asset, if sale of the excess securities would result in a loss, the excess securities are swept into an error account and that broker bills Family Asset for the loss;
- Purchasing securities erroneously sold and reimbursing the account for the difference between the sale and repurchase prices in the event of a loss;
- Reallocating misallocated securities to the appropriate account and reimbursing each affected account for any loss; or
- Reimbursing account overdrafts by check.

### **12.B. Aggregation of Orders**

FAM may, but is not required to, aggregate trades when the firm reasonably believes that the combination of the transactions will provide the same or better prices for clients than had individual transactions been placed for clients.

Transactions for non-discretionary client accounts are generally not aggregated with transactions for discretionary client accounts. Additionally, FAM generally does not aggregate trades when executing a trade pursuant to a client request. FAM also reserves the discretion to conduct two block trades in the same security where necessary to ensure the firm can fulfill the entire order. In such cases, the firm may implement a trade rotation if necessary.

Transactions for the accounts of FAM advisory representatives and employees may be included in aggregated trades. They will receive the same average price and pay the same commissions and other transaction costs as clients. Transactions for the accounts of our advisory representatives or employees will not be favored over transactions for client accounts.

FAM is not obligated to include any client transaction in an aggregated trade. Aggregated trades will not be affected by any client's account if doing so is prohibited or otherwise inconsistent with that client's investment advisory agreement. No client will be favored over any other client.

FAM generally trades client accounts on an individual basis (i.e., not blocked). FAM primarily transacts in open-end mutual funds which are unable to be blocked. If the client account uses ETF investments in lieu of similar strategy mutual fund investments, Family Asset may still trade the account on an individual basis due the affected accounts being held at various custodians or other factors.

On occasion, Family Asset may block client trades. Block trading may allow FAM to execute equity trades in a timelier, more equitable manner. The custodian where the account is held will usually determine which broker will be used. Whether FAM is trading on an individual basis or aggregating trades, FAM manages client accounts within their respective strategies, given account restrictions and/or constraints and implements trade rotation procedures to ensure that no accounts take preference over other accounts.

On occasions when the purchase or sale of a security (that is priced throughout the trading day) is deemed to be in the best interest of more than one Client account, Family Asset may, but shall not be obligated to, aggregate or "batch" orders. Family Asset will only aggregate accounts when it believes that such aggregation is consistent with: (1) Family Asset's duty to seek best execution, which may include negotiating more favorable prices, obtaining more timely or equitable execution or overall commission charges; and (2) Family Asset's investment advisory agreement with each Client for whom trades are aggregated.

Family Asset is responsible for ensuring that the allocation of investment opportunities

among clients proceeds in a fair and equitable manner that does not consciously or consistently favor or disfavor a client or class of clients over time. Each account participating in an aggregated trade will receive the share price with respect to that aggregated order or, as appropriate, the average share price for all executed batched trades on that trading day. An executed order may be allocated on a basis different from that specified in the trade ticket if all accounts of Clients whose orders were aggregated receive fair and equitable treatment. If a block trade is filled with several units that, in total, is less than the number of units desired across all participating portfolios, FAM will allocate the units purchased or sold to each participating account based on the relative size of the account and the investment composition of the account.

If an entire order is filled it must be allocated according to the initial target allocation. If an order cannot be completely filled, the partial fill will be allocated pro rata to all accounts that participated in the aggregated order, subject to rounding to achieve round lots, based upon the initial target allocation requested for each account participating in the aggregated order, unless a reasonable exception applies. FAM may determine that allocations occur on a basis other than pro rata, if, under the circumstances, such other method of allocation is reasonable and appropriate.

#### **Trade Rotation**

In instances where several Client accounts are to be traded in the same securities, Family Asset will utilize an alphabetical rotation of accounts to be traded either by Client account or by groups of Clients grouped by broker relationship. In other words, in an effort to avoid the same Clients or groups of Clients always being the first to be traded in instances such as model changes or rebalancing, for example, the list would rotate alphabetically so that a different Client or group of Clients on the list would trade first each time the occasion arises. More detailed procedures and worksheets will be adopted and maintained internally if needed to accommodate other trading operational procedures.

### **Item 13 Review of Accounts**

#### **Individual Portfolio Management.**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least annually, or more frequently if deemed necessary by the Advisor. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by the client's portfolio manager.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their broker-dealer, FAM will provide, upon request, written quarterly reports summarizing account performance, balances and holdings.

**Pension Consulting Services.**

**REVIEW:** While reviews may be requested at any time, we are available to meet with each plan participant annually and review their investment selections as well as their investments options within the plan. Additionally, FAM will annually review the fund selection in the 401k plans it administers to ensure it keeps the plans under the safe harbor restrictions under ERISA. FAM also meets with each Plan Sponsor on an annual basis. Due Diligence will be conducted on each of the investment products within the plan making sure that all of them are still suitable investments.

**REPORTS:** Reports are provided by the Third-Party Administrator, hired by the Retirement Plan Sponsor.

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

Our firm does not currently, pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. It is FAM's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15 Custody**

As previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure, our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

**Standing Letters of Authorization.**

Some clients may execute limited powers of attorney or other standing letters of authorization that permit the firm to transfer money from their account with the client's independent qualified Custodian to third parties. This authorization to direct the Custodian is be deemed to cause our firm to exercise limited custody over your funds or securities and for regulatory reporting purposes, we are required to keep track of the number of clients and accounts for which we may have this ability. FAM conducts reviews to ensure its not affiliated with third parties. FAM does not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate any transfers that may have taken place within your account(s) each billing period. You should carefully review account statements for accuracy.

FAM does not have physical or constructive custody of client accounts. FAM reviews client's standing letters of authorizations at least annually.

## **Item 16 Investment Discretion**

Clients hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell.

Clients give us discretionary authority when they sign an Investment Management Agreement with our firm and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Clients may place restrictions on the discretionary authority given to us by restricting the types of securities that FAM can trade for the client.

## **Item 17 Voting Client Securities**

FAM does not provide proxy voting services for clients.

We will neither advise, nor act on behalf of, the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may

direct us to transmit copies of class action notices to the client or third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, the plan sponsor will vote proxies.

For accounts where we do not vote proxies our firm may provide investment advisory services relative to client investment assets. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type of events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy voting to clients.

## **Item 18 Financial Information**

### **18.A. Advance Payment of Fees**

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

### **18.B. Financial Condition**

As an advisory firm that maintains discretionary authority for client accounts, we are required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. FAM has no additional financial circumstances to report.

### **18.C. Bankruptcy Proceedings**

FAM has not been the subject of a bankruptcy petition at any time during the past ten years.

# Family Asset Management

997 Morrison Drive, Suite 401  
Charleston, South Carolina 29401  
Telephone: 843-723-2994

Website: <http://familyasset.us>  
Email: [andrew@familyasset.us](mailto:andrew@familyasset.us)

## **Part 2B of Form ADV: *Brochure Supplement***

### **Supervised Persons**

Andrew Thomas Barrett  
Daniel Terrill Russler, Jr.  
John Briggs Huddleston  
Belk Daughtridge

April 27, 2022

This Brochure supplement provides information about the individual(s) listed above that supplements the Family Asset Management, LLC (“FAM” or “Adviser”) Brochure. You should have received a copy of that brochure. Please contact Andrew T. Barrett if you did not receive FAM’s brochure or if you have any questions about the contents of this supplement.

Additional information about the FAM and the firm’s supervised persons listed above is available on the SEC’s website at <https://adviserinfo.sec.gov/>

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Andrew Thomas Barrett

**Born:** 1956

### Education

- Hamilton College; AB, History; 1978
- New York University; MA, Economics; 1981

### Business Experience

- Family Asset Management, LLC; Executive; from 09/2009 to Present.
- White Point Management; President; from 08/1998 to Present.
- White Point Capital; President; from 09/1998 to 08/2003
- Round Hill Securities; Consultant; from 04/1997 to 08/1998
  - Home Account Network, Inc.; Chief Executive Officer; from 11/1996 to 04/1997
  - Home Account Network, Inc.; Chief Financial Officer; from 05/1996 to 11/1996
- London Financial Futures Exchange; Director; from 05/1994 to 05/1995
  - Salomon, Inc.; Managing Director and Registered Representative; from 08/1988 to 05/1995
- Citibank; Vice President; from 08/1981 to 08/1988

## Item 3 Disciplinary Information

Mr. Barrett has no reportable disciplinary history.

## Item 4 Other Business Activities

### Investment-Related Activities

- Mr. Barrett is engaged in the following investment-related activities:
  - 1) Investment Committee Chairman for Spoleto Festival USA; and
  - 2) Investment Committee Member for the Medical University of South Carolina.
- Mr. Barrett does not receive commissions, bonuses, or other compensation on the sale of securities or other investment products.

### Non-Investment-Related Activities

- Mr. Barrett is the owner of White Point Management and is being compensated by White Point Management for managing real estate assets.
- Mr. Barrett also receives compensation from fees paid by Family Asset Management to White Point Management for investment advisory services.

## Item 5 Additional Compensation

Mr. Barrett does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 Supervision

**Supervisor:** Family Asset Management's Management Committee

**Phone Number:** 843-723-2994

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Daniel Terrill Russler Jr.

**Born:** 1963

### Education

- University of North Carolina; B.A., English; 1985
- Vanderbilt University Owen Graduate School of Management; Masters, Business Administration; 1992

### Business Experience

- Astrotech Corporation; Board Member; from 04/2011 to Present.
- Family Asset Management, LLC; Executive; from 09/2003 to Present.
  - Corporate Governance Capital; Managing Partner; from 08/2001 to 08/2003
  - Wachovia Securities (f/k/a First Union Securities, Inc.); Registered Representatives; from 10/2000 to 08/2001
    - Wachovia Securities (f/k/a First Union Brokerage Services, Inc.); Personal Investment Counselor; from 08/2000 to 10/2000
    - William R. Hough & Co.; Assistant Vice President; from 12/1997 to 08/2000
- J C Bradford & Co; Registered Representative; from 09/1996 to 12/1997

## Item 3 Disciplinary Information

Mr. Russler Jr. has no reportable disciplinary history.

## Item 4 Other Business Activities

### Investment-Related Activities

- Mr. Russler is not engaged in any other investment- related activities.
- Mr. Russler does not receive commissions, bonuses, or other compensation on the sale of securities or other investment products.

### Non-Investment-Related Activities

- Mr. Russler is a member of the Astrotech Corporation Board of Directors and he is being compensated by the Astrotech for serving in its board.
- Mr. Russler is the owner of Cherry Farm, LLC. He receives compensation from fees paid by Family Asset Management to Cherry Farm, LLC for investment advisory services.

## Item 5 Additional Compensation

Mr. Russler does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 Supervision

**Supervisor:** Family Asset Management's Management Committee

**Phone Number:** 843-723-2994

## Item 2 Educational Background and Business Experience

**Full Legal Name:** John Briggs Huddleston

**Born:** 1986

### Education

- The College of Charleston, Bachelor of Science in Business Administration, Graduated: 2008

### Business Experience

- Family Asset Management, LLC, Director of Retirement Plans, March 2017 - Present
- (k) Street Advisors, LLC., Managing Director, October 2015 – February 2017
- South State Bank, Retirement Plan Officer, February 2009 – September 2015

## Item 3 Disciplinary Information

Mr. Huddleston has no reportable disciplinary history.

## Item 4 Other Business Activities

### Investment-Related Activities

- Mr. Huddleston is not engaged in any other investment- related activities.
- Mr. Huddleston does not receive commissions, bonuses, or other compensation on the sale of securities or other investment products.

### Non-Investment-Related Activities

- Mr. Huddleston is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

## Item 5 Additional Compensation

Mr. Huddleston does not receive any economic benefit from a non- advisory client for the provision of advisory services.

## Item 6 Supervision

**Supervisor:** Family Asset Management's Management Committee

**Phone Number:** 843-723-2994

## Item 2 Educational Background and Business Experience

**Full Legal Name:** John Belk Daughtridge

**Born:** 1953

### Education

- Pepperdine University; Masters, Human Resources Management; 1978
- University of North Carolina; Bachelor of Science, Industrial Relations; 1975
- University of North Carolina; Bachelor of the Arts, History; 1975
- University of North Carolina; Master of Business Administration; 1980

### Business Experience

- Family Asset Management, LLC; Senior Wealth Manager; from 03/07/2018 to Present
- Raymond James & Associates; from 10/2012 to 03/2018
- Morgan Stanley; from 06/2009 to 10/2012
- Citigroup Global Markets, Inc.; from 01/2002 to 10/2009
- The Robinson-Humphrey Company, LLC; from 03/1996 to 10/2007

## Item 3 Disciplinary Information

Mr. Daughtridge has no reportable disciplinary history.

## Item 4 Other Business Activities

### Investment-Related Activities

- Mr. Daughtridge is not engaged in any other investment- related activities.
- Mr. Daughtridge does not receive commissions, bonuses, or other compensation on the sale of securities or other investment products.

### Non-Investment-Related Activities

- Mr. Daughtridge is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

## Item 5 Additional Compensation

Mr. Daughtridge does not receive any economic benefit from a non- advisory client for the provision of advisory services.

## Item 6 Supervision

**Supervisor:** Family Asset Management's Management Committee

**Phone Number:** 843-723-2994