



## Henssler Asset Management, LLC

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This brochure provides information about Henssler Asset Management LLC's qualifications and business practices. If you have any questions about this brochure's contents, please contact us at (770) 429-9166 or [experts@henssler.com](mailto:experts@henssler.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Henssler Asset Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications an adviser provides to you contain information you can use to determine whether you want to hire or retain that adviser.

Henssler Asset Management, LLC does business as Henssler Financial ("Henssler"). Henssler consists of Henssler Asset Management and several related entities including G.W. Henssler & Associates, Ltd. ("GWH"), a federally registered investment adviser, DiLuzio & Henssler, Inc. ("DH"), a certified public accounting firm, Henssler Financial Tax & Accounting Division and Henssler Norton Insurance ("HN") all d/b/a "Henssler Financial." Henssler Financial is not a financial adviser.

Additional information about Henssler also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

On July 28, 2010, the United States Securities and Exchange Commission (the “SEC”) published “Amendments to Form ADV,” which amends the disclosure document that we provide to clients as required by SEC rules. The brochure dated March 31, 2011 was a new document prepared according to the SEC’s new requirements and rules. As such, that document was materially different in structure and requires new information that our previous brochure did not require.

Under these new rules, Item 2 – Material Changes will discuss only specific material changes that are made to the brochure. It will also provide clients with a summary of the changes.

In the past we offered or delivered information about our qualifications and business practices to clients on at least an annual basis. The new SEC rules require that we at least annually deliver to our clients a summary of any significant or material changes to this and future brochures. We will notify you within 120 days of the close of Henssler’s fiscal year. We may also provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

From Henssler’s last annual update in March 2011, only minor changes were made to the brochure. Initially, CNT Financial, LLC changed its name to Acru Wealth, LLC. Also, LHLLR, LLC (“LHLLR”), a Georgia Limited Liability Company, was created in 2012 to serve as a manager of certain alternative investments held by Henssler Clients. LHLLR receives a management fee from the Clients it serves and may also receive a performance fee for the investments managed by LHLLR. While Henssler does not receive direct compensation from investments separately managed by LHLLR, Henssler affiliates may receive compensation by virtue of their ownership in LHLLR. LHLLR is owned by Gene W. Henssler, Ph.D., Mr. William G. Lako Jr., Mr. Jeremy L. Lantz and Mr. Christopher E. Reeves.

This brochure may be requested by contacting your Henssler Associate at (770) 429-9166 or by email to [ADV@henssler.com](mailto:ADV@henssler.com). Our current brochure is also available on our website [www.henssler.com](http://www.henssler.com), free of charge.

Additional information about Henssler is also available via the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s website provides information about any persons affiliated with Henssler who are registered, or are required to be registered, as investment adviser representatives of Henssler.

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## **Item 4 – Advisory Business**

### **History**

Gene W. Henssler, Ph.D., (“Dr. Gene”) and his wife, Patricia, moved to Kennesaw, Georgia in May 1986 when Dr. Gene accepted the Professor of Finance position at Kennesaw State University. A station manager for a local AM radio station asked the department chairman at Kennesaw if he knew someone from academia who could do a talk show about finance, money, and investing. The department chairman suggested Dr. Gene.

Dr. Gene started by doing a couple of guest spots with Atlanta radio personality Neal Boortz. Shortly thereafter, Dr. Gene was offered his own show. Although he was not highly compensated, the radio show provided exposure for Kennesaw State University and gave Dr. Gene a healthy ego boost as a radio personality.

After a couple of weeks on the air, callers began asking Dr. Gene if he would provide advice to individuals, on a consulting basis. Callers wanted Dr. Gene to apply the same fact-based, no nonsense approach that he had on his radio show to their own financial endeavors.

G.W. Henssler & Associates, Ltd. was created in 1987 to meet this growing interest. It began as a small, part-time consulting business based out of his home. Dr. Gene reviewed portfolios and offered investment advice on an hourly, fee-only basis. He created a “Financial Plan” for clients and detailed specifically how to work that plan. In turn, clients would “work the plan” with their own stockbroker, or a stockbroker Henssler recommended, with no financial benefits to Henssler. Dr. Gene continues to own a majority interest in Henssler. Other current Henssler employees hold a minority interest in the company.

### **Working the Plan**

While clients seemed to appreciate Dr. Gene’s advice, Dr. Gene soon began to notice that people would start fervently working the plan, and then life would intervene. The kids would go back to school, soccer practice would start, holidays would roll around, and they would let things go. Clients would come back in a year or two and those who worked the plan were right on target, but then, there were those who got sidetracked.

Within five years, Dr. Gene hired his first employee to assist clients in carrying out their financial plan. Henssler worked for an hourly fee with clients and their brokers. However, Henssler had clients who were behind financially because they did not do what was recommended or follow the advice given. It would be a while before Dr. Gene could sit with his clients and suggest that they consider having their money managed on a percentage-fee basis by Henssler. In the interim, Dr. Gene continued teaching and Henssler’s client base grew steadily.

In 1991, an attorney asked Henssler to manage his client's funds. Dr. Gene spent several days trying to figure out how to accomplish this. Around this time, Charles Schwab & Co., Inc. was starting its Financial Advisor's Service program (now Schwab Institutional). Henssler started working with Schwab as the custodian, and took this attorney's client as Henssler's first "managed client."

As the Management Program developed, now called The Traditional Management Program, Henssler worked on making it successful.

### Creating a Comfort Zone

Many clients were interested in the Traditional Management Program and the equity portfolio, but lacked the assets to adequately diversify their portfolio in individual common stocks. Some had total assets sufficient for this purpose, but most had the majority of their funds in 401(k) and profit sharing programs. Henssler also had many clients who, at that time, were not comfortable owning individual stocks and preferred the comfort of a mutual fund.

Based on this feedback, The Henssler Equity Fund ("The Fund") was established in 1998. The management of The Fund is substantially similar to that of the Model Portfolio of stocks that Henssler uses for clients in the Traditional Management Program. The Fund remains fully invested in common stocks at all times, although there is small cushion of cash (up to 5%) to provide for redemptions. Henssler Asset Management, LLC was created in 1998, to serve as the investment manager of The Fund, as well as to provide investment advice to new clients.

### As Always

The service provided by Henssler from the beginning, is still firmly practiced today. Henssler recognizes that every client is not the same and treats each and every client on an individual basis. Every client has different liquidity needs, goals and attitudes. Focusing on each client as an individual maintains the unique client base. Henssler aims to help clients comfortably reach their goals for retirement and life. Providing a consistently high level of service that meets the needs of our individual clients is critical to that process.

### Services Offered by Henssler

Henssler provides a wide range of services to its clients. These services may include comprehensive financial planning, targeted analysis of a client's financial position, service as a separate account manager and basic investment advice. The investment related services are generally classified as either discretionary investment management or non-discretionary investment advice. These services are provided to both individuals and institutions.

During the initial client meeting, our clients learn about the many types of services Henssler offers. Each client meets with an Associate to discuss the scope of services

required based upon each individual client's needs. In general, the advice given as to financial, tax, insurance, estate and investment planning will be similar for both discretionary investment management and non-discretionary investment advice. The main differences are in the ongoing support and execution of the investment recommendations.

### Non-Discretionary Services

Under a non-discretionary relationship, Henssler provides the recommendations for the aforementioned services but does not execute or monitor the recommendations. Henssler will not follow up with the client's progress on the advice unless outlined in the services agreement signed by the client, or when otherwise requested by the client. A non-discretionary relationship is generally used when a client wants financial planning or investment recommendations based on a one-time or periodic review of their situation, or has a specific question they want answered, such as: "Am I saving enough for retirement"; "Is my current allocation appropriate given my stage of life"; "How should I invest my 401(k) or rollover IRA." This service is not as robust or comprehensive as a discretionary investment management relationship. Henssler can be retained to render advice on these and other questions based on an hourly fee or a flat fee.

### Discretionary Services

The majority of our investment management clients use our traditional approach of combining financial planning services with asset management. For clients who choose to use the traditional combined services of financial planning and asset management, we use a comprehensive cash flow analysis based on information provided by the client to make a recommendation for the allocation of the investment portfolio. The portfolio will be managed based on ongoing changes to the cash flow analysis and overall financial plan. This could include updates to the strategy based upon life-changing spending or income events. Examples include marriage, childbirth or adoption, promotion, divorce, inheritance and death. There are a multitude of situations that are considered when creating, implementing, monitoring and reporting on an investment strategy.

Alternatively, a discretionary investment management relationship may not include comprehensive financial planning. Some individual clients or institutional clients may have their own investment strategy or plan, which Henssler will execute on behalf of the client. For the client who does not request comprehensive financial planning, we will work with the client to determine an acceptable asset allocation and execution plan. The agreed upon allocation will be monitored and executed at Henssler's discretion. Henssler may also serve a client as a separate account manager or sub-advisor. Typically, Henssler is retained to provide discretionary-based investment management services based upon a percentage of assets under management or as a flat fee.

## Wrap Fee Programs

Henssler also acts as a portfolio manager for a wrap fee program. Henssler manages the assets held in the wrap fee accounts in substantially the same manner as assets held by direct client accounts. Henssler receives a portion of the fee paid to the wrap fee sponsor for its management activities.

## Separate Account Manager

As part of our discretionary investment advisory services, Henssler may recommend that clients use the services of a separate account manager to manage the entire, or a portion of the, investment portfolio. After gathering information about a client's financial situation and objectives, we may recommend that the client engage a specific separate account manager or investment program. When recommending a separate account manager, Henssler considers their performance, analysis methods and fees, along with the client's financial needs, investment goals, risk tolerance and investment objectives. Henssler monitors each separate account manager performance to ensure its management and investment style remains aligned with the client's investment goals and objectives.

Each selected separate account manager will actively manage the client's portfolio and will assume discretionary investment authority over the account. Henssler will assume discretionary authority to hire and fire each separate account manager and/or reallocate assets to another separate account manager when we deem it appropriate and when in the client's best interest.

Henssler will continue to provide advisory services as needed for the ongoing monitoring and review of account performance. Henssler charges a negotiable annual advisory fee for these services. The fees are generally 1.0% of the value of the assets being managed by the separate account manager. For such accounts, our fee is in addition to the fees charged by the separate account manager. Henssler's fee is invoiced monthly in advance.

Advisory fees that you pay to the separate account manager are established and payable in accordance with the disclosure brochure provided by each separate account manager to whom you are referred. These fees may or may not be negotiable. Clients should review the recommended separate account manager's disclosure brochure and take into consideration the separate account manager's fees along with Henssler's fees to determine the total amount of fees associated with the program.

Clients may be required to sign an agreement directly with each recommended separate account manager. Clients may terminate the advisory relationship with the separate account manager according to the terms of the agreement with them. Clients should review each separate account manager's disclosure brochure for specific information on how to terminate the advisory relationship with them, and how a client may receive a refund for any fees paid in advance. Clients should contact Henssler directly with questions regarding the advisory agreement with any separate account manager.

## Henssler's Client Assets Under Management

Total assets under management: \$1,397,200,000

### Henssler Asset Management:

<u>Type of Assets</u>	<u>Amount</u>
Discretionary:	\$373,400,000.00
Non-Discretionary:	\$23,500,000.00
Total:	\$396,900,000.00

### G.W. Henssler & Associates, Ltd.:

<u>Type of Assets</u>	<u>Amount</u>
Discretionary:	\$811,200,000.00
Non-Discretionary:	\$189,100,000.00
Total:	\$1,000,300,000.00

Total assets under management are listed as of March 27, 2012 for Henssler, which combines the assets under management for Henssler Asset Management, LLC and G.W. Henssler & Associates, Ltd., its affiliate.

## **Item 5 – Fees and Compensation**

All fees charged by Henssler are subject to negotiation.

The specific manner in which fees are charged by Henssler is established in a client's written agreement with Henssler. Advisory fees paid by clients are generally based upon a percentage of assets under management, hourly or fixed rate, and will depend upon the type and size of the account and the specific financial strategy employed. Henssler generally bills its fees on a monthly basis in advance. Clients may choose to be billed directly for fees or to authorize Henssler to directly debit fees from their accounts. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. Any earned, unpaid fees will be due and payable.

Henssler's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses, which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party separate account managers and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and

taxes on brokerage accounts and securities transactions. 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 in addition to Henssler's fee. Henssler does not receive any portion of these commissions, fees, and costs.

*Item 12 – Brokerage Practices* below further describes the factors that Henssler considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (for example, commissions).

#### Non-Discretionary Fees

Fees for financial planning, non-discretionary investment advice, and targeted analysis of a client's financial position are generally charged on a flat-fee or hourly basis depending on the scope of work involved. Examples of fees associated with these services include:

- Comprehensive financial planning with cash flow projections—\$4,000.00 due upon delivery of the plan.
- Non-discretionary investment advice is normally charged via flat fee and can range from \$500 to \$3,000 per year and is typically limited to a quarterly or semiannual review. Flat fees are based upon current hourly rates and the scope of the work requested. Flat fees could be significantly higher for time-intensive or complicated analysis.
- Targeted analysis of a client's financial position can be conducted on an hourly basis. This analysis is generally limited to a work that is conducted on an as-needed basis. Our current hourly rates range from \$100.00 to \$500.00 per hour.

#### Discretionary Asset Management Fees

While fees may be individually negotiated, managed account clients will generally pay advisory fees based on a percentage of assets under management in accordance with the following percentage fee schedule:

##### Discretionary asset management services

The first \$500,000	1.25%
\$500,000-\$1 Million	1.10%
\$1 Million-\$2 Million	1.00%
\$2 Million-\$3 Million	0.90%
\$3 Million and above	Negotiable

In addition to the above percentage fee schedule, traditional discretionary asset management services that include comprehensive financial planning services require a \$6,250.00 minimum annual fee.

Traditional discretionary asset management services that include goal-based financial planning services, but does not include comprehensive financial planning and cash flow analysis, are billed according to the above percentage fee schedule, but also require a minimum \$125.00 monthly fee.

### Separate Account Manager

The annual fee charged for participation in this program is based on a percentage of assets under management as follows:

The first \$1 Million	1.00%
\$1 Million-\$2 Million	0.90%
\$2 Million-\$3 Million	0.80%
\$3 Million and above	Negotiable

As stated above, for such accounts, Henssler's fee is in addition to the fees charged by the selected separate account manager.

### General Fee Information

The advisory fee charged is calculated as described above. It is not charged on the basis of a share of capital gain upon or capital appreciation of the advisory client's funds. A client agreement may be canceled at any time, by either party, for any reason. A written cancellation notice must be given 30 days in advance. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

All fees paid to Henssler for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, 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. Accordingly, the client should review both the fees charged by the funds and the fees charged by Henssler to fully understand the total amount of fees to be paid by the client. This will allow the client to evaluate the cost of the advisory services. Henssler has adopted the policy that any accounts invested in mutual funds managed by Henssler or its affiliates will not be charged any additional management fees based on those assets.

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

Henssler generally does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). In some cases, however, a Henssler affiliate may enter into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. The Henssler affiliate will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, The Henssler affiliate shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for Henssler or its affiliates to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Henssler has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

## **Item 7 – Types of Clients**

Henssler provides portfolio management services to individuals, high-net-worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, municipalities, registered mutual funds, trust accounts, and other U.S. and international institutions. Henssler is always interested in expanding its client base and will consider taking on additional types of clients based upon the situation.

## **Item 8 – Methods Of Analysis, Investment Strategies And Risk Of Loss**

### **Henssler's Fundamental Investment Philosophy—The Ten Year Rule**

Henssler works with a simple, yet comprehensive financial planning strategy called the Ten Year Rule. The basis for our Ten Year Rule is:

- Henssler believes it is imprudent for an investor to be forced to sell equity investments during a period of depressed stock prices in order to generate funds to cover spending needs.
- Henssler finds that many investors are either too conservative or too aggressive with their financial asset allocation.

The Henssler philosophy is that any money a client needs within 10 years should be invested in fixed income securities, and any money not needed within 10 years should be invested in high quality, individual common stocks or mutual funds that invest in common stocks. By holding fixed income investments to cover 10 year's worth of liquidity needs,

there should be no need to sell stocks during a period of lower priced stocks. Henssler implements this philosophy by running cash flow projections for clients in programs that offer financial planning, recommending the purchase of fixed income securities to cover liquidity needs within the next 10 years, and the purchase of equities with any remaining funds.

First, for clients using the Traditional Management programs, Henssler estimates a client's liquidity needs by running cash flow projections. Liquidity needs refer to the difference between after-tax income and desired after-tax spending for any given year. The projections are based on information provided by the client, including asset values, expected sources of income and plans for retirement. These projections will help determine reasonable expectations involving a client's savings goals, desired spending in future years, and expected retirement date. Henssler runs several projections for clients to help determine which course of action will most likely allow the client to meet their financial goals. Common goals include an early retirement date, a certain desired spending level in retirement, a dream home, or some other large purchase.

Next, Henssler recommends purchasing fixed-income securities to cover the client's next 10 years of liquidity needs. A money market fund or other cash equivalent is appropriate for emergency reserves, or for funds needed over the next 12 months. Henssler recommends that additional liquidity needs should be covered with the purchase of fixed-income securities with maturity dates and amounts that correspond to those needs. Henssler does not generally recommend the purchase of bond funds for Ten Year Rule funding, as the principal is not guaranteed as of any particular date.

Finally, Henssler recommends the client purchase high quality, individual common stocks or mutual funds that invest in common stocks with any funds not needed in the next 10 years. Henssler recommends only common stocks that meet the Henssler strict financial criteria, or mutual funds that meet certain guidelines. These guidelines are discussed in detail below.

By following this strategy, the client's asset allocation will be specifically geared towards their unique needs. At Henssler this is believed to be a more effective method of determining a client's appropriate asset allocation than simply plugging a client's age into a formula. Each and every client has a unique situation, and unique needs. Henssler's approach attempts to take all available information into account when determining the appropriate stock/bond mix. Due to the unique needs of each client, ultimately the client's risk tolerance will drive the appropriate asset allocation and investment horizon. Therefore, some clients may have a longer or shorter version of the Ten Year Rule.

#### Ten Year Rule Recap:

- Any money you believe you will need within the next 10 years should be invested in fixed-income investments.

- Money not needed within 10 years should be invested in growth investments.
- If you determine you will need funds within 10 years, begin to prepare a plan to exit stocks and buy bonds to cover these needs.
  - Begin selling stocks when market conditions improve;
  - Flexibility: 10 years before you need funds;
  - Set a target for a stock market index you follow, and
  - Whenever the market reaches that target, move forward with your plan to sell stocks.

Henssler’s Method of Investment Analysis

Henssler employs a carefully conceived screening process seeking maximum growth with minimum risk for our clients through their individual portfolios.

Henssler’s research department develops portfolios that include or use individual stocks, bonds, mutual funds, exchange traded funds, and separate account managers. While Henssler uses model portfolios as a guideline for client accounts, all client accounts are treated individually. These models can be modified to customize a portfolio suited for each client.

Individual Common Stocks

Henssler purchases high quality, individual common stocks that are generally rated at least “A” by Value Line for financial strength, “A-” by Standard & Poor’s for earnings and dividend quality, or “2” by Value Line for safety. The greatest risk to many clients’ portfolios is the potential bankruptcy of any company whose stock they hold. Our firm’s strategy is to use established stock ratings to guide purchases, and therefore, minimize client risk.

Standard & Poor’s Earnings & Dividend Rank

This is S&P’s computerized measure of common stocks based mainly on 10-year earnings and dividend performance (not to be confused with S&P debt ratings). Rankings are as follows:

- |                  |                     |
|------------------|---------------------|
| A+ Highest       | B- Lower            |
| A High           | C Lowest            |
| A- Above Average | D In Reorganization |

B+ Average

NR No ranking

B Below Average

### Value Line Financial Strength Rating

This is a relative measure of financial strength of the companies reviewed by Value Line. The relative ratings range from A++ (strongest) down to C (weakest), in nine steps.

### Value Line Safety Rank

This is a measurement of potential risk associated with individual common stocks. The Safety Rank is computed by averaging two other Value Line indexes—the Price Stability Index and the Financial strength Rating. Safety Ranks range from 1 (Highest) to 5 (Lowest). Conservative investors should try to limit their purchases to equities ranked 1 (Highest) and 2 (Above Average) for Safety.

Henssler utilizes a portfolio committee that considers many qualitative and quantitative factors to review potential investments in client accounts. While the factors used by the committee are important, the selection of investments is often more of an art than a science.

Some of the factors considered by the committee include a review of a company's average daily trading volume, a review of the subject industry's long-term growth prospects and projected earnings, as well as a company's dividend yield. We also consider the price/earnings to growth ratio, as an indicator of a stock's potential value and because it also accounts for growth.

Using these and other criteria, Henssler currently offers four model stock portfolios. Henssler may increase or decrease the number of portfolios used over time. The current models are:

- The Henssler Traditional Model Portfolio—a high quality growth and income portfolio, considered Henssler's core portfolio;
- The Henssler High Income Portfolio—used to generate current income with modest dividend growth over time;
- The Henssler Income Growth Portfolio—a portfolio used to generate less current income and more dividend growth over time, and
- The Henssler Small/Mid Cap Portfolio—a portfolio used to generate more exposure to small and mid-sized companies.

### Fixed Income or Bonds

Henssler uses fixed income investments, including U.S. government and agency bonds, municipal bonds, corporate bonds, FDIC insured certificates of deposit, and money market funds. Henssler selects fixed income investments based upon the maturity date, interest rate and credit worthiness ratings from Moody's and Standard & Poor's. Henssler performs a fundamental analysis of each entity in order to reasonably ensure the payment of interest and the ultimate repayment of principal. Henssler does not have a model bond portfolio.

### Mutual Funds

Henssler may also recommend that clients invest in mutual funds. Henssler suggests mutual fund portfolios to supplement a client's allocation in a particular area or industry. Henssler may also use a mutual fund portfolio when a client's account does not have sufficient funds to be properly diversified with individual securities. Finally, a mutual fund portfolio may be used if a client feels more comfortable investing in mutual funds rather than owning individual stocks.

In searching for high quality mutual funds, Henssler reviews a fund's Morningstar rating, which takes into account performance and risk. We also consider the fund manager's tenure to ensure the fund's performance can largely be attributed to current fund management. We want to make sure the fund's managers are not drifting away from their stated investment style, and away from their area of expertise. We do not want a domestic large-cap manager to begin purchasing emerging markets stocks.

Because expenses affect the mutual fund's overall performance, we look for funds with expense ratios lower than their peer group. Performance concepts, such as Sharpe Ratio, a measure of risk-adjusted return, and Alpha, a measure of performance against the respective benchmark, are also considered. Finally, we consider the minimum initial investment amount required to purchase the mutual fund.

In choosing mutual funds, we focus on stable management, consistent investment style, consistent risk-based performance, and below average expenses.

### Exchange-Traded Funds ("ETF")

Henssler may suggest the use of ETFs in a client portfolio. An ETF is a security that tracks an index, a commodity or a basket of securities unified by a particular investing theme, such as, companies whose main business is biotech. An ETF is similar to an index mutual fund, but trades like a stock on an exchange. An ETF experiences price changes throughout the day, as it is bought or sold. However, ETFs differ from traditional mutual funds in that their shares are issued, traded and redeemed.

The ETF industry's history, however, is relatively short. This lack of a long history is an impediment to research on historical performance, manager tenure and risk.

We review ETFs to identify investments with performance that meets or exceeds the performance of their stated benchmark with low expenses and low tracking error. Manager tenure and fund longevity are also be considered in the decision process. We expect our process to better identify those ETFs that perform according to their stated goal and/or closely follow their benchmark.

### Separate Account Managers

In our selection process for separate account managers, we review manager performance on a nominal and risk-adjusted basis relative to their stated benchmark and investment style (i.e. value, growth, large cap, small cap, etc.). We also review their holdings to ensure the holdings fit with the stated benchmark and investment style. Additionally, we review manager tenure to ensure this performance can be attributed to the current manager.

### Risk of Loss

Even with Henssler's careful screening process, all investments carry risks. Investments managed by Henssler are no exception. You could lose money on your investments managed by Henssler. Accordingly, you should understand the principal risks of investing, which are described below.

*Market Risk:* Stock prices fluctuate in response to many factors, including changes in interest rates, the activities of individual companies and general market and economic conditions. Regardless of any one company's particular prospects, a declining stock market may produce a decline in stock prices for all companies. Stock market declines may continue for an indefinite period of time, and investors should understand that from time to time during these temporary or extended bear markets, the value of their investments may decline.

*Business and Economic Risk:* Often, a particular industry, or certain companies within that industry, may be affected by circumstances that have little to no impact on other industries, or other companies within that industry. For example, many industries and companies rely heavily on one type of technology. If this technology becomes outdated, or ceases to be cost-effective, industries and companies that rely on the technology may become unprofitable while companies outside the industry may not be affected at all.

*Political Risk:* The regulation or deregulation of particular industries may materially impact the value of companies within the affected industry. For example, if a particular sector or industry becomes subject to more or less government regulation, some companies in that sector or industry will make a successful transition into the new environment and prosper, while other companies will mismanage the process and do poorly.

*Investments in Small and Mid-sized Companies Risk:* Although Henssler recommends investments in companies of all sizes, there may be times when Henssler makes substantial investments in small and mid-sized companies. Stocks of smaller companies may have

more risks than larger companies. In general, they have less experienced management teams, serve smaller markets, and find it more difficult to obtain financing for growth or potential development than larger companies. Because of these and other factors, small companies may be more susceptible to market downturns, and their stock prices may be more volatile.

*Foreign Securities Risk:* Investing in foreign securities involves risks that political and economic events unique to a foreign country or region will affect those markets and their issuers. These events will not necessarily affect the U.S. economy or similar issuers located in the United States. In addition, investments in foreign countries are generally denominated in a foreign currency. As a result, changes in the value of those currencies compared to the U.S. dollar may affect (positively or negatively) the value of your investments. These currency movements may happen separately from and in response to events that do not otherwise affect the value of the security in the issuer's home country.

*Portfolio Turnover:* Portfolio turnover measures the rate at which the securities in a portfolio change during any given year. Portfolio turnover involves expense to an investor in the form of brokerage commissions and other transaction costs, which may adversely impact performance. Additionally, an increase in portfolio turnover may result in an increase or decrease in taxable gain or loss attributable to an investor. Due to the more volatile nature of small and mid-sized companies, the Henssler Small/Mid Cap Portfolio described above has a significantly higher turnover ratio than the other portfolios offered by Henssler.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Henssler or the integrity of Henssler's management. Henssler has no information applicable to this Item.

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

Henssler is affiliated with certain other entities and individuals, as well as being involved with certain industry activities, which could involve a conflict of interest between Henssler and its clients. The activities and affiliations that could cause such conflicts and the how those conflicts are addressed are listed below.

Henssler is affiliated with G.W. Henssler & Associates, Ltd. ("GWH"), a registered investment adviser. Henssler also serves as the adviser to The Henssler Equity Fund ("The Fund"), an investment company registered under the Investment Company Act of 1940. Henssler utilizes certain GWH employees. Henssler also provides various administrative functions for The Fund. Several of Henssler's principals are also members of GWH.

Henssler may recommend that clients purchase shares of mutual funds managed by the firm or an affiliate. As this could present a conflict of interest and promote duplication of

advisory fees, Henssler deducts the value of any related fund from the client's account balance prior to the calculation of advisory fees. Additionally, prior to such investment, clients are informed and acknowledge the potential for conflict of interest among the related parties.

Due to Henssler's affiliation with The Fund, a number of Henssler employees hold FINRA securities registrations, which are registered through ALPS Distributors, Inc., a broker-dealer and The Fund's distributor. The registrations held by each Henssler employee are set forth in the attached Brochure Supplement. If you would like an updated copy of the Brochure Supplement, please contact your associate at (770) 429-9166 or by email to [ADV@henssler.com](mailto:ADV@henssler.com)

Dr. Gene and other staff members host a talk radio show, "Money Talks," on a local radio station that airs on Sunday mornings. The show provides information on various investment topics. The investment information provided during this radio show is not designed to meet the needs of each individual participant or listener. The show is designed to provide participants and listeners with discussion on general investment topics.

Lighthouse Insurance Agency, LLC ("Lighthouse"), another Henssler affiliate, sells advertisements that air during Dr. Gene's radio show. Henssler may recommend that clients utilize the services offered by the companies that purchase these advertisements. Henssler and its other affiliates do not receive direct compensation for these referrals, only Lighthouse receives revenue that is directly related to the advertisements purchased. Henssler also routinely recommends the services of businesses that do not purchase advertising on the radio show. Lighthouse is owned by Dr. Gene and William G. Lako, Jr., Henssler's Managing Director and Principal.

Lighthouse is also a 50% owner of Henssler Norton Insurance, LLC ("HN"). HN services certain insurance products placed by an independent insurance company, Norton Insurance Agency, Inc. ("Norton"), which, through its affiliate Real Estate Insurance Network, LLC, owns the other 50% of HN. Henssler employees may refer clients that may benefit from their services to an insurance agency affiliated with HN, Acru Wealth, LLC ("Acru"), Norton or another insurance agency. Commissions earned by HN, Acru, Norton or another insurance company related to this insurance may be shared as a referral to Lighthouse. While Henssler does not directly receive compensation for these referrals, Henssler principals, through their ownership of Lighthouse, have a financial interest in a client becoming an insurance client of HN, Acru or Norton, creating an inherent conflict of interest. However, no Henssler client is obligated to use Lighthouse, HN, Acru or Norton for any insurance related products or services. Purchasing insurance products or services through HN, Acru or Norton will not result, directly or indirectly, in the payment of any greater or lesser fees or expenses assessed by Henssler to its investment advisory clients. Henssler also routinely recommends the services of other businesses that do not purchase insurance products through Norton or HN.

Patricia T. Henssler, Treasurer of Henssler, is a Certified Public Accountant with the accounting firm, P.T. Henssler C.P.A., LLC (“PTH”). PTH is a Public Accounting Firm registered with the State of Georgia. Henssler Financial Tax & Accounting Division (“TAD”) is a division of Henssler, which provides tax and accounting services. DiLuzio & Henssler, Inc. (“DH”) is an accounting firm wholly owned by Henssler. Henssler may recommend PTH, TAD or DH to advisory clients in need of accounting and/or tax services. Accounting services provided by PTH, TAD or DH are separate and distinct from the advisory services of Henssler, and are provided for separate and typical compensation. An all-inclusive fee may be charged for accounting and investment advice for clients. No Henssler client is obligated to use PTH, TAD or DH for any accounting or tax services.

Christopher E. Reeves serves as Henssler’s and several affiliates Chief Compliance Officer. Mr. Reeves is a partner at Lantz & Reeves, P.C., a law firm specializing in estate planning, business law and general litigation services. Henssler and its affiliates regularly refer advisory clients in need of such legal services to Lantz & Reeves. Henssler does not receive compensation for making any referrals to Lantz & Reeves and clients are not required to utilize such services. Lantz & Reeves provides legal services based on an agreement directly with the client and services are performed for separate and typical compensation. Lantz & Reeves also provides legal services to Henssler, related entities and related persons. As an attorney operating under a professional code, Mr. Reeves is required to resolve any conflicts of interest as dictated by the Georgia Rules of Professional Conduct.

Henssler participates in programs with Acru, Charles Schwab & Co., Inc. (“CSC”), Fidelity Investments (“Fidelity”) and TD/Ameritrade (“TDA”), as discussed more fully in ITEM 12 – BROKERAGE PRACTICES below. While there is no direct link between the investment advice given and participation in these programs, economic benefits are received. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving participant advisers exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access, for a fee (currently waived by CSC), to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

LHLR, LLC (“LHLR”), a Georgia Limited Liability Company, was created in 2012 to serve as a manager of certain alternative investments held by Henssler Clients. LHLR receives a management fee from the Clients it serves and may also receive a performance fee for the investments managed by LHLR. While Henssler does not receive direct compensation from investments separately managed by LHLR, Henssler affiliates may receive compensation by virtue of their ownership in LHLR. LHLR is owned by Dr. Gene, Mr. William G. Lako Jr., Mr. Jeremy L. Lantz and Mr. Christopher E. Reeves.

## **Item 11 – Code of Ethics**

Henssler adopted a Code of Ethics for all supervised persons of the firm describing Henssler's high standard of business conduct, as well as Henssler's fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Henssler must acknowledge the terms of the Code of Ethics annually, or as amended.

Henssler's employees and persons associated with Henssler are required to follow Henssler's Code of Ethics. Subject to satisfying this policy and applicable laws, Henssler's officers, directors and employees may trade for their own accounts in securities which are recommended to and/or purchased for Henssler's clients. The Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of Henssler's employees will not interfere with making and implementing decisions that are in the best interest of advisory clients. The Code is designed to allow employees to invest for their own accounts. Under the Code, 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 Henssler's clients. In addition, under certain circumstances, the Code requires pre-clearance of personal securities transactions, and restricts trading in close proximity to client trading activity.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Henssler'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. Henssler 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.

All Access Persons must submit initial and annual reports of all applicable brokerage accounts and holdings, as well as duplicate trade execution confirmations and monthly statements. All Covered Securities Transactions are subject to policies and procedures established to mitigate conflicts of interest. Supervised persons are prohibited from participating in any Initial Public Offerings and may not engage in short-term trading without an exemption. Violations of the Code of Ethics may result in various sanctions, including possible termination. However, clients should be aware that no set of rules or procedures could possibly anticipate or relieve all potential conflicts. For a copy of the Code of Ethics, please contact Henssler's Chief Compliance Officer, Christopher E. Reeves at (770) 429-9166 or [creeves@henssler.com](mailto:creeves@henssler.com).

## **Item 12 – Brokerage Practices**

### Discretion vs. Non-Discretion

Henssler manages accounts on a discretionary basis, as well as a non-discretionary basis, which are subject to client-imposed limitations and goals. The nature of services provided to the client establishes whether Henssler has discretion to determine the securities to be bought or sold, the amount of securities to be bought or sold, the broker-dealer to be used, and the commission rate paid. The extent to which Henssler exercises its discretion is set forth in the client service agreement.

Henssler has the discretion to determine which broker-dealer will be used for the client accounts to execute trades. Henssler tries to select 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, which will help Henssler in providing investment management services to clients. Henssler may recommend or use a broker-dealer who provides useful research and securities transaction services, even though a different broker-dealer, who offers no research services and minimal securities transaction assistance, may charge a lower commission. Research services may be useful in servicing all of Henssler's clients, and not all of such research may be useful for the account in which the particular transaction was made.

Henssler's primary consideration in selecting a broker-dealer is its ability to provide the most favorable price and execution. In making this determination, Henssler will consider price, financial strength and responsibility, and the full range and quality of a broker-dealer's services. Examples of these types of services include written and oral economic and market advice. This advice may include the advisability of purchasing or selling certain securities, the availability of securities or purchasers or sellers of securities, analyses and reports concerning issuers, industries, securities, economic factors and trends, and portfolio strategy.

### Custodial Services

Henssler participates in several institutional service programs designed for Registered Investment Advisers and their clients. CSC, Acru, Fidelity and TDA offer these programs. Schwab Institutional ("SI") is a program of CSC. Fidelity Institutional Advisers Group ("FIAG") is the program offered by Fidelity. Clients in need of custodial services will generally have SI, Acru, FIAG, or TDA recommended to them. However, it is ultimately within the client's sole decision as to the custodian they choose to hold their assets.

As a result of its participation in these programs, Henssler receives some benefits. (Please refer to Item 10 – Other Financial Industry Activities And Affiliations above.) Additionally, some custodian platforms available to clients (for example, Acru and CSC) have an asset-based pricing structure that includes all transaction fees associated with trading in the

client accounts. A client who chooses such a custodian should determine if the custodian's fee would exceed the aggregate cost of such services if they were to be contracted and paid for separately by the client. When determining this, the client should consider the level of fees charged by such custodian, the amount of portfolio activity in the client's account, and the value of services available by the custodian or its affiliates, among other factors. Additionally, if a client chooses a custodian with an asset-based pricing structure, all trades placed with that custodian will be executed by that custodian. Henssler cannot choose the broker-dealer for trades executed in these asset-based custodial accounts.

### Directed Brokerage

Many clients, when undertaking an advisory relationship, already have a pre-established relationship with a broker. They may instruct Henssler to execute all transactions through that broker. In the event that a client directs Henssler to use a particular broker or dealer, it should be understood that under those circumstances Henssler would not generally attempt to negotiate commissions. Obtaining volume discounts and best execution may not be possible. Under these circumstances, a disparity in commission charges may exist with respect to the commission charged to other clients. If Henssler believes that the use of one particular broker designated by the client will interfere with Henssler's ability to manage accounts, Henssler may decline to enter into an advisory agreement with that client. Depending on client circumstances, Henssler may recommend any of several brokers provided Henssler can meet its fiduciary obligation of best execution. The factors considered by Henssler when making this recommendation are the broker's ability to provide professional services, Henssler's experience with the broker, the broker's reputation, and the broker's financial strength, among other factors.

### Soft Dollars

Henssler may enter into agreements to use "soft dollars" to pay for a portion of the research and brokerage related products and services used by the firm. This is the practice whereby Henssler uses a portion of client transaction cost dollars incurred with certain broker-dealers to pay for research and brokerage related products and services provided by both the subject broker-dealers as well as third parties and outside companies. This practice is referred to as a soft dollar arrangement. Henssler benefits from these soft dollar arrangements because Henssler does not have to directly pay for the research and brokerage related products provided. Due to this benefit, Henssler may have an incentive to select or recommend a broker-dealer based upon the soft dollar benefits received from the broker-dealer rather than for receiving the most favorable execution. For example, Henssler may use a broker-dealer that provides brokerage and research services, even though the commission or other transaction costs charged for a particular transaction may be higher than the commission another broker-dealer would have charged for executing the same transaction.

Examples of research related services used by Henssler during the last calendar quarter include various investment research reports and statistical services such as Thomson

Financial Attribution and Analytics research reports, Morningstar research reports, Value Line Research Center Analyzer research reports, NYSE research and trading reports, Standard and Poor's research reports, Axiom Advent services; Bloomberg research services; Moody's Analytics research reports, Wakling RFP research services, Interactive Data-IDC pricing services and Economy.com research services.

Research and brokerage related products and services received by Henssler from soft dollar arrangements may be useful in servicing some or all of Henssler's clients. However, not all or any of such product or service may be useful for the client account for which the particular transaction is made. Some soft dollar services and products provided may be used for both research and non-research purposes. In these circumstances, an appropriate allocation is made of the proportion of the cost attributable to non-research purposes, which is paid directly by Henssler.

### Trade Aggregation

On occasions when Henssler deems the purchase and sale of a security to be in the best interests of more than one of its clients, Henssler may aggregate multiple client purchase or sell orders that occur during the same time into a block order for execution. Executed orders are allocated among participating accounts according to each account's pre-determined participation in the transaction. Client accounts for which orders are aggregated receive the average price of such transaction, which could be higher or lower than the price that would otherwise be paid by a client absent the aggregation. Any transaction costs incurred in the transaction will be shared pro rata based on each client's level of participation in the transaction.

### Trade Error Policy

It is Henssler's obligation to correctly place orders for its advisory clients. If Henssler commits a trading or administrative error in a discretionary advisory account, upon notice of such error, the Operations Department, with assistance from the Compliance Department, conducts a full review of the facts and recommends the appropriate action. Corrective actions are based on the facts and circumstances of each error on a case-by-case basis. Henssler will correct the error in a manner that it deems appropriate, provided that Henssler will ensure that the discretionary client does not suffer any adverse financial consequences from such error. For non-discretionary advisory accounts, Henssler conducts the same review and correction process as long as that the trading or administrative error is discovered by Henssler or otherwise brought to Henssler's attention within 60 days after the client receives notice of the subject error.

Pursuant to the above terms, the firm will not correct a trade error by passing the cost (including losses) to clients or by using soft dollars. On a limited basis, Henssler may correct a trade error by transferring the investment involved in the trade error to an affiliated account or to another client account, if it is determined that the transaction is suitable and in the best interest of both clients. Neither Henssler nor any affiliate is acting

as a broker in these transactions and neither Henssler nor any affiliate receives any benefit therefrom. Generally, if related trade errors result in both gains and losses in a client account, they may be netted.

For accounts held at Charles Schwab & Co., Inc., if an investment gain results from correcting trade, the gain will remain in your account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (for example, because of tax reasons). If the gain does not remain in your account, Schwab will donate the amount of any gain \$100 or more to charity. Schwab will maintain the loss or gain (if such gain is not retained in your account) if it is under \$100 to minimize and offset its administrative time and expense.

At Fidelity and TD Ameritrade, all corrected trades are cleared through an error account. Henssler reimburses all losses to a client because of a trade error. Henssler also retains any gains that result from a client trade error in the error account. Because Henssler retains any gains or has them netted out before paying any losses, Henssler or another client at Fidelity or TD Ameritrade may receive a benefit from this arrangement. For accounts held at Acru, if an investment gain results from the correcting trade, the client maintains the gain. If correcting the trade results in a loss, Henssler will reimburse the client account for any loss incurred.

### Agency Cross Transactions

It is Henssler's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Henssler will also 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 any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated fund and another client account. 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.

### Step Out Transactions

Henssler may, on occasion, instruct the executing broker to credit a portion of a block trade to another broker, a common practice known as a step out. Generally, this may occur when numerous allocations are blocked into one single trade order, whereas one or more of the clients participating in the block may have placed trade direction to one or more brokers other than the executing broker. A step out, in this case, allows Henssler's traders to block a trade order where all participating allocations receive the same price and

facilitates specific client direction to trade with a specified broker(s). No client is disadvantaged by means of a step out.

### **Item 13 – Review of Accounts**

Associates and other investment personnel (including administrative personnel designated and supervised by investment personnel) review each client’s investment portfolio on a regular basis to ensure that investments are made in conformity with client’s stated objectives. Each managed client receives an Investment Policy Statement (“IPS”) along with strategic objectives during the first year of becoming a client. The IPS is based on their financial plan (if Henssler provides planning services), their risk tolerance, and their current situation. When a client’s financial plan or financial situation changes, Henssler will update the IPS as necessary. The strategic objectives detail the goals and objectives for the client and are updated on an annual basis.

Associates present each managed client’s documentation to management for review on a regular basis. During the review, the Associate presents information that may include the following areas: Overview of client current situation; Date of the last client meeting; Assets under management; and Percentage of client assets managed.

As appropriate, the Associate also presents a review of the financial plan, IPS, client goals sheet, asset allocation, liquidity plan, performance, income, savings and spending, college planning, insurance, estate planning, tax and accounting needs.

Trading activity for each client account is reviewed for accuracy and appropriateness. Generally, unless the client dictates more or less frequent meetings, Associates meet with each client on an annual basis to review goals, objectives, holdings, and portfolio performance to ascertain the continued appropriateness of the client’s investment strategy. Generally, clients receive confirmation of purchase and sale transactions. On a monthly or quarterly basis, reports are sent to clients from their custodians that show transactions for the period, as well as portfolio holdings. Performance reports and appropriate commentary are provided by Henssler on a semiannual or annual basis.

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

Henssler may enter into written agreements with individuals or firms, both affiliated and unaffiliated (each, a “Referral Partner”), who are not disqualified pursuant to Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). The written agreements entered into between Henssler and each Referral Partner shall:

- Describe the referral activities to be performed by the Referral Partner on behalf of Henssler, and
- Require the Referral Partner to provide each potential or current client with a copy of Henssler’s brochure required by Rule 204-3 of the Advisers Act.

The agreement with a Referral partner must also provide each potential or current client with a separate written disclosure document that provides:

- The name of the Referral Partner;
- The nature of the relationship of the Referral Partner with Henssler;
- A description of the compensation to be paid by Henssler to the Referral Partner, typically a percentage of the investment advisory fees paid to Henssler by the referred client, and
- A statement that no additional fee will be charged to the client in order to compensate the Referral Partner.

Henssler may also compensate its employees for obtaining new business. This additional compensation rewards Henssler's employees for the extra time, effort and expense involved in establishing a new client relationship. Henssler may employ individuals solely for the purpose of obtaining new business. This compensation does not increase the clients' fees.

Henssler participates in the Schwab Advisor Network<sup>®</sup> (the "Service"), whereas Henssler will pay a participation fee to Schwab for client accounts received through the Service. The participation fee paid to Schwab is generally a percentage of the assets under management in the client accounts. Neither the participation in the Service nor the payment to Schwab under the Service arrangements will result, directly or indirectly, in the payment of any greater fees or expenses to the client. Service client accounts custodized at Schwab would generally result in lower participation fees paid by Henssler. Thus, Henssler has an incentive to recommend that the client accounts be held in custody at Schwab.

### **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Henssler urges clients to carefully review such statements and compare such official custodial records to the account statements that Henssler may provide to each client. Statements from Henssler may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

Henssler usually receives discretionary authority from the client at the beginning of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Henssler observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Henssler's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Henssler in writing.

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

As a matter of firm policy and practice, Henssler does not have any authority to and does not vote proxies on behalf of advisory clients except in rare circumstances. Henssler does, however, vote proxies on behalf of The Henssler Equity Fund and may, at its discretion, accept voting responsibility on behalf of other clients.

Outside of accepting that responsibility, clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Henssler may provide advice to clients regarding the clients' voting of proxies. Henssler has the fiduciary obligation, when it has voting authority, to place the best interest of advisory clients (plan participants and beneficiaries in the case of ERISA accounts) as the sole consideration when voting proxies of portfolio companies.

Henssler's established proxy voting procedures include the formation of a Proxy Committee. The Proxy Committee shall consider its fiduciary responsibility to all clients when addressing proxy issues and vote accordingly, taking into account general policies. If a material conflict of interest arises between Henssler's interests and those of the clients concerning proxy voting, Henssler will adhere to recommendations or use third-party advisers. Henssler will ensure that all voting records, research analysis, client requests and other information shall be maintained in accordance with applicable books and records rules and regulations.

Inquiries regarding Henssler's proxy procedures and/or voting records should be directed to your Henssler Associate.

### **Item 18 – Financial Information**

Registered investment advisers are required in Item 18 – Financial Information to provide you with certain financial information or disclosures about Henssler's financial condition. Henssler has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

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## **Form ADV Part 2b Brochure Supplement**

### **Brochure Supplement**

This Part 2B of Form ADV (“Brochure Supplement”) provides information about each of Henssler’s employees who formulate investment advice and have discretionary authority over Client assets or direct Client contact (“Supervised Persons”).

#### **Supervised Persons**

\*Gene Willie Henssler, Ph.D.

\*William George Lako, Jr., CFP<sup>®1</sup>

\*Stephen Alan Michael

\*Theodore Lavelle Parrish, CFA<sup>2</sup>

\*Margaret Elizabeth Murphy, CFP<sup>®1</sup>

\*Scott Lewis Keller, CFA<sup>2</sup>

\*Michael Stephen Sava, CIMA<sup>®6</sup>

\*Jennifer Jones Thomas, CFP<sup>®1</sup>

\*Shawna Lynn Theriault, CFP<sup>®1</sup>, C.P.A.<sup>3</sup>

\*Karen Denise Rinehart, CFP<sup>®1</sup>

\*Thomas Carson Cole

Benjamin Harrington Crowe, CFP<sup>®1</sup>, CFA<sup>2</sup>,  
C.P.A.<sup>3</sup>

\*Donald James Barker, CWS<sup>®5</sup>

\*Wesley Neal Hackney, CFP<sup>®1</sup>

\*William Carey Bowen IV, CFP<sup>®1</sup>

\*Charles Betts Holloway III, CFP<sup>®1</sup>, CDFATM<sup>4</sup>

\*Karl Canty Smith

\*Claudia Suzanne Lako

Michael Anthony Griffin

\*Adam Edgar Lamar Ledbetter, CFP<sup>®1</sup>

Mallory Larae Kimmerling

#### **Firm Name and Address**

## **Henssler Financial**

**3735 Cherokee Street • Kennesaw, GA 30144**

**phone: 770-429-9166 • fax: 770-428-3852**

**[www.henssler.com](http://www.henssler.com)**

**This brochure supplement provides information about the Supervised Persons of Henssler that supplements the G.W. Henssler & Associates, Ltd. and Henssler Asset Management, LLC Brochure. You should have received a copy of those brochures. The brochures for G.W. Henssler & Associates, Ltd. and Henssler Asset Management, LLC may be requested by contacting Henssler’s Media Coordinator at (770) 429-9166 or by email at [adv@henssler.com](mailto:adv@henssler.com).**

**\*Additional information about this supervised person is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

Our current brochure is also available on our website [www.henssler.com](http://www.henssler.com), free of charge.

<sup>1</sup> See APPENDIX A-1 of this Supplement for information about the qualifications required to obtain and maintain the CERTIFIED FINANCIAL PLANNER™ (“CFP®”) designation.

<sup>2</sup> See APPENDIX A-2 of this Supplement for information about the qualifications required to obtain and maintain the Chartered Financial Analyst (“CFA”) designation.

<sup>3</sup> See APPENDIX A-3 of this Supplement for information about the qualifications required to obtain and maintain the Certified Public Accountant (“C.P.A.”) designation.

<sup>4</sup> See APPENDIX A-4 of this Supplement for information about the qualifications required to obtain and maintain the Certified Divorce Financial Analyst™ (“CDFA™”) designation.

<sup>5</sup> See APPENDIX A-5 of this Supplement for information about the qualifications required to obtain and maintain the Certified Wealth Strategist® (“CWS®”) designation.

<sup>6</sup> See APPENDIX A-7 of this Supplement for information about the qualifications required to obtain and maintain the Certified Investment Management Analyst<sup>SM</sup> (“CIMA®”) designation.

Name: **Gene Willie Henssler, Ph.D.**  
Title: President and Chief Financial Officer  
D.O.B: March 6, 1940  
Education: Wayne State University Bachelor of Science, Business Administration, Finance, 1963  
University of Michigan, Master of Business Administration, Finance, 1965  
University of Michigan, Doctorate, Finance, 1971  
FINRA Series 6, Series 63, Series 65  
Business: Principal, President, G.W. Henssler & Associates, Ltd., 1/87 – present  
Member, Henssler Asset Management, LLC, 2/98 – present  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Partial Owner, CNT Financial, LLC, 10/00 – 3/10  
Professor of Finance, Kennesaw State University, 9/86 – 9/96  
Disciplinary Information: None (100% clean record)  
Other Business Activities: Member, LHRL, LLC, 2/12 – present  
Owner and Member, Lighthouse Insurance Agency, LLC, 5/01 – present  
Director, The Henssler Funds, Inc., 2/98 – present  
Applicable FINRA licenses are held by ALPS Distributors, Inc  
Additional Compensation: None (Not Applicable)  
Supervision: Gene W. Henssler, Ph.D., is the president and owner of Henssler, and consequently there is no chain of command from a standpoint of supervision of client advice.  
Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **William George Lako, Jr., CFP®**  
Title: Principal and Managing Director  
D.O.B: October 13, 1970

Education: DeKalb Community College, Associates Degree, Business, 1993  
Kennesaw State University, Bachelor of Business Administration,  
Finance, 1995  
FINRA Series 7, Series 26, Series 28, Series 63, Series 65  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2005

Business Principal, G.W. Henssler & Associates, Ltd., 12/98-present  
Managing Director, G.W. Henssler & Associates, Ltd., 10/98 – present  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Operations Manager, G.W. Henssler & Associates, Ltd., 9/97 – 10/98  
Associate, G.W. Henssler & Associates, Ltd., 4/95 – 10/98  
Member, Henssler Asset Management, LLC, 1/02 – present  
Managing Director, Henssler Asset Management, LLC, 2/98 – present  
Board Member, CNT Financial, LLC, 1/01 – 3/10

Disciplinary Information: None (100% clean record)

Other Business Activities: Member, LHHR, LLC, 2/12 – present  
Owner and Member, Lighthouse Insurance Agency, LLC, 5/01 – present  
Officer, The Henssler Funds, Inc., 2/98 – present  
Executive in Residence, Kennesaw State University, 3/11 – present  
Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Gene W. Henssler, Ph.D., is the direct supervisor for William G. Lako, Jr., CFP®, and monitors his work on a daily basis. Together they sit on the Portfolio Committee to build the various investment models at Henssler.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Theodore Lavelle Parrish, CFA**  
Title: Principal and Director of Investments  
D.O.B: September 13, 1972

Education: South Georgia Junior College, Associate of Arts, General Studies, 1993  
Kennesaw State University, Bachelor of Business Administration, Finance, 1995  
FINRA Series 7, Series 66  
Chartered Financial Analyst (CFA), 2004

Business Director of Investments, Principal, G.W. Henssler & Associates, Ltd., 1998 – present  
Senior Associate, G.W. Henssler & Associates, Ltd., 1996 – 1998  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Research Associate, G.W. Henssler & Associates, Ltd., 1995 – 1996  
Member, Henssler Asset Management, LLC, 1/02 – present  
Director of Investments, Henssler Asset Management, LLC, 2/98 – present

Disciplinary Information: None (100% clean record)

Other Business Activities: Officer, The Henssler Funds, Inc., 2/98 – present  
Kennesaw State University Foundation Board of Trustees, 10/10 – present  
Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Theodore L. Parrish, CFA, does not provide any advice to clients. However, he does work on the investment strategy and trading operations. Principal and Managing Director William G. Lako, Jr., CFP®, is the direct supervisor for Parrish, and monitors his work on a daily basis. Parrish is a member of the Portfolio Committee along with Gene W. Henssler, Ph.D., and Lako. The Portfolio Committee builds the various investment models at Henssler.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Scott Lewis Keller, CFA**  
Title: Principal and Senior Associate  
D.O.B: May 3, 1966

Education: University of Georgia, Bachelor of Business Administration, Finance, 1988  
Mercer University, Master of Business Administration, 1993  
FINRA Series 6, Series 26, Series 63, Series 65  
Chartered Financial Analyst (CFA), 2000

Business Principal, G.W. Henssler & Associates, Ltd., 12/98 – present  
Senior Associate, G.W. Henssler & Associates, Ltd., 9/97 – present  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Member, Henssler Asset Management, LLC, 1/02 – present  
Vice President, The Fuji Bank, Ltd., 1/90 – 9/97

Disciplinary Information: None (100% clean record)

Other Business Activities: Board Member, CNT Financial, 1/01 – 3/10  
Lighthouse Brokerage and Financial Services, 11/01 – 10/03  
Officer, The Henssler Funds, Inc., 2/98 – present  
Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Managing Director William G. Lako, Jr., CFP®, is the direct supervisor for Scott L. Keller, CFA, and monitors his work on a daily basis. Keller is a member of the Portfolio Committee along with President and Chief Investment Officer Gene W. Henssler, Ph.D., and Lako. The Portfolio Committee builds the various investment models at Henssler.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Jennifer Jones Thomas, CFP®**

Title: Principal and Senior Managing Associate

D.O.B July 29, 1965

Education: FINRA Series 6, Series 63, Series 65  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2005

Business Principal, G.W. Henssler & Associates, Ltd., 12/98 – present  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Senior Managing Associate, G.W. Henssler & Associates, Ltd., 9/94 – present  
Registered Representative, Charles Schwab & Co., 10/90 – 9/94

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Managing Director William G. Lako, Jr., CFP®, is the direct supervisor Jennifer J. Thomas, CFP®, and monitors her work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Karen Denise Rinehart, CFP®**

Title: Managing Associate

D.O.B: May 10, 1973

Education: Kennesaw State University, Bachelor of Business Administration, Management, 1997  
FINRA Series 6, Series 63  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2005

Business Managing Associate, G.W. Henssler & Associates, Ltd., 5/05 – present  
Managing Associate, Henssler Asset Management, LLC, 5/05 – present  
Registered Representative of ALPS Distributors Inc., 7/05 – present  
Associate, G.W. Henssler & Associates, Ltd., 7/99 – 5/05  
Associate, Henssler Asset Management, LLC, 7/99 – 5/05  
Assistant, G.W. Henssler & Associates, Ltd., 12/97 – 6/99  
Assistant, Henssler Asset Management, LLC, 2/98 – 6/99

Disciplinary Information: None (100% clean record)

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Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, is the direct supervisor for Karen D. Rinehart, CFP®, and monitors her work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Benjamin Harrington Crowe, CFP®, CFA, C.P.A.**

Title: Associate

D.O.B: March 25, 1975

Education: University of Georgia, Bachelor of Science, Finance, 1997  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2000  
Chartered Financial Analyst Charterholder, 2003  
Certified Public Accountant, 2008  
FINRA Series 6, Series 63

Business: Registered Representative of ALPS Distributors Inc., 1/12 – present  
Associate, G.W. Henssler & Associates, Ltd., 8/10 – present  
Associate, Henssler Asset Management, LLC, 8/10 – present  
Crowe Advisory Services, Inc., 11/21/06 – 08/31/10

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Managing Director William G. Lako, Jr., CFP®, is the direct supervisor for Benjamin H. Crowe, CFP®, CFA, C.P.A., and monitors his work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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**Name:** Wesley Neal Hackney, CFP®  
**Title:** Associate  
**D.O.B** January 7, 1976  
**Education:** Kennesaw State University, Bachelor of Business Administration, Finance, 2000  
FINRA Series 6, Series 63  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2008  
**Business** Associate, G.W. Henssler & Associates, Ltd., 6/08 – Present  
Associate, Henssler Asset Management, LLC, 6/08 – Present  
Registered Representative of ALPS Distributors Inc., 7/08– present  
Wachovia Securities, Inc., 8/04 – 6/08  
**Disciplinary Information:** None (100% clean record)  
**Other Business Activities:** Applicable FINRA licenses are held by ALPS Distributors, Inc.  
**Additional Compensation:** None (Not Applicable)  
**Supervision:** Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Managing Associate Karen D. Rinehart, CFP®, are the direct supervisors for Wesley N. Hackney, CFP®, and monitor his work on a daily basis.  
**Requirements for State-Registered Advisers:** None (Not Applicable)

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**Name:** Charles Betts Holloway III, CFP®, CDFATM  
**Title:** Associate  
**D.O.B** May 14, 1977  
**Education:** Georgia Institute of Technology, Bachelor of Science, Management, 2000  
FINRA Series 7, Series 66  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2008  
Certified Divorce Financial Analyst™ Certificant, 2010

Business Associate, G.W. Henssler & Associates, Ltd., 8/08 – present  
Associate, Henssler Asset Management, LLC, 8/08 – present  
Registered Representative of ALPS Distributors Inc., 10/10 – present  
UBS Financial Services, 2/07 – 7/08  
Homrich & Berg, Inc., 10/04 – 1/07  
Wachovia Securities, Inc., 9/01 – 6/04

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Managing Associate Karen D. Rinehart, CFP®, are the direct supervisors for Charles B. Holloway III, CFP®, CDTA™, and monitor his work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Claudia Suzanne Lako**

Title: Senior Associate

D.O.B January 20, 1974

Education: Kennesaw State University, Bachelor of Business Administration, Finance, 1997  
FINRA Series 6, Series 63, Series 65

Business Senior Associate, G.W. Henssler & Associates, Ltd., 6/05 – Present  
Senior Associate, Henssler Asset Management, LLC, 6/05 – Present  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Associate, G.W. Henssler & Associates, Ltd., 12/97 -6/05  
Associate, Henssler Asset Management, LLC, 2/98 – 6/05  
Assistant, G.W. Henssler & Associates, Ltd., 5/95 – 12/97

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Managing Associate Karen D. Rinehart, CFP®, are the direct supervisors for C. Suzanne Lako, and monitor her work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Adam Edgar Lamar Ledbetter, CFP®**

Title: Associate

D.O.B: September 14, 1978

Education: Kennesaw State University, Bachelor of Business Administration, Finance, 2001  
FINRA Series 6, Series 63  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2005

Business: Associate, G.W. Henssler & Associates, Ltd., 8/06 – present  
Associate, Henssler Asset Management, LLC, 8/06 – present  
Registered Representative of ALPS Distributors Inc., 2/07 – present  
Assistant, G.W. Henssler & Associates, Ltd., 1/01 – 8/06  
Assistant, Henssler Asset Management, LLC, 1/01 – 8/06

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Managing Associate Karen D. Rinehart, CFP®, are the direct supervisors for Adam E. L. Ledbetter, CFP®, and monitor his work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Stephen Alan Michael**  
Title: Senior Associate  
D.O.B: February 21, 1952  
Education: University of Denver, Bachelor of Arts, Political Science, 1974  
Georgia State University, Master of Business Administration, 1977  
FINRA Series 4, Series 7, Series 24, Series 63, Series 65, Series 99  
Business: Senior Associate, G.W. Henssler & Associates, Ltd., 11/01 – Present  
Senior Associate, Henssler Asset Management, LLC, 11/01 - Present  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Hagar Financial Corp., 5/01 – 11/01  
GMA Partners, Inc., 8/97 – 5/01  
Jackson Securities, Inc., 5/89 – 8/97  
Disciplinary Information: None (100% clean record)  
Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.  
Additional Compensation: None (Not Applicable)  
Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Principal and Senior Associate Scott L. Keller, CFA, are the direct supervisors for Stephen A. Michael, and monitor his work on a daily basis.  
Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Margaret Elizabeth Murphy, CFP®**  
Title: Senior Associate  
D.O.B: January 20, 1974  
Education: Kennesaw State University, Bachelor of Business Administration, Management, 1997  
FINRA Series 6, Series 63  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2005

Business Senior Associate, G.W. Henssler & Associates, Ltd., 5/05 – present  
Senior Associate, Henssler Asset Management, LLC, 5/05 – present  
Registered Representative of ALPS Distributors Inc., 6/05 – present  
Associate, G.W. Henssler & Associates, Ltd., 7/99 – 5/05  
Associate, Henssler Asset Management, LLC, 7/99 – 5/05  
Assistant, G.W. Henssler & Associates, Ltd., 6/98 – 6/99  
Assistant, Henssler Asset Management, LLC, 6/98 – 6/99

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Managing Associate Karen D. Rinehart, CFP®, are the direct supervisors for M. Elizabeth Murphy, CFP®, and monitor her work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Michael Stephen Sava, CIMA®**

Title: Associate

D.O.B: December 11, 1965

Education: University of Wisconsin, Madison, Bachelor of Arts, International Relations-Economics, 1988  
Certified Investment Management Analyst™ Certificant, 2002  
FINRA Series 7, Series 66

Business Associate, G.W. Henssler & Associates, Ltd., 1/12 – present  
Associate, Henssler Asset Management, LLC, 1/12 – present  
Registered Representative, Quest Capital Strategies, 4/11 – 11/11  
Owner, AMT Homes, 5/09 – 3/11  
Senior Specialist, Merrill Lynch, 8/05 – 5/09  
Financial Consultant, McDonald Investments, 4/00 – 3/03  
Financial Consultant, Smith Barney, 5/93 – 4/00

Disciplinary Information: None (100% clean record)

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Other Business Activities: None (Not Applicable)

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Managing Associate Karen D. Rinehart, CFP®, are the direct supervisors for Michael Sava, CIMA®, and monitor his work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Shawna Lynn Theriault, CFP®, C.P.A.**

Title: Associate

D.O.B: June 22, 1978

Education: Western Governors University, Bachelor of Science, Accounting, 2009  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2006  
Certified Public Accountant, 2011  
FINRA Series 7, Series 63

Business Associate, G.W. Henssler & Associates, Ltd., 1/11 – Present  
Associate, Henssler Asset Management, LLC, 1/11 – Present  
Registered Representative of ALPS Distributors Inc., 8/11 – present  
Associate, Homrich Berg, 10/03 – 1/11  
Charles Schwab & Co., Inc., 10/00 – 7/03

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, and Managing Associate Karen D. Rinehart, CFP®, are the direct supervisors for Shawna Theriault, CFP®, C.P.A. and monitor her work on a daily basis.

Requirements  
for State-  
Registered  
Advisers: None (Not Applicable)

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Name: **Thomas Carson Cole**

Title: Financial Planner

D.O.B: October 7, 1965

Education: University of North Carolina, Bachelor of Science, Business Administration, 1988  
University of Georgia, Master of Business Administration, 1989  
FINRA Series 6

Business: Financial Planner, G.W. Henssler & Associates, Ltd., 2/11 – Present  
Financial Planner, Henssler Asset Management, LLC, 2/11 – Present  
Registered Representative of ALPS Distributors Inc., 5/11 – present  
Director of Operations & Marketing, Chappell, Mayfield & Associates, 6/05 – 2/11

Disciplinary  
Information: None (100% clean record)

Other Business  
Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional  
Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, is the direct supervisor for Thomas C. Cole, and monitors his work on a daily basis.

Requirements  
for State-  
Registered  
Advisers: None (Not Applicable)

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Name: **Donald James Barker, CWS®**

Title: Account Executive

D.O.B: April 5, 1977

Education: Certified Wealth Strategist® Certificant, 2011  
Liberty University, Bachelor of Science in Criminal Justice, 2010 – Anticipated 2012  
Kennesaw State University, 2005 – 2009  
FINRA Series 6, Series 63

Business Account Executive, G.W. Henssler & Associates, Ltd., 10/08 – Present  
Account Executive, Henssler Asset Management, LLC, 10/08 – Present  
Registered Representative of ALPS Distributors Inc., 9/09 – present  
Assistant, G.W. Henssler & Associates, Ltd., 10/06 – 10/08  
Assistant, Henssler Asset Management, LLC, 10/06 – 10/08  
Police Officer, Austell Police Department, 8/00 – 10/06

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, is the direct supervisor for D.J. Barker, CWS® and monitors his work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Karl Canty Smith**

Title: Account Executive

D.O.B: February 10, 1983

Education: Georgia State University, Master of Business Administration, 1/10 – Present  
Kennesaw State University, Bachelor of Business Administration, Finance, 2008  
FINRA Series 6, Series 63

Business Account Executive, G.W. Henssler & Associates, Ltd., 7/11 – present  
Account Executive, Henssler Asset Management, LLC, 7/11 – present  
Registered Representative of ALPS Distributors Inc., 1/12 – present  
Assistant, G.W. Henssler & Associates, Ltd., 6/09 – 7/11  
Assistant, Henssler Asset Management, LLC, 6/09 – 7/11  
Operations Assistant, G.W. Henssler & Associates, Ltd., 5/08 –6/09  
Operations Assistant, Henssler Asset Management, LLC, 5/08 –6/09

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, is the direct supervisor for K.C. Smith, and monitors his work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **William Carey Bowen IV, CFP®**

Title: Account Executive II

D.O.B: March, 24, 1980

Education: University of Georgia, Bachelor of Business Administration, Finance, 2002  
Georgia State University, Master of Business Administration, 2010  
CERTIFIED FINANCIAL PLANNER™ Certificant, 2011  
FINRA Series 6, Series 63

Business Account Executive II, G.W. Henssler & Associates Ltd., 8/11 – present  
Account Executive II, Henssler Asset Management, LLC, 8/11 – present  
Registered Representative of ALPS Distributors Inc., 8/11 – present  
Assistant, G.W. Henssler & Associates, Ltd., 8/10 – 8/11  
Assistant, Henssler Asset Management, LLC, 8/10 – 8/11  
Financial Service Representative, SunTrust, 3/08 –8/09  
Account Executive, Guaranty Bank, 6/04 – 3/08

Disciplinary Information: None (100% clean record)

Other Business Activities: Applicable FINRA licenses are held by ALPS Distributors, Inc.

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, is the direct supervisor for William C. Bowen IV, CFP®, and monitors his work on a daily basis.

Requirements for State-Registered Advisers: None (Not Applicable)

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Name: **Michael Anthony Griffin**

Title: Assistant

D.O.B: January 21, 1986

Education: Oglethorpe University, Financial Planner Program, 2010 – Present  
Kennesaw State University, Bachelor of Business Administration, Management, 2009

Business: Assistant, G.W. Henssler & Associates, Ltd., 5/10 – Present  
Assistant, Henssler Asset Management, LLC, 5/10 – Present  
Administrative Assistant, G.W. Henssler & Associates, Ltd., 5/09 – 5/10  
Administrative Assistant, Henssler Asset Management, LLC, 5/09 – 5/10  
Office Assistant, G.W. Henssler & Associates, Ltd., 3/07 – 5/09  
Office Assistant, Henssler Asset Management, LLC, 3/07 – 5/09

Disciplinary Information: None (100% clean record)

Other Business Activities: None (Not Applicable)

Additional Compensation: None (Not Applicable)

Supervision: Principal and Senior Managing Associate Jennifer J. Thomas, CFP®, is the direct supervisor for Michael A. Griffin, and monitors his work on a daily basis.

Requirements  
for State-  
Registered  
Advisers: None (Not Applicable)

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Name: **Mallory Larae Kimmerling**  
Title: Assistant  
D.O.B: April 18, 1985  
Education: Kennesaw State University, Bachelor of Business  
Administration, Finance, 2008  
Business: Assistant, G.W. Henssler & Associates, Ltd., 5/08 – Present  
Assistant, Henssler Asset Management, LLC, 5/08 – Present  
Intern, G.W. Henssler & Associates, Ltd., 1/08 – 5/08  
Intern, Henssler Asset Management, LLC, 1/08 – 5/08  
Disciplinary  
Information: None (100% clean record)  
Other Business  
Activities: None (Not Applicable)  
Additional  
Compensation: None (Not Applicable)  
Supervision: Principal and Senior Managing Associate Jennifer J. Thomas,  
CFP®, is the direct supervisor for Mallory L. Kimmerling, and  
monitors her work on a daily basis.

Requirements  
for State-  
Registered  
Advisers: None (Not Applicable)

## **Qualifications Required to Obtain and Maintain Designations**

### **Certified Financial Planner™ (CFP®)**

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

#### **Education**

Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

#### **Examination**

Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

#### **Experience**

Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

#### **Ethics**

Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

### Continuing Education

Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

### Ethics

Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### Chartered Financial Analyst (CFA)

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 135 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters
- Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

### *Comprehensive and Current Knowledge*

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

### **Certified Public Accountant (C.P.A.)**

The Certified Public Accountant designation is a national professional certification. The State Boards of Accountancy determines the laws and rules for each state/jurisdiction. Educational requirements vary by state. The Georgia State Board of Accountancy licenses certified public accountants and public accounting firms. Applicants for C.P.A. licensure must meet sufficient requirements for education and experience and pass a national examination.

C.P.A.s are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a C.P.A. generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a C.P.A.), and successful passage of the Uniform C.P.A. Examination. In order to maintain a

C.P.A. license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own

### **Certified Financial Divorce Analyst (CDFA™)**

The Institute for Divorce Financial Analysts™ (IDFA™) was founded in 1993 to provide specialized training to accounting, financial and legal professionals in the field of pre-divorce financial planning. Over the years, IDFA™ has certified more than 5,000 professionals as Certified Divorce Financial Analysts™. The Institute provides comprehensive education using a variety of knowledge and skill building techniques. Candidates will learn how to help their clients with financial issues that will affect the rest of their lives. After successfully completing the course, candidates receive the Certified Divorce Financial Analyst™ (CDFA™) designation. To attain the right to use the CDFA™ certification, an individual must satisfactorily fulfill the following requirements:

#### **Education**

CDFA™ professionals must develop their theoretical and practical understanding and knowledge of the financial aspects of divorce by completing a comprehensive course of study approved by the IDFA™.

#### **Examination**

CDFA™ practitioners must pass a four-part Certification Examination that test their understanding and knowledge of the financial aspects of divorce. In addition, the practitioner must demonstrate the practical application of this knowledge in the divorce process.

#### **Experience**

CDFA™ professionals must have two years minimum experience in a financial services capacity prior to earning the right to use the CDFA™ certification mark.

#### **Ethics**

As a final step to certification, CDFA™ practitioners agree to abide by a strict code of professional conduct known as the IDFA Code of Ethics and Professional Responsibility that sets forth their ethical responsibilities to the public, clients, employers and other professionals. The IDFA™ may perform a background check during this process and each

candidate for CDFA™ certification must disclose any investigations or legal proceedings relating to his or her professional or business conducts.

Individuals who become certified must complete the following ongoing education in order to maintain the right to continue to use the CDFA™ designation:

### Ongoing Certification Requirements

Once certified, CDFA™ practitioners are required to maintain technical competence, fulfill ethical obligations, and remain a member of IDFA in good standing. Every two years, they must complete a minimum of twenty (20) hours of continuing education, ten (10) of which are specifically related to the field of divorce. In addition, to the biannual continuing education requirement, all CDFA™ practitioners must voluntarily disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the past two years as part of the renewal process.

### **Certified Wealth Strategist® (CWS®)**

The Certified Wealth Strategist® Education and Designation have been developed by the Cannon Financial Institute.

The Certified Wealth Strategist® designation program provides financial services professionals an additional level of knowledge to both competently and confidently serve their clients and to exceed client expectations. The program is designed to provide financial services professionals with the knowledge and skill sets needed to work with more complex client issues in these four broad and primary phases of wealth management: Creation and Growth of Wealth, Preservation and Protection of Wealth, Distribution of Wealth during Life, and Distribution of Wealth at Death.

### Education

The Certified Wealth Strategist® program's curriculum is presented by blending six different educational formats to maximize the learning experience:

- Instructor-Led Training – CWS® Practice Management Skills and CWS® Client Interaction Skills
- Reading Assignments Case Studies and Self-Assessments
- Audio Assignments
- Interactive e-Learning Lessons
- Online Mastery Examinations
- A Capstone Project

This multi-format presentation allows participants to accelerate the assimilation of complex concepts in a more efficient and successful manner. It also allows advisors to bring their new set of competencies to their clients, while minimizing the time away from their primary job responsibilities.

### Capstone Project

At the end of the CWS® program of study, The Capstone Project includes a business plan and case study that demonstrates use of the knowledge and skills acquired during the Certified Wealth Strategist® program. Capstone Projects articulate action steps for:

- Client interactions, scripts, topics and tools
- Business practice changes, actions and tools
- Resource use, source and location
- Knowledge inventory, gaps and solutions

### Experience

CWS® certificants are required to have more than three years experience in the financial services industry and significant experience in a client-facing role, or a four-year degree from an accredited school.

### Ethics

In accepting the Certified Wealth Strategist® designation certificants support and adhere to the obligations and responsibilities set out below.

- Responsible to the public to provide accurate and truthful representation in advertising and public statements regarding services and expected results.
- Responsible to the client to provide objective, accurate and truthful professional services.
- Responsible to maintain and respect confidentiality of sensitive information obtained in the execution of professional responsibilities.
- Responsible to ensure that a client's interests are not compromised by conflicts of interest or other unethical and inappropriate influence of professional judgment.

### Ongoing Requirements

CWS® certificants are required to complete 33 hours of CE (30 general and 3 Ethical) for each reporting period. Reporting period is defined as two-years, beginning January 1 following the date of receiving CWS® certification. The subject matter for general CE must entail technical training that extends knowledge within the 13 Wealth Management Issues and/or training that improves on practice management and client relationship building skills.

### **Certified Investment Management Analyst<sup>SM</sup> (CIMA®)**

The CIMA certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA certification are three years of financial services experience and an acceptable regulatory history. To obtain the CIMA certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school, pass an online Certification Examination, and have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements. CIMA designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

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