

# Kanawha Capital Management, LLC

## Customer Relationship Summary Introduction

Kanawha Capital Management, LLC is an investment adviser registered with the Securities and Exchange Commission (“SEC”). As an investment advisor, Kanawha Capital Management, LLC provides advisory accounts and services rather than brokerage accounts and services. This document gives you a summary of the types of services we provide and how you pay for those services. Please ask us for more information. There are some suggested questions below. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS).

## Relationships and Services

### What investment services and advice can you provide me?

We offer investment advisory services to individual investors, charitable organizations, and corporate profit-sharing plans. We must abide by certain laws and regulations in our interactions with you.

- We will offer you investment advice on a regular basis. We will discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account. We will contact you (by phone or e-mail) at least quarterly to discuss your portfolio.
- You can choose an account that allows us to buy and sell investments in your account without asking you in advance (a “*discretionary account*”) or we may give you advice and you decide what investments to buy and sell (a “*non-discretionary account*”).
- We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy, and investments on an ongoing basis.
- We do have requirements for retail investors to open or maintain an account or establish a relationship. Our account minimum is \$500,000.00.

For additional information, please see our [Form ADV, Part 2A](#) brochure, specifically Pages 3, 10, 11 and 13.

### Conversation Starters: Ask us the following questions –

- ✓ Given my financial situation, should I choose an investment advisory service? Why or why not?
- ✓ How will you choose investments to recommend to me?
- ✓ What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

## Fees, Costs, Conflicts, and Standard of Conduct

### What fees will I pay?

- If you open an advisory account, you will pay an on-going *asset-based fee* at the beginning of each quarter for our services, based on the value of the cash and investments in your advisory account. The amount paid to our firm generally does not vary based on the type of investments we select on your behalf.
- The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell. Fees will reduce any amount of money you make on your investments over time.
- Some broker-dealers or banks (“*custodian*”) charge a fee to hold your assets (called “*custody*”). Also, some custodians charge you a transaction fee when we buy and sell an investment for you. The custodian determines custody and transaction fees. We recommend that clients use Charles Schwab as their custodian. Charles Schwab does not charge custodian fees. Charles Schwab does not charge transactions fees on equity or exchange traded funds (ETF’s) but will charge transactions fees on mutual funds.
- Please make sure you understand what fees and costs you are paying. For more information, please see [Form ADV, Part 2A](#) brochure, Page 4.

### Conversation Starters: Ask us the following questions –

- ✓ Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

***What are your legal obligations to me when acting as my investment adviser?  
How else does your firm make money and what conflicts of interest do you have?***

- When we act as your investment adviser, we must always act in your best interest and put your interest ahead of ours.
- We only make money on the investment advisory services we provide to you.
- Our firm uses services from Schwab Advisor Services at a waived or reduced cost. By recommending that you maintain your accounts at Charles Schwab, this is a conflict of interest. Kanawha Capital Management, LLC is independently owned and is not affiliated with Charles Schwab.

**For additional information**, please see our [Form ADV, Part 2A](#) brochure, specifically Pages 7-9.

**Conversation Starters:** Ask us the following questions –

- ✓ How might your conflicts of interest affect me, and how will you address them?

***How do your financial professionals make money?***

- Our financial professionals are compensated by salary.
- Four of our financial professionals have an ownership interest in Kanawha Capital Management, LLC. These financial professionals receive distributions if the firm earns a profit from the advisory services provided to you.

***Disciplinary History***

***Do you or your financial professionals have legal or disciplinary history?***

- No, the firm and/or its financial professionals do not have a reported disclosure.
- Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research your financial professionals.

**Conversation Starters:** Ask us the following questions –

- ✓ As a financial professional, do you have any disciplinary history? For what type of conduct?

***Additional Information***

- For additional information on our investment advisory services and to request a copy of the relationship summary, go to IAPD at [adviserinfo.sec.gov](http://adviserinfo.sec.gov) or to our website, [www.kancap.com](http://www.kancap.com).
- You can call us at 804-359-3900 to request up-to-date information and request a copy of the relationship summary.

**Conversation Starters:** Ask us the following questions –

- ✓ Who is my primary contact person? Is he or she a registered representative of an investment advisor?
- ✓ Who can I talk to if I have concerns about how this person is treating me?
- ✓ Do your financial professionals have sales goals?
- ✓ How many assets under management do you have?
- ✓ On average, how many relationships are assigned to each financial professional?
- ✓ Will you work with my existing CPA/lawyer?
- ✓ Do you invest my money in mutual funds?