

# Miller Avenue Advisors, LLC

Office Address: 129 Miller Avenue, Suite 622 Mill Valley, CA 94941

Website: [www.milleraveadvisors.com](http://www.milleraveadvisors.com)

Email: [alex@milleraveadvisors.com](mailto:alex@milleraveadvisors.com)

Tel: 415-888-8472

March 29, 2024

## **FORM ADV PART 2A DISCLOSURE BROCHURE**

This brochure provides information about the qualifications and business practices of Miller Avenue Advisors, LLC. Being registered as an investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 415-888-8472. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

**ADDITIONAL INFORMATION ABOUT MILLER AVENUE  
ADVISORS, LLC (CRD #313523) IS AVAILABLE ON THE  
SEC'S WEBSITE AT WWW.ADVISERINFO.SEC.GOV**

## **Item 2: Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

### **Material Changes since the Last Update**

This update is in accordance with the required annual update for Registered Investment Advisors. Since the last filing on January 12, 2023 the following material changes have occurred:

- Item 4 has been updated to disclose the most recent calculation for assets under Management as well as to clarify on our services offered.
- Item 5 has been amended to reflect our current fees for ERISA Plan services.
- Item 8 has been amended to reflect the risks associated with our investment strategies.
- Item 12 has been updated to reflect custodial arrangements for private placements.
- Referral arrangements were removed from Item 14 as we no longer maintain any formal referral agreements.
- Item 15 was updated to reflect the custody arrangements maintained by our firm and the safeguards associated with that custody.
- Item 19 was removed as we are applying for SEC registration and will no longer be registered at the state level.

### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

## Item 3: Table of Contents

### Form ADV – Part 2A – Firm Brochure

<b>Item 1: Cover Page</b> .....	1
<b>Item 2: Material Changes</b> .....	2
Annual Update.....	2
Material Changes since the Last Update .....	2
Full Brochure Available .....	2
<b>Item 3: Table of Contents</b> .....	3
<b>Item 4: Advisory Business</b> .....	4
Firm Description.....	4
Types of Advisory Services .....	4
Client Tailored Services and Client Imposed Restrictions .....	10
Wrap Fee Programs.....	10
Client Assets under Management .....	10
<b>Item 5: Fees and Compensation</b> .....	11
Method of Compensation and Fee Schedule .....	11
Client Payment of Fees .....	12
Additional Client Fees Charged.....	12
Prepayment of Client Fees .....	12
External Compensation for the Sale of Securities to Clients.....	12
<b>Item 6: Performance-Based Fees and Side-by-Side Management</b> .....	13
Sharing of Capital Gains .....	13
<b>Item 7: Types of Clients</b> .....	13
Description .....	13
Account Minimums .....	13
<b>Item 8: Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	13
Methods of Analysis .....	13
Investment Strategy .....	14
Security Specific Material Risks.....	14

<b>Item 9: Disciplinary Information</b> .....	17
Criminal or Civil Actions .....	17
Administrative Enforcement Proceedings.....	17
Self- Regulatory Organization Enforcement Proceedings.....	17
<b>Item 10: Other Financial Industry Activities and Affiliations</b> .....	17
Broker-Dealer or Representative Registration.....	17
Futures or Commodity Registration.....	17
Material Relationships Maintained by this Advisory Business and Conflicts of Interest .....	17
Recommendations or Selections of Other Investment Advisors and Conflicts of Interest.....	17
<b>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b> .....	18
Code of Ethics Description.....	18
Investment Recommendations Involving a Material Financial Interest and Conflict of Interest ..	18
Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest.	18
Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities .....	19
Transactions and Conflicts of Interest.....	19
<b>Item 12: Brokerage Practices</b> .....	19
Factors Used to Select Broker-Dealers for Client Transactions .....	19
Aggregating Securities Transactions for Client Accounts.....	20
<b>Item 13: Review of Accounts</b> .....	20
Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved .....	20
Review of Client Accounts on Non-Periodic Basis .....	21
Content of Client Provided Reports and Frequency .....	21
<b>Item 14: Client Referrals and Other Compensation</b> .....	21
Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest.....	21
Advisory Firm Payments for Client Referrals .....	21
<b>Item 15: Custody</b> .....	21
Account Statements .....	21
<b>Item 16: Investment Discretion</b> .....	22
Discretionary Authority for Trading .....	22

<b>Item 17: Voting Client Securities</b> .....	22
Proxy Votes.....	22
<b>Item 18: Financial Information</b> .....	22
Balance Sheet .....	22
Financial Conditions Reasonably Likely to Impair Advisory Firm’s Ability to Meet Commitments to Clients .....	23
Bankruptcy Petitions during the Past Ten Years .....	23

## **Item 4: Advisory Business**

### **Firm Description**

Miller Avenue Advisors, LLC (“Miller Avenue Advisors”) was founded in 2021. Alexander Boeri and Eric Strong are both 50% owners. Miller Avenue Advisors, its representatives or any of its employees will disclose to Clients all material conflicts of interest.

### **Types of Advisory Services**

#### ASSET MANAGEMENT

Miller Avenue Advisors offers discretionary asset management services to advisory Clients. Miller Avenue Advisors will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The Client will authorize Miller Avenue Advisors discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

As part of the recommendations provided, the Client may have a financial plan completed. This may include but is not limited to a thorough review of all applicable topics such as Investments, Taxes, Qualified Plans, Insurance, Retirement Income, College Planning, Home Buying, Budgeting, Debt Management, Emergency Funds, and Risk Tolerance Assessment. If a conflict of interest exists between the interests of Miller Avenue Advisors and the interests of the Client, the Client is under no obligation to act upon Miller Avenue Advisors’ recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through Miller Avenue Advisors. This service will be provided at no additional cost to the Client.

#### ASSETS HELD AWAY

Miller Avenue Advisors will work with individuals on determining their individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, and asset allocation are based on the above factors. The accounts will be monitored on a quarterly basis. Miller Avenue Advisors will maintain custody of managed assets held away (see Item 15).

#### PRIVATE PLACEMENT INVESTMENTS

When suitable for clients, typically accredited investors, qualified clients, and/or qualified purchasers (as those terms are defined by the Securities and Exchange Commission) with limited liquidity needs only, we may recommend and assist clients in making investments in private funds. Any private investments will be conducted exclusively via private funds offered and overseen by a reputable manager with recognizable institutional expertise in the targeted investment area.

These funds are chosen when we believe they may offer some combination of:

- exposure to assets or investment strategies that may be uncorrelated, or less correlated, to the broad publicly traded equity and debt markets

- attractive sources of return from the assets or trading strategy that may be otherwise inaccessible or heavily constrained when offered in public investment vehicles

To evaluate the relative attractiveness between private investments and publicly-traded alternatives after considering the added risk factors and implementation issues inherent in private investments, we will typically complete some or all of the following analysis before making any initial investment recommendation, and during the ongoing period that we hold exposure to that investment:

- Initial and ongoing due diligence of the manager and the investment offering that may include:
  - Review of fund subscription materials, audited financials, historical tax reporting samples, historical investment commentary and other reporting furnished by fund manager or sponsor
  - In-person or remote attendance at fund manager or sponsor update calls, webinars, or meetings
  - Fund performance reviews: monthly, quarterly, semi-annual, or annual
  - Discussion with other investors and review of third-party due diligence sources for the manager and the fund
  - Coordinating tax document delivery and ongoing tax planning related to the fund with client CPAs to monitor any unique income character and ancillary filing requirements resulting from the private structure itself or the underlying investment activity
  - Evaluation and integration of applicable fund liquidity opportunities within the context of, but not limited to, client goals, objectives, tax situation, need for liquidity, and estate planning
  - Awareness and integration of any unique return/risk attributes for each individual fund and the private fund commitment as a whole with the consolidated portfolio construction and expected interaction between other client investments
  - Ongoing performance/valuation reporting maintenance for all individual private investments and the private fund commitment as a whole – fully integrated into the client’s consolidated performance/risk reporting which covers all public and private investments across the portfolio

### ERISA PLAN SERVICES

Miller Avenue Advisors provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. Miller Avenue Advisors may act as a 3(21) advisor:

***Limited Scope ERISA 3(21) Fiduciary.*** Miller Avenue Advisors may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions. As an investment advisor Miller Avenue Advisors has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using Miller Avenue Advisors can help the plan sponsor delegate liability by following a diligent process.

1. Fiduciary Services are:

- Provide investment advice to the Client about asset classes and investment options available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. Miller Avenue Advisors acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide investment advice to the Plan Sponsor with respect to the selection of a qualified default investment option for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility of providing all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment options available to them under the Plan. Client understands Miller Avenue Advisors' assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Miller Avenue Advisors is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Miller Avenue Advisors will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.
- Miller Avenue Advisors may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Miller Avenue Advisors and Client.

3. Miller Avenue Advisors has no responsibility to provide services related to the following types of assets (“Excluded Assets”):
- Employer securities;
  - Real estate (except for real estate funds or publicly traded REITs);
  - Stock brokerage accounts or mutual fund windows;
  - Participant loans;
  - Non-publicly traded partnership interests;
  - Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
  - Other hard-to-value or illiquid securities or property.

Excluded Assets will not be included in calculation of Fees paid to Miller Avenue Advisors on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

### FINANCIAL PLANNING AND CONSULTING SERVICES

Financial planning is the process of comprehensively evaluating a client’s current and future financial position, using currently known variables to project future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing our financial planning services receive a written report providing a detailed financial plan designed to assist them achieve long-term financial goals and objectives, like retirement or financing a child’s college education. Additionally, you will receive ongoing consulting regarding any planning needs. Since each client is different, the services that we provide vary from client to client. For example, you may be more concerned about planning for retirement and less concerned about education planning, or you may want ongoing consultation regarding illiquid investments. In the same way, our advice will vary from client to client.

Depending upon your needs and circumstances our planning advice may cover one or more of the following financial planning subject areas:

- Cash Management and Budgeting
- Risk Management and Insurance
- Education Planning
- Retirement and Financial Independence Planning
- Estate Planning
- Investment Planning and Asset Allocation
- Integrating Tax and Financial Planning

In general, our financial planning services include:

- Meeting with you to clarify your long-range financial goals and establish a mutually agreeable work plan and fee.

- Providing you with a list of documents and other information we will need to do our work. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk.
- Preparing a preliminary assessment of your current financial situation, including the preparation of financial statements and a review of family records, budgeting and cash flow, and personal liabilities. We may also review estate planning documents and prepare an analysis of cash needs at death and income needs of surviving dependents. Finally, we analyze the impact of disability and long-term care on achieving your goals.
- Meeting with you to review our preliminary analysis, reassess your goals as necessary, and identify planning subject areas most in need of your attention.
- Performing a detailed analysis of alternative planning strategies for each subject area identified as needing your attention and recommend a course of action.
- Discussing our recommendations with you.
- Preparing a written financial planning report summarizing our analysis and recommendations.
- Assisting you in implementing our recommendations.
- Periodically monitoring your progress against your plan and updating your plan as needed.

While we take a comprehensive approach to our planning services, there are some services that we are not able to provide. For example, we are not licensed or qualified to practice accounting, prepare tax returns, or provide legal advice. You will need to involve other qualified and licensed professionals to provide these services and, as a result, you may incur additional costs.

While we would be pleased to assist you, implementation of financial planning recommendations is entirely at your discretion.

### **Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without written Client consent.

### **Wrap Fee Programs**

Miller Avenue Advisors does not sponsor any wrap fee programs.

### **Client Assets under Management**

As of December 31, 2023, Miller Avenue Advisors has approximately \$123,187,596 in discretionary client assets under management and \$0 in non-discretionary assets under management.

## **Item 5: Fees and Compensation**

### **Method of Compensation and Fee Schedule**

#### ASSET MANAGEMENT

Miller Avenue Advisors offers discretionary direct asset management services to advisory Clients. Lower fees for comparable services may be available from other sources. Total fees to Client will never exceed the safe harbor threshold of 2% of assets under management per year. Miller Avenue Advisors charges an annual investment advisory fee based on the total assets under management that ranges from .35% to 1%.

For account holders with assets under management of less than \$1,000,000 there will be an annual flat fee of \$8,000 – \$12,000. This fee may be waived at advisors' discretion.

The annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

When determining the Firm's Investment Management Fee and the percentage of the client's total AUM, the Firm considers various objective and subjective factors, including, but not limited to the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, related accounts, future earning capacity, anticipated future additional assets, and negotiations with the client. As a result, similar clients could pay different fees, which will correspondingly impact a client's net account performance. The Services to be provided by the Firm to any particular client can be available from other firms at lower fees.

For purposes of fee calculations, all "household" assets will be aggregated so that the client's accounts associated with the household are charged the same annual advisory fee. This will be calculated based on the following formula:  $\text{Household AUM (x) (Annual Investment Management Fee \% / 4)} = \text{Quarterly Investment Management Fee}$

Fees are billed quarterly in arrears based on the amount of assets managed as of the close of business on the last business day of the previous quarter. If margin is utilized, the fees will be billed based on the gross asset value of the account. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After five (5) business days, the Client may cancel by providing written notice to Miller Avenue Advisors and Miller Avenue Advisors may terminate advisory services with thirty (30) days written notice to the Client. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All unpaid earned fees will be due to Miller Avenue Advisors. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

#### ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will not exceed 1.00%. The annual fee is negotiable and is charged as a percentage of the Included Assets. Fees are charged quarterly in arrears based on the assets as calculated by the custodian or record keeper of the

Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, Miller Avenue Advisors shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of Miller Avenue Advisors for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. Miller Avenue Advisors does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Miller Avenue Advisors will disclose this compensation, the services rendered, and the payer of compensation. Miller Avenue Advisors will offset the compensation against the fees agreed upon under the Agreement.

#### ONGOING FINANCIAL PLANNING AND CONSULTING FEES

Ongoing Financial Planning and Consulting fees are negotiated with each client and vary depending upon the scope of work to be performed. After meeting with you, we will provide you with an agreement outlining the scope of work to be performed, the process to be followed, and the fee to be charged. Fees are determined by the complexity of the client's needs.

Generally, Ongoing Financial Planning and Consulting fees range from \$8,000 to \$30,000/year. Fees will be lower for engagements focused on fewer planning areas and involving less complexity. Since each client situation is different, it is not possible to determine in advance the fee we will charge for any given planning engagement. We will, however, provide you with an agreement contracting for services that clearly delineates the services to be performed, areas of financial planning to be covered, and fees to be charged. Ongoing Financial Planning Fees are billed in arrears quarterly at the beginning of each calendar quarter and deducted from the managed account.

#### **Client Payment of Fees**

Fees for asset management services are deducted from a designated Client account to facilitate billing or they may pay Miller Avenue Advisors directly. The Client must consent in advance to direct debiting of their investment account.

Fees for ERISA services will either be deducted from Plan assets or paid directly to Miller Avenue Advisors. The Client must consent in advance to direct debiting of their investment account.

#### **Additional Client Fees Charged**

Custodians may charge transaction fees and other related costs on the purchases or sales of mutual funds, equities, bonds, options and exchange-traded funds. Mutual funds, money market funds and exchange-traded funds also charge internal management fees, which are disclosed in the fund's prospectus. Margin interest may also apply for Client electing to utilize margin on their account(s). Miller Avenue Advisors does not receive any compensation from these fees. All of

these fees are in addition to the management fee you pay to Miller Avenue Advisors. For more details on the brokerage practices, see Item 12 of this brochure.

### **Prepayment of Client Fees**

Miller Avenue Advisors does not require any prepayment of fees.

### **External Compensation for the Sale of Securities to Clients**

Miller Avenue Advisors does not receive any external compensation for the sale of securities to Clients, nor do any of the investment advisor representatives of Miller Avenue Advisors.

## **Item 6: Performance-Based Fees and Side-by-Side Management**

### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Miller Avenue Advisors does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for Miller Avenue Advisors to recommend an investment that may carry a higher degree of risk to the Client.

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

### **Description**

Miller Avenue Advisors generally provides investment advice to individuals, high net worth individuals, small businesses and small business owners.

Client relationships vary in scope and length of service.

### **Account Minimums**

Miller Avenue Advisors requires a minimum of \$1,000,000 to open an account. In certain instances, the minimum account size may be lowered or waived at Miller Avenue Advisors' discretion.

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

### **Methods of Analysis**

Security analysis methods may include fundamental analysis. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

### **Investment Strategy**

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to Miller Avenue Advisors. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

### **Security Specific Material Risks**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investing in securities involves risk of loss that clients should be prepared to bear. Investors face the following investment risks and should discuss these risks with Miller Avenue Advisors:

- *Market Risk:* The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.

- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- *Investment Companies Risk:* When a client invests in open end mutual funds or ETFs, the client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which client invests.
- *REIT Risk:* To the extent that a client invests in REITs, it is subject to risks generally associated with investing in real estate, such as (i) possible declines in the value of real estate, (ii) adverse general and local economic conditions, (iii) possible lack of availability of mortgage funds, (iv) changes in interest rates, and (v) environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.
- *Foreign Securities Risk:* Funds in which clients invest may invest in foreign securities. Foreign securities are subject to additional risks not typically associated with investments

in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

- *Long-term purchases:* Long-term investments are those vehicles purchased with the intension of being held for more than one year. Typically the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Private Placement Review:* For the private placement securities portion of a client's portfolio, we employ a number of different means and accesses multiple outside resources to provide for an appropriate level of due diligence in identifying various private placement and direct participation investment offerings that may be recommended to our clients. This may include sponsor financial reviews, attendance at sponsor provided due diligence meetings, attendance at industry sponsored due diligence conferences, access and review of third-party due diligence and review summaries, the hiring of our own due diligence counsel and review, consulting with other industry professionals as well as industry specialists. The due diligence process is ongoing and continual and may include the gathering of available information, such as; marketing materials, audited financial reports sponsor and investment entity operating statements, profit and loss statements, balance sheets, offering memorandums, subscription agreements, annual reports, industry outlook reports, economic studies, and others. These investments generally maintain limited liquidity and higher risks.
- *Short-term purchases:* Short-term investments are typically held for one year or less. Generally there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk - the risk that your investment's return will not keep up with inflation.
- *Trading risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.
- *Trading on Margin:* In a cash account, the risk is limited to the amount of money that has been invested. In a margin account, risk includes the amount of money invested plus the amount that has been loaned. As market conditions fluctuate, the value of marginable

securities will also fluctuate, causing a change in the overall account balance and debt ratio. As a result, if the value of the securities held in a margin account depreciates, the client will be required to deposit additional cash or make full payment of the margin loan to bring account back up to maintenance levels.

Clients who cannot comply with such a margin call may be sold out or bought in by the brokerage firm.

## **Item 9: Disciplinary Information**

### **Criminal or Civil Actions**

Miller Avenue Advisors and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

Miller Avenue Advisors and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

Miller Avenue Advisors and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Miller Avenue Advisors or the integrity of its management.

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

### **Broker-Dealer or Representative Registration**

Miller Avenue Advisors is not registered as a broker-dealer and no affiliated representatives of Miller Avenue Advisors are registered representatives of a broker-dealer.

### **Futures or Commodity Registration**

Neither Miller Avenue Advisors nor its affiliated representatives are registered or have an application pending to register as a future commission merchant, commodity pool operator, or a commodity trading advisor.

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Investment Advisor Representatives of Miller Avenue Advisors do not have any other business activities; therefore, this represents no conflicts of interest.

### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

Miller Avenue Advisors does not select or recommend other investment advisors.

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

### **Code of Ethics Description**

The affiliated persons (affiliated persons include employees and/or independent contractors) of Miller Avenue Advisors have committed to a Code of Ethics (“Code”). The purpose of our Code is to set forth standards of conduct expected of Miller Avenue Advisors affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of Miller Avenue Advisors. The Code reflects Miller Avenue Advisors and its supervised persons’ responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

Miller Avenue Advisors’ policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of Miller Avenue Advisors may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Miller Avenue Advisors’ Code is based on the guiding principle that the interests of the Client are our top priority. Miller Avenue Advisors’ officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client’s interests over the interests of either affiliated persons or the company.

The Code applies to “access” persons. “Access” persons are affiliated persons who have access to non-public information regarding any Clients’ purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

Miller Avenue Advisors will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

Miller Avenue Advisors and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Miller Avenue Advisors and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions,

affiliated persons are required to disclose all reportable securities transactions as well as provide Miller Avenue Advisors with copies of their brokerage statements.

The Chief Compliance Officer of Miller Avenue Advisors is Alex Boeri. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Miller Avenue Advisors does not have a material financial interest in any securities being recommended. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide Miller Avenue Advisors with copies of their brokerage statements.

The Chief Compliance Officer of Miller Avenue Advisors is Alex Boeri. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

## **Item 12: Brokerage Practices**

### **Factors Used to Select Broker-Dealers for Client Transactions**

Miller Avenue Advisors will recommend the use of a particular broker-dealer based on their duty to seek best execution for the client, meaning they have an obligation to obtain the most favorable terms for a client under the circumstances. The determination of what may constitute the best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. Miller Avenue Advisors will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. Miller Avenue Advisors relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Miller Avenue Advisors. Miller Avenue Advisors does not receive any portion of the trading fees.

Miller Avenue Advisors will recommend the use of Charles Schwab.

- *Research and Other Soft Dollar Benefits*

The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by Miller Avenue Advisors from or through a broker-dealer in exchange for directing Client transactions to the broker-dealer. Although Miller Avenue Advisors has no formal soft dollar arrangements, Miller Avenue Advisors may receive products, research and/or other services from custodians or broker-dealers connected to client transactions or “soft dollar benefits”. As permitted by Section 28(e) of the Securities Exchange Act of 1934, Miller Avenue Advisors receives economic benefits as a result of commissions generated from securities transactions by the custodian or broker-dealer from the accounts of Miller Avenue Advisors. Miller Avenue Advisors cannot ensure that a particular client will benefit from soft dollars or the client’s transactions paid for the soft dollar benefits. Miller Avenue Advisors does not seek to proportionately allocate benefits to client accounts to any soft dollar benefits generated by the accounts.

A conflict of interest exists when Miller Avenue Advisors receives soft dollars which could result in higher commissions charged to Clients. This conflict is mitigated by the fact that Miller Avenue Advisors has a fiduciary responsibility to act in the best interest of its Clients and the services received are beneficial to all Clients.

- *Brokerage for Client Referrals*  
Miller Avenue Advisors does not receive client referrals from any custodian or third party in exchange for using that broker-dealer or third party.
- *Directed Brokerage*  
Clients who direct brokerage outside our recommendation may be unable to achieve the most favorable execution of client transactions as client directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices.

### **Aggregating Securities Transactions for Client Accounts**

Miller Avenue Advisors manages each account separately, and therefore, does not aggregate purchases and sales and other transactions. If orders are not aggregated, some clients purchasing securities around the same time may receive a less favorable price than other clients which may cost clients more money.

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

### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Account reviews are performed annually by the Chief Compliance Officer of Miller Avenue Advisors, Alex Boeri. Account reviews are performed more frequently when market conditions dictate. Reviews of Client accounts include, but are not limited to, a review of Client

documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target allocations of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

### **Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

### **Content of Client Provided Reports and Frequency**

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by Miller Avenue Advisors' custodian. Client receives confirmations of each transaction in account from custodian and an additional statement during any month in which a transaction occurs. Miller Avenue Advisors does not provide additional reports to Clients.

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

### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Miller Avenue Advisors does not receive any economic benefits from external sources other than those discussed below.

### **Advisory Firm Payments for Client Referrals**

Miller Avenue Advisors is not engaged in any formal referral arrangements.

## **Item 15: Custody Account Statements**

In certain jurisdictions, the ability of Miller Avenue Advisors to withdraw its management fees from the client's account may be deemed custody. Prior to permitting direct debit of fees, each client provides written authorization permitting fees to be paid directly from the custodian.

As part of the billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. The custodian does not calculate the amount of the fee to be deducted and does not verify the accuracy of Miller Avenue Advisor's advisory calculation. Therefore, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact Miller Avenue Advisors directly if they believe that there may be an error in their statement.

Additionally, Miller Avenue Advisors maintains custody of certain assets. Miller Avenue Advisors will have an independent surprise audit within 6 months of claiming custody and will ensure all compliance measures are met regarding their services that implicate custody.

## **Item 16: Investment Discretion**

### **Discretionary Authority for Trading**

Miller Avenue Advisors requires discretionary authority to manage securities accounts on behalf of Clients. Miller Avenue Advisors has the authority to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The client will authorize Miller Avenue Advisors discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

Miller Avenue Advisors allows Clients to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. These restrictions must be provided to Miller Avenue Advisors in writing.

Miller Avenue Advisors does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

## **Item 17: Voting Client Securities**

### **Proxy Votes**

Miller Avenue Advisors does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Miller Avenue Advisors will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client. If the Client requires assistance or has questions, they can reach out to the investment advisor representatives of the firm at the contact information on the cover page of this document.

## **Item 18: Financial Information**

### **Balance Sheet**

A balance sheet is not required to be provided to Clients because Miller Avenue Advisors does not serve as a custodian for Client funds or securities and Miller Avenue Advisors does not require prepayment of fees of more than \$1,200 per Client and six months or more in advance.

**Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

Miller Avenue Advisors has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

**Bankruptcy Petitions during the Past Ten Years**

Miller Avenue Advisors has not had any bankruptcy petitions in the last ten years.