

# Item 1: Cover Page



Andy Millard Advisory, LLC

69 Oak Ridge Circle  
Columbus, North Carolina 28722

## **Form ADV Part 2A - Firm Brochure**

(828) 817-2999

Dated 22 March 2021

This Brochure provides information about the qualifications and business practices of Andy Millard Advisory, LLC, "AMA". If you have any questions about the contents of this Brochure, please contact us at (828) 817-2999. 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.

Andy Millard Advisory, LLC is registered as an Investment Adviser with the State of North Carolina. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about AMA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm's identification number, 312180.

## Item 2: Material Changes

Since this is the first filing of the Form ADV Part 2A for AMA, there is nothing to report. In the future, any material changes made during the year will be reported here.

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# Item 4: Advisory Business

## **Description of Advisory Firm**

Andy Millard Advisory, LLC is registered as an Investment Adviser with the State of North Carolina. We were founded in December, 2020. Carl Andrew Millard is the principal owner of AMA. Because AMA is a new entity, it currently reports no discretionary or non-discretionary Assets Under Management. Assets Under Management were calculated as of January, 2021.

## **Types of Advisory Services**

### **Investment Management Services**

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a Client regarding the investment of Client funds based on the individual needs of the Client. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a Client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

### **Use of Altruist as a Sub-Advisor**

In certain instances, we also engage in the use of third party managers for portfolio management services, specifically Altruist Financial LLC, an unaffiliated SEC-registered broker dealer and FINRA/SIPC member ("Altruist"). When a sub-advisor is used, we assist Clients in selecting an appropriate allocation model, completing the sub-advisor's investor profile questionnaire, interacting with the sub-advisor and reviewing the sub-advisor. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the Client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account.

### **Project-Based Financial Planning Service**

We provide project-based financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning involves an evaluation of a Client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. The

financial planning process examines aspects of the Client's financial past and present, as well as the Client's future goals and expectations, resulting in a set of recommendations for the Client to follow. Clients purchasing this service will receive a written or an electronic report, providing the Client with a financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The Client and advisor will work together to select specific areas to cover. These areas may include, but are not limited to, the following:

**Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

**College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

**Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

**Financial Goals:** We will help Clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

**Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.

**Investment Analysis:** This may involve developing an asset allocation strategy to meet Clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment

account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

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

We offer the same suite of services to all of our Clients. However, specific Client financial plans and their implementation are dependent upon the Client Investment Policy Statement which outlines each Client’s current situation (income, tax levels, and risk tolerance levels) and is used to construct a Client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients are able to specify, within reason, any limitations they would like to place on discretionary authority as it pertains to individual securities and/or sectors that will be traded in their account, by notating these items on the executed advisory agreement.

### **Wrap Fee Programs**

We do not participate in wrap fee programs.

## Item 5: Fees and Compensation

Please note, unless a Client has received the firm’s Disclosure Brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

### **Investment Management Services**

The standard advisory fee is based on the market value of the account and is calculated as follows:

<b>\$0 - \$266,666*</b>	\$2,000 (\$500 per quarter)
<b>\$266,667 - \$1,000,000</b>	0.75% annually (0.1875% per quarter)
<b>All assets over \$1,000,000</b>	0.50% annually (0.125% per quarter)

\*We have a minimum account size requirement of \$150,000 that may be waived at our discretion. Once assets exceed \$266,666 the flat fee no longer applies and the first \$1,000,000 in Assets Under Management will be billed at 0.75% and assets above \$1,000,000 are assessed a fee at 0.50% as explained in the example below.

The annual fees are negotiable, prorated and paid in advance on a quarterly basis. The advisory fee is a blended/tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the previous quarter. For example, an account valued at \$2,000,000 would pay an effective fee of 0.625% with the annual fee of \$12,500.00. The quarterly fee is determined by the following calculation:  $((\$1,000,000 \times 0.75\%) + (\$1,000,000 \times 0.50\%)) \div 4 = \$3,125$ . No increase in the annual fee shall be effective without agreement from the Client by signing a new agreement or amendment to the current advisory agreement. We calculate period-end account values after all dividends settle in the account, therefore, the account value used to calculate advisory fees may differ from that of the custodial account statement. Our billing invoice will indicate the total account value used to calculate the advisory fee.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Upon termination of the account, any unearned fee will be refunded to the Client.

Advisory fees are directly debited from Client accounts, or the Client may choose to pay by credit card, electronic funds transfer, or check.

### **Fees in Excess of Industry Standard**

Total advisory fees charged will not exceed 2% of assets under management per year.

### **Project-Based Financial Planning Fixed Fee**

Project-Based Financial Planning is offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work. The fixed fee can range between \$250.00 and \$1,500.00, depending on complexity and the needs of the client. The fee is negotiable. If a fixed fee program is chosen, half of the fee is due at the beginning of the process and the remainder is due at completion of work, however, AMA will not bill an amount above \$500.00 more than 6 months in advance. Fees for this service may be paid by electronic funds transfer, check, or credit card. In the event of early termination any prepaid but unearned fees will be refunded to the Client and any completed deliverables of the project will be provided to the Client and no further fees will be charged.

### **Other Types of Fees and Expenses**

Our 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, and other third parties such as 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 fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, high net-worth individuals, and charitable organizations.

Our minimum account size requirement is \$150,000.00.

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

Our primary methods of investment analysis are fundamental and cyclical analysis.

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that the information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Cyclical analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Use of Outside Managers:** We refer Clients to Charles Schwab and Altruist as our chosen custodians. Our analysis of the custodians involves the examination of the experience, expertise, investment



philosophies, and past performance of the custodians in an attempt to determine if they have demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the custodians' underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we survey the custodians' compliance and business enterprise risks. A risk of investing with a custodian who has been successful in the past is that he or she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in the custodians' portfolios, there is also a risk that they may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our Clients. Moreover, as we do not control the custodians' daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange-traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

## **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on factors such as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Exchange Traded Funds'** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. 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; (ii) the ETF may employ an investment strategy that utilizes high leverage

ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the Clients invest.

**Mutual Funds:** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of 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).

## Item 9: Disciplinary Information

### **Criminal or Civil Actions**

AMA and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

AMA and its management have not been involved in administrative enforcement proceedings.

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

AMA 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 AMA or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

No AMA employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No AMA employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

AMA does not have any related parties. As a result, we do not have a relationship with any related parties.

AMA only receives compensation directly from Clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

## **Recommendations or Selections of Other Investment Advisers**

As referenced in Item 4 of this brochure, AMA recommends Clients to outside managers to assist in managing their accounts. In the event that we recommend an outside manager, please note that we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5) and will be described to you prior to engagement. You are not obligated, contractually or otherwise, to use the services of any outside manager we recommend. Additionally, AMA will only recommend an outside manager who is properly licensed or registered as an investment adviser.

AMA only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any material conflicts of interest with any outside party.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to Clients.
- Competence - Associated persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.

- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matters shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

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

Neither our firm, its associates or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

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

Our firm and its "related persons" may buy or sell securities similar to, or different from, those we recommend to Clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities At/Around the Same Time as Client's Securities**

From time to time, our firm or its "related persons" may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of AMA to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, AMA will never engage in trading that operates to the client's disadvantage if representatives of AMA buy or sell securities at or around the same time as clients.

# Item 12: Brokerage Practices

## **Factors Used to Select Custodians**

Andy Millard Advisory, LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the Client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

### **1. Research and Other Soft-Dollar Benefits**

We currently receive soft dollar benefits by nature of our relationship with Charles Schwab, Inc. ("Schwab"). Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

### **2. Brokerage for Client Referrals**

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### **3. Clients Directing Which Broker/Dealer/Custodian to Use**

Because we use an outside manager for investment management services, we do not permit Clients to direct us to use a specific broker-dealer to execute transactions. By requiring Clients to choose Charles Schwab or Altruist as their custodian we may be unable to achieve the most favorable execution of Client transactions and this may cost Clients money over using a lower-cost custodian.

## **The Custodian and Brokers We Use (Altruist)**

For the benefit of no commissions or transaction fees, fully digital account opening, a large variety of security options and complete integration with software tools, AMA may recommend Altruist Financial LLC, an unaffiliated SEC-registered broker dealer and FINRA/SIPC member, as the introducing broker to Apex Clearing Corporation, an unaffiliated SEC-registered broker dealer and FINRA/SIPC member, as the clients' custodian. AMA does not receive any research or other soft-dollar benefit by nature from its relationship with Altruist Financial LLC, nor does AMA receive any referrals in exchange for using Altruist Financial LLC as a broker dealer.

## **The Custodian and Brokers We Use (Charles Schwab)**

The custodian and brokers we use maintain custody of your assets that we manage, although we may be deemed to have limited custody of your assets due to our ability to withdraw fees from your account (see Item 15 - Custody, below).

We recommend that our clients use Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

## **How We Select Brokers/Custodians**

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are overall most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below (see "Products and services available to us from Schwab")

## Your Brokerage and Custody Costs

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees.

## Products and Services Available to Us From Schwab

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like us. They provide our clients and us with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services:

*Services That Benefit You:* Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

*Services That May Not Directly Benefit You:* Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide pricing and other market data
- facilitate payment of our fees from our clients' accounts
- assist with back-office functions, recordkeeping, and client reporting

*Services That Generally Benefit Only Us:* Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs



- Publications and conferences on practice management and business succession do not require that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business and Schwab's payment for services for which we would otherwise have to pay rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

## **Aggregating (Block) Trading for Multiple Client Accounts**

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. We do not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy to implement all client orders on an individual basis. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

## Item 13: Review of Accounts

Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by Carl Andrew Millard, Owner and CCO. The account is reviewed with regards to the Client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of Client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

AMA will not provide written reports to Investment Management Clients.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for Client referrals.

We receive a non-economic benefit from Altruist in the form of no commissions or transaction fees, fully digital account opening, a large variety of security options and complete integration with software tools. We do not receive any research or other soft-dollar benefit by nature from our relationship with Altruist, nor do we receive any referrals in exchange for using Altruist as a broker dealer.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain amount. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12–Brokerage Practices).

## Item 15: Custody

AMA does not accept custody of Client funds except in the instance of withdrawing Client fees.

For Client accounts in which AMA directly debits their advisory fee:

- i. AMA will send a copy of its invoice to the custodian at or near the same time that it sends the Client a copy.
- ii. The custodian will send at least quarterly statements to the Client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The Client will provide written authorization to AMA, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains Client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

For those Client accounts where we provide Investment Management Services, we maintain discretion over Client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to Clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the Client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the Client.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to Clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of Client funds or securities or require or solicit prepayment of more than \$500 in fees per Client six months in advance.

# Item 19: Requirements for State-Registered Advisers

## Carl Andrew Millard

Born: 1957

### Educational Background

- 1979 - B.A., Presbyterian College
- 1983 - M.A., Wake Forest University

### Business Experience

- 12/2020 - Present, Andy Millard Advisory, LLC, Owner and CCO
- 02/2016 - 12/2020, Retired
- 08/2010 - 02/2016, Millard & Company, President

## Professional Designations, Licensing & Exams

**CFP (Certified Financial Planner)®:** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

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 71,000 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 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.

## **Other Business Activities**

Carl Andrew Millard is not involved with outside business activities.

## **Performance-Based Fees**

AMA is not compensated by performance-based fees.

## **Material Disciplinary Disclosures**

No management person at Andy Millard Advisory, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## **Material Relationships That Management Persons Have With Issuers of Securities**

Andy Millard Advisory, LLC, nor Carl Andrew Millard, have any relationship or arrangement with issuers of securities, in addition to what is described in Item 10.

## **Additional Compensation**

Carl Andrew Millard does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through AMA.

## **Supervision**

Carl Andrew Millard, as Owner and Chief Compliance Officer of AMA, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## **Requirements for State Registered Advisers**

Carl Andrew Millard has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.

# Andy Millard Advisory, LLC

69 Oak Ridge Circle  
Columbus, North Carolina 28722  
(828) 817-2999

Dated 22 March 2021

## Form ADV Part 2B – Brochure Supplement

*For*

**Carl Andrew Millard 2477172**

Owner, and Chief Compliance Officer

This brochure supplement provides information about Carl Andrew Millard that supplements the Andy Millard Advisory, LLC (“AMA”) brochure. A copy of that brochure precedes this supplement. Please contact Carl Andrew Millard if the AMA brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Carl Andrew Millard is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 2477172.

# Item 2: Educational Background and Business Experience

## Carl Andrew Millard

Born: 1957

### Educational Background

- 1979 - B.A., Presbyterian College
- 1983 - M.A., Wake Forest University

### Business Experience

- 12/2020 - Present, Andy Millard Advisory, LLC, Owner and CCO
- 02/2016 - 12/2020, Retired
- 08/2010 - 02/2016, Millard & Company, President

### Professional Designations, Licensing & Exams

**CFP (Certified Financial Planner)®:** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

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 71,000 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 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.

## Item 3: Disciplinary Information

No management person at Andy Millard Advisory, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

Carl Andrew Millard is not involved with outside business activities.

## Item 5: Additional Compensation

Carl Andrew Millard does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through AMA.

## Item 6: Supervision

Carl Andrew Millard, as Owner and Chief Compliance Officer of AMA, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

Carl Andrew Millard has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.