

# Uniform Application for Investment Adviser Registration

OMB APPROVAL	
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Name of Investment Adviser: <b>Mills Value Adviser, Inc.</b>					
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code	Telephone Number
<b>707 E. Main Street, 20th Floor</b>	<b>Richmond</b>	<b>VA</b>	<b>23219</b>	<b>(804)</b>	<b>344-3532</b>

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.**

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**(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)**

**Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**1. A. Advisory Services and Fees.** (check the applicable boxes)For each type of service provided, state the approximate  
% of total advisory billings from that service.

(See instruction below.)

**Applicant:**

- |                                     |     |   |            |   |
|-------------------------------------|-----|---|------------|---|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services . . . . .  | <u>100</u> | % |
| <input type="checkbox"/>            | (2) | Manages investment advisory accounts not involving investment supervisory services . . . . .  | _____      | % |
| <input type="checkbox"/>            | (3) | Furnishes investment advice through consultations not included in either service described above . . . . .  | _____      | % |
| <input type="checkbox"/>            | (4) | Issues periodicals about securities by subscription . . . . .   | _____      | % |
| <input type="checkbox"/>            | (5) | Issues special reports about securities not included in any service described above . . . . .   | _____      | % |
| <input type="checkbox"/>            | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities . . . . . | _____      | % |
| <input type="checkbox"/>            | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities . . . . .   | _____      | % |
| <input type="checkbox"/>            | (8) | Provides a timing service . . . . .   | _____      | % |
| <input type="checkbox"/>            | (9) | Furnishes advice about securities in any manner not described above . . . . .   | _____      | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

- |    |   |                          |                                     |
|----|---|--------------------------|-------------------------------------|
| B. | Does applicant call any of the services it checked above financial planning or some similar term? . . . . . | Yes                      | No                                  |
|    |   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

## C. Applicant offers investment advisory services for: (check all that apply)

- |                                     |     |  |                                     |     |                   |
|-------------------------------------|-----|--|-------------------------------------|-----|-------------------|
| <input checked="" type="checkbox"/> | (1) | A percentage of assets under management      | <input type="checkbox"/>            | (4) | Subscription fees |
| <input type="checkbox"/>            | (2) | Hourly charges                               | <input type="checkbox"/>            | (5) | Commissions       |
| <input type="checkbox"/>            | (3) | Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> | (6) | Other             |

## D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of Clients** — Applicant generally provides investment advice to: (check those that apply)

- |                                     |    |                                  |                                     |    |   |
|-------------------------------------|----|----------------------------------|-------------------------------------|----|---|
| <input checked="" type="checkbox"/> | A. | Individuals                      | <input type="checkbox"/>            | E. | Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/>            | B. | Banks or thrift institutions     | <input checked="" type="checkbox"/> | F. | Corporations or business entities other than those listed above |
| <input type="checkbox"/>            | C. | Investment companies             | <input type="checkbox"/>            | G. | Other (describe on Schedule F)                                  |
| <input type="checkbox"/>            | D. | Pension and profit sharing plans |                                     |    |   |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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**Part II - Page 3**

Applicant:  
**Mills Value Adviser, Inc.**

SEC File Number:  
**32094**  
801-

Date:  
**3/31/2009**

**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |   |   |
|---|---|
| <p>A. Equity securities</p> <p><input checked="" type="checkbox"/> (1) exchange-listed securities</p> <p><input checked="" type="checkbox"/> (2) securities traded over-the-counter</p> <p><input checked="" type="checkbox"/> (3) foreign issuers</p> <p><input checked="" type="checkbox"/> B. Warrants</p> <p><input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper)</p> <p><input type="checkbox"/> D. Commercial paper</p> <p><input type="checkbox"/> E. Certificates of deposit</p> <p><input checked="" type="checkbox"/> F. Municipal securities</p> <p>G. Investment company securities:</p> <p><input type="checkbox"/> (1) variable life insurance</p> <p><input type="checkbox"/> (2) variable annuities</p> <p><input checked="" type="checkbox"/> (3) mutual fund shares</p> | <p><input checked="" type="checkbox"/> H. United States government securities</p> <p>I. Options contracts on:</p> <p><input checked="" type="checkbox"/> (1) securities</p> <p><input type="checkbox"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="checkbox"/> (1) tangibles</p> <p><input type="checkbox"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input checked="" type="checkbox"/> (1) real estate</p> <p><input type="checkbox"/> (2) oil and gas interests</p> <p><input type="checkbox"/> (3) other (explain on Schedule F)</p> <p><input type="checkbox"/> L. Other (explain on Schedule F)</p> |
|---|---|

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- |   |  |
|---|--|
| (1) <input type="checkbox"/> Charting               | (4) <input checked="" type="checkbox"/> Cyclical           |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical              |  |

B. The main sources of information applicant uses include: (check those that apply)

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input type="checkbox"/> Timing services  |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities   | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases  |
| (4) <input checked="" type="checkbox"/> Corporate rating services             | (8) <input type="checkbox"/> Other (explain on Schedule F)  |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |  |   |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions   |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options, or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days)                 | (7) <input type="checkbox"/> Other (explain on Schedule F)  |
| (4) <input checked="" type="checkbox"/> Short sales  |   |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? ..... Yes ☒ No ☐

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- formal education after high school
- year of birth
- business background for the preceding five years

**7. Other Business Activities.** (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- |  |  |
|--|--|
| <input checked="" type="checkbox"/> (1) broker-dealer  | <input type="checkbox"/> (7) accounting firm                                       |
| <input type="checkbox"/> (2) investment company  | <input type="checkbox"/> (8) law firm  |
| <input checked="" type="checkbox"/> (3) other investment adviser   | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm   | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking or thrift institution   | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? ..... Yes ☒ No ☐

(If yes, describe on Schedule F the partnerships and what they invest in.)

**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? .....

Yes No  
☐ ☒

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**As the applicant's President, Charles A. Mills is the primary decision maker and senior portfolio manager. Mills reviews all accounts on a regular basis to ensure that the client's objectives and requirements are being met. Mills is assisted by Charles A. Mills, IV, Vice President and portfolio manager in account reviews.**

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

**Reports are sent from the accounts custodian on at least a quarterly basis with a list of holdings, market value, and transactions for the period, including any management fees deducted by the applicant. In addition, the applicant sends out reports to clients on a quarterly basis that includes a holdings report, a performance report for the quarter, and a billing report of the quarterly fee charged. For accounts not held at Anderson & Strudwick, Inc., no additional reports are generated outside the required quarterly statement by the custodian.**

**For investors in the Mad River Fund, LP, and Mad River Reserve Fund, LP, monthly reports are sent out to each of the partners. The report includes market value of the partner's interest along with monthly and year to date performance.**

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**Part II - Page 6**

Applicant:  
**Mills Value Adviser, Inc.**

SEC File Number:  
**801-32094**

Date:  
**3/31/2009**

**12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- |  | Yes                                 | No                       |
|--|-------------------------------------|--------------------------|
| (1) securities to be bought or sold? .....               | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? ..... | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? .....                   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? .....                         | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? ..... ☒ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |  |   |
|---|--|---|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes<br><input type="checkbox"/>            | No<br><input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/>            |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
  - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ..... ☐ Yes ☒ No

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Mills Value Adviser, Inc.**

SEC File Number:  
**801- 32094**

Date:  
**3/31/2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Mills Value Adviser, Inc.</b>		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
<b>Item 1 D</b>	<p>Mills Value Adviser, Inc. (the "applicant" or the "adviser") is a registered investment advisory firm headquartered in Richmond, Virginia. The adviser provides investment management services to individuals, trusts and businesses. The adviser shall be responsible for the investment and reinvestment of client assets, with recommendations of securities to be purchased and sold, including stocks, bonds, mutual funds, options, and other securities. In addition, the adviser is the general partner and advisor for Mad River Fund, LP, and Mad River Reserve Fund, LP, two limited partnerships.</p> <p>The adviser is the general partner of Mad River Fund, LP and Mad River Reserve Fund, LP. Mad River Fund, LP and Mad River Reserve Fund, LP engage in intermediate and/or short-term trading of index-related mutual funds and exchange-traded securities that closely track the performance of various U.S. and/or foreign indices. The minimum initial investment for both funds is \$250,000. For the Mad River Fund, LP, the advisor is paid a monthly advisory fee equal to approximately 1% annualized of the net asset value of the partnership. The adviser is also paid a quarterly performance fee equal to 20% of the new profits generated with respect to the partnership for each quarter. For Mad River Reserve Fund, LP, the adviser is paid a monthly performance fee equal to 25% of the net new profits generated with respect to the partnership for the month above a threshold return of 0.487% for the month, compounded on a monthly basis (approximately 6% annualized) on the original asset value of each limited partner's interest. Please read the respective Mad River Fund, LP and Mad River Reserve Fund, LP private placement memoranda for more information.</p> <p>In addition to the two limited partnerships above, the adviser manages other accounts based on the specific investment objectives of those clients. The trading strategies used for other clients may be similar to the trading strategies of the Mad River Fund, LP and Mad River Reserve Fund, LP. Fees for these accounts are based on the market value of the account at the end of each quarter and will be computed using the terms as follows: At the end of each calendar quarter, one-fourth of the annual applicable fee will be in arrears. Accounts opened during the quarter will be billed on a pro rata basis. The typical fee schedule is 1.0% annually on assets under management, except for our foreign portfolio. Accounts in our foreign portfolio will be billed 0.5% to 2% annually depending of the performance since inception of the account. If the annualized performance since inception is above the agreed upon threshold, 10% for instance, the annual fee is 2%. If the annualized performance since inception falls below the agreed upon threshold, then the annual fee is 0.50%. The performance threshold and fees are disclosed in the advisory agreement between the advisor and client.</p> <p>Fees for Mad River Fund, LP:</p> <p>The adviser is paid a monthly advisory fee equal to approximately 1% annualized of the net asset value of the partnership. The advisor is also paid a quarterly performance fee equal to 20% of the net new profits generated with respect to the partnership for each quarter.</p> <p>Fees for Mad River Reserve Fund, LP:</p> <p>The adviser is paid a monthly performance fee equal to 25% of the net new profits with respect to the partnership for the month above a threshold return of 0.487% for the month, compounded on a monthly basis (approximately 6% annualized) on the original asset value of each limited partner's interest.</p> <p>The applicant's advisory agreement state how the investment advisory relationship may be terminated, which is in writing by either partner at any time - effective upon receipt of such</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**PAGE 1**

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Mills Value Adviser, Inc.**

SEC File Number:  
**801- 32094**

Date:  
**3/31/2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Mills Value Adviser, Inc.</b>		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
	<p>notice by the other party. However, the Mad River Fund, LP only allows redemptions on September 30 of each year. Notice to redeem must be given by 90 days prior to the September 30 redemption date. The Mad River Reserve Fund, LP has a six month lock-up period on initial investments and then monthly redemptions are allowed afterward. Notice must be given within 30 days before the month end date of the redemption.</p> <p>With respect to performance based fees, certain disclosures should be made to current and prospective clients:</p> <ol style="list-style-type: none"> <li>1. The fee arrangement may create an incentive for the applicant to make investments that are riskier or more speculative than would be in the case in the absence of a performance fee;</li> <li>2. Where relevant, that the applicant may receive increased compensation with regard to unrealized appreciation as well as realized gains in the client's account;</li> <li>3. The time period which will be used to calculate performance will be since the inception of the account until the time the advisory agreement is terminated;</li> <li>4. The performance of any index does not change the nature of the advisory agreement or the advisory fee. The applicant does not necessarily endorse any such index as an appropriate comparison. However, for client's own comparisons, the Morgan Stanley EAFE Index is a 'standard' comparative index for international portfolios such as the advisor's Foreign account;</li> <li>5. In some circumstances, there may be assets in the account in which prices are not readily available and such asset values would contribute to the amount of the advisory fee. In these circumstances, and in which there is not a readily available independent source to determine value, the value will be determined in good faith by the advisor to reflect fair market value. Any such value determination and the method used will be disclosed to the client.</li> </ol>	
<b>Item 5</b>	<p>Education &amp; Business Standards: Persons rendering investment or management advice on behalf of the adviser must have demonstrated the ability to perform such functions as reflected in previous employment in the investment business, or have educational degrees in related fields.</p>	
<b>Item 6</b>	<p>Charles A. Mills, III Year of Birth: 1947</p> <p>Education: Attended University of Nebraska</p> <p>Last five years business experience: Mills is currently the President and portfolio manager of the adviser and also a registered representative with Anderson &amp; Strudwick, Inc. (A&amp;S) an affiliated broker/dealer and has held both offices over the last 5 years. In addition, Mills serves as President of Mills Management II, which is the manager of Independent Property Operators of America, LLC.</p> <p>Bradley A. Brown Year of Birth: 1976</p> <p>Education: Bachelor of Science - Economics, Oklahoma State University (1998)</p> <p>Last five years business experience: Brown is currently Vice President and Chief Compliance Officer for the adviser. Brown is also Vice President for A&amp;S. A&amp;S is an affiliated broker/dealer</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**PAGE 2**



**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Mills Value Adviser, Inc.**

SEC File Number:  
**801- 32094**

Date:  
**3/31/2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Mills Value Adviser, Inc.</b>		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
<b>Item 7</b>	<p>and investment adviser. Brown has been with A&amp;S since 1998 and the adviser since 1999.</p> <p>Charles A. Mills, IV Year of Birth: 1979</p> <p>Education: Bachelor of Science - Marketing, George Mason University (2003)</p> <p>Last five year business experience: Mills IV is currently Vice President and portfolio manager for the adviser. Mills IV has been with the adviser since 2004; before that he was a full time student.</p>	
<b>Item 8 C &amp; D</b>	<p>Charles A. Mills, III and Bradley A. Brown, the officers of the adviser, are employees of A&amp;S, a registered broker/dealer and registered investment advisor. Mills &amp; Brown are engaged in other business related to this employment including registered representative business.</p> <p>The applicant is affiliated with A&amp;S, a registered broker/dealer and registered investment advisor. Charles Mills, III and Bradley A. Brown, the officers of the adviser, are employees of A&amp;S.</p> <p>The adviser is the general partner of Mad River Fund, LP and Mad River Reserve Fund, LP. Mad River Fund, LP and Mad River Reserve Fund, LP engage in intermediate and/or short-term trading of index-related mutual funds and exchange-traded securities that closely track the performance of various U.S. and/or foreign indices. The minimum initial investment for both funds is \$250,000. For the Mad River Fund, LP, the advisor is paid a monthly advisory fee equal to approximately 1% annualized of the net asset value of the partnership. The adviser is also paid a quarterly performance fee equal to 20% of the new profits generated with respect to the partnership for each quarter. For Mad River Reserve Fund, LP, the adviser is paid a monthly performance fee equal to 25% of the net new profits generated with respect to the partnership for the month above a threshold return of 0.487% for the month, compounded on a monthly basis (approximately 6% annualized) on the original asset value of each limited partner's interest. Please read the respective Mad River Fund, LP and Mad River Reserve Fund, LP private placement memoranda for more information.</p> <p>Charles A. Mills, III, President of the adviser, owns 100% of Mills Management II, Inc., which is the general partner of Independent Property Operators of America, LLC, which invests in real estate property including, but not limited to, raw land and hotel properties. The adviser may provide investment management services for Independent Property Operators of America, LLC.</p>	
<b>Item 9 B</b>	<p>The adviser is affiliated with A&amp;S, an SEC registered broker/dealer and investment advisor that also serves as the primary broker/dealer to the adviser's clients, including Mad River Fund, LP and Mad River Reserve Fund, LP. The adviser shares the Mad River Fund, LP and Mad River Reserve Fund, LP performance fees with A&amp;S on interests sold by A&amp;S. In addition, as the broker/dealer for the adviser's clients including Mad River Fund, LP and Mad River Reserve Fund, LP, A&amp;S earns commissions on securities transactions on these clients. As employees of A&amp;S, Charles A. Mills, III and Bradley A. Brown, may receive part of the commissions on these trades, including mutual fund and money market 12b-1 fees. These commissions will be limited to 50% discount off the normal commission schedule of A&amp;S. For the Mad River Fund, LP and Mad River Reserve Fund, LP, the agreed upon maximum commission rate will be \$0.04 per share. Mutual fund trades are done at the respective mutual fund sales charges, and the registered representative may receive commission from A&amp;S on these trades. These trades, as all trades done at A&amp;S, are reviewed by the compliance department of A&amp;S, as well as Charles</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**PAGE 3**

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Mills Value Adviser, Inc.**

SEC File Number:  
**801- 32094**

Date:  
**3/31/2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Mills Value Adviser, Inc.</b>		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
<b>Item 9 D &amp; E</b>	<p>A. Mills, III, President of the adviser to verify that the client's objectives and interest are being met.</p> <p>The adviser, or one or more of adviser's officers, may from time to time have positions in certain securities that are also recommended to clients. In addition, the adviser may recommend to its clients the Mad River Fund, LP and Mad River Reserve Fund, LP, which as general partner, the adviser has a financial interest.</p> <p>The adviser has instituted a Code of Ethics policy for all employees of the firm, which is available upon request. The Code of Ethics covers personal transactions by the applicant's employees, insider trading, the receipt of gifts, and outside employment.</p> <p>George R. Whittemore, shareholder of the adviser, is also a director of Supertel Hospitality and Village Bank &amp; Trust Financial. Clients of the adviser may be recommended to invest in Supertel Hospitality and/or Village Bank &amp; Trust Financial. Clients should be aware of this potential conflict of interest.</p>	
<b>Item 10</b>	<p>The minimum initial investment for the Mad River Fund, LP and Mad River Reserve Fund, LP is \$250,000. However, the adviser has the right to waive this minimum in its sole discretion. There are no minimums for maintaining accounts.</p>	
<b>Item 12 A (1) (2) (3) (4)&amp; 12 B</b>	<p>Under the agreement between applicant and clients, the applicant has limited power of attorney to buy and sell securities and determine the amount of securities to be bought and sold, as well as the commission rates paid. Any limitations must be agreed upon in writing by both parties. The applicant's clients are typically also clients of A&amp;S, however this is not mandatory. However, unless the client makes a specific recommendation, the applicant will use A&amp;S, as the applicant's broker of preference.</p> <p>When the applicant performs block trading for clients, the client does not receive a lower commission due to the block order; the commission rate is calculated based on each account's respective transaction. Clients may pay commission rates for brokers that perform research and other services that may be higher than those charged by other brokers who may offer more limited services or different levels of quality or execution services. Where the applicant places orders for the execution of client transactions, the applicant may allocate such transactions to such brokers for execution on such markets at such prices such and commission rates as in the good faith judgment of the applicant will be in the best interest of the client. Factors in this decision will include, but not limited to, execution capabilities, research and other services provided by such brokers which are expected to enhance the general portfolio management of the applicant.</p> <p>Clients may be able to reduce commission costs by selecting a broker other than A&amp;S. The applicant is affiliated with A&amp;S so clients need to be aware of the potential conflict of interest. The applicant, through its dual employment of officers with Anderson &amp; Strudwick, is able to utilize many services of Anderson &amp; Strudwick including quotation services, computers, phone systems, and office space. However, the applicant has no soft dollar arrangements and does not utilize any research services of A&amp;S in the management of its accounts.</p> <p>Mutual funds trades are done at the respective mutual fund sales charges, and the registered representative, including employees of the adviser, may receive commission from A&amp;S on these</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

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**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Mills Value Adviser, Inc.**

SEC File Number:  
**801- 32094**

Date:  
**3/31/2009**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Mills Value Adviser, Inc.</b>		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
<b>Item 13 A</b>	<p>trades. In addition, A&amp;S, as well as employees of the adviser, may receive 12b-1 and other fees from certain money market funds that the adviser recommends to clients. Mutual funds charge operating expenses at the fund level that are in addition to the applicant's advisory fee. Clients should review the fund prospectus for a complete description of fees.</p> <p>The applicant does not vote proxies. The proxies will be sent to the client address of record.</p> <p>The adviser is affiliated with A&amp;S, a SEC registered broker/dealer and investment adviser that also serves as the primary broker/dealer to the adviser's clients, including Mad River Fund, LP and Mad River Reserve Fund, LP. As the broker/dealer for these clients, A&amp;S earns commissions on securities transactions from these clients. As employees of A&amp;S, Charles A. Mills, III and Bradley A. Brown may receive part of the commissions on these trades, including mutual fund and money market 12b-1 fees. In addition, Bradley A. Brown has ownership interest in A&amp;S.</p>	
<b>Item 13 B</b>	<p>The applicant may compensate any registered investment adviser for client referrals. The adviser has an agreement with A&amp;S whereby the adviser will pay A&amp;S for client referrals. This referral fee typically ranges from 25% to 50% of the total adviser management fee. The adviser shares the Mad River Fund, LP and Mad River Reserve Fund, LP performance fees with A&amp;S on interest sold by A&amp;S. The adviser may also, for certain accounts, pay business expenses of the soliciting investment adviser, for those expenses incurred in relation to the account with the adviser. The maximum amount of expenses paid is equal to 0.25% of the market value of the account annually. The referral does not impact the fee charged to the client.</p> <p>The adviser may also indirectly compensate registered representatives of A&amp;S, or registered representatives of other broker/dealers for various services including trading, portfolio monitoring and client referrals by allocating commissions on advisory client trades, including referrals to the Mad River Fund, LP and/or Mad River Reserve Fund, LP.</p>	
<b>Other</b>	<p><b>Privacy Policy</b></p> <p>Mills Value Adviser, Inc. collects nonpublic personal information about our clients. These include information on applications, subscription agreements, and other forms, in addition to information about their transactions with us.</p> <p>Neither Mills Value Adviser, Inc. nor any of its employees may disclose any nonpublic personal information about our clients to nonaffiliated third parties, except in the following circumstances:</p> <ol style="list-style-type: none"><li>1. As necessary to provide the services that the client has requested or authorized, or to maintain and service the client's account</li><li>2. As required by regulatory authorities or law enforcement officials who have jurisdiction over Mills Value Adviser, Inc., or as otherwise required by applicable law</li><li>3. To the extent reasonably necessary to prevent fraud and unauthorized transactions</li></ol> <p>If a client closes their account with us, we will adhere to the privacy policies and practices described above.</p> <p>Mills Value Adviser, Inc. restricts access to personal client and account information to those employees who need to know that information to provide services to our clients. We maintain</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

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Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II

Applicant:  
Mills Value Adviser, Inc.

SEC File Number:  
801- 32094

Date:  
3/31/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:  
Mills Value Adviser, Inc.

IRS Empl. Ident. No.:

Item of Form (identify)	Answer
	physical, electronic, and procedural safeguards to protect our client's nonpublic information.