

Carnegie Capital Advisors, LLC  
Year Ending December 31, 2011

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

This brochure provides information about the qualifications and business practices of Carnegie Capital Advisors, LLC. (hereinafter CCA) If you have any questions about the contents of this brochure, please contact us at 704-643-6464.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

CCA is a registered investment advisor; this registration does not imply a certain level of skill or training.

Carnegie Capital Advisors LLC  
South Park Towers, 12<sup>th</sup> Floor  
6000 Fairview Rd  
Charlotte, NC 28210

Office Hours: Monday through Friday 9:00am to 5:00 pm

Contact: Michelle A Maidt, CFA, member  
[mmaidt@carnegiecap.com](mailto:mmaidt@carnegiecap.com)  
Website Address: [www.carnegiecap.com](http://www.carnegiecap.com)

PO Box 11967  
Charlotte, NC 28220

Residence of member, Michelle Maidt  
4133 Sharon Commons Lane  
Charlotte, NC 28210

Phone 704-643-6464  
Fax 866-422-7452

Some or all of the books and records of Carnegie Capital Advisors are maintained at 4133 Sharon Commons Lane, Charlotte, NC 28210

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Item 2 Material Changes

There were no material changes at CCA in 2011.

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Item 4 Advisory Business

Carnegie Capital Advisors, LLC (hereinafter "CCA") inception was in 1997. At year end 2011, assets under management were \$57.7 million. Michelle A Maidt is the owner of CCA and has been involved in the firm since 1997.

**SERVICES**

CCA will provide the following advisory services to its clients:

**PORTFOLIO MANAGEMENT**

CCA provides Investment Supervisory Services, defined as giving continuous advice to a client or making investments for a client 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, CCA develops a client's personal investment policy and creates and manages a portfolio based on that policy. CCA will manage advisory accounts on a discretionary and non-discretionary basis.

CCA provides Investment Supervisory Services to an Institutional Asset Group and a Private Client Group as follows:

1. Institutional Asset Group. CCA provides equity and fixed income management for institutional clients on a discretionary basis only. There is no minimum account size required for this service.
2. Private Client Group. CCA provides discretionary and non-discretionary portfolio management to individuals. There is no minimum account size required for this service.

**MUTUAL FUND ASSET ALLOCATION**

CCA will create a portfolio of different no-load mutual funds for each client depending on that client's individual circumstances and needs. CCA will continuously manage the portfolio on a discretionary basis only. There is no minimum account size required for this service. CCA will allocate the client's assets among various funds taking into consideration the overall management style selected by the client. The individual funds will be selected on the basis of the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between the funds and market sectors will be determined by proprietary asset allocation models and each client's individual needs and circumstances. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on their behalf. Clients will retain individual ownership of all securities. CCA will meet with mutual fund asset allocation clients at least annually to review the client's portfolio. CCA will, when needed suggest changes in the client's portfolio ("rebalancing") to more effectively address each client's goals. Rebalancing will be done on a discretionary basis. Changes to a client's portfolio may be made at any time as determined by market or economic conditions, by client instructions, or by changes in the client's circumstances.

**ADVICE THROUGH CONSULTATIONS**

In addition, CCA provides advice about securities through consultations. CCA will provide investment consulting services on specific aspects of a client's portfolio or financial situation, or special investment concerns of the client. CCA's advice through consultations may also include personal financial advisory services such as the preparation of investment plans, and non-securities advice such as retirement planning, and estate planning.

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Item 5 Fees and Compensation

**PORTFOLIO MANAGEMENT**

The annual fee charged for Investment Supervisory Services is based on a percentage of assets under management. The fees may be taken directly out of the clients account or the client can be billed if they wish. The client is advised of the fees at the end of each quarter.

The fee schedule is as follows:

1. Institutional Asset Group:

- EQUITY AND BALANCED ACCOUNTS -

0 - \$1 million 1.50 %

\$1 - \$5 million 1.00%

Over \$5 million .75%

There is a minimum annual fee of \$1,000 required for this service. Fees are billed quarterly on a forward basis, based on the value of the account on the last day of the quarter.

- FIXED INCOME -

\$0 - \$5 million .80%

\$5 million - \$10 million .65%

Over \$10 million .35%

There is a minimum annual fee of \$1,000 required for this service. Fees are billed quarterly on a forward basis, based on the value of the account on the last day of the quarter.

2. Private Client Group:

The annual fee will range from 1.00% to 2.00% of assets under management. CCA will quote an exact percentage to each client based on both the nature and total dollar value of that account. There is no minimum annual fee required for this service. Fees are billed quarterly on a forward basis, based on the value of the account on the last day of the quarter.

**MUTUAL FUND ASSET ALLOCATION**

The annual fee for mutual fund asset allocation services will range from 1.00% to 2.25% of assets under management. CCA will quote an exact percentage to each client based on both the nature and total dollar value of that account. There is no minimum account size required for this service. There is a \$500 minimum annual fee requirement. The annual fee for this service will never exceed 3% of assets under management. Clients will be invoiced quarterly on a forward basis on the value of the account on the last day of the quarter

**ADVICE THROUGH CONSULTATIONS**

Consulting fees will be calculated based on an hourly charge of \$300 per hour depending on the nature and complexity of the client's circumstances and needs. Fees are due and payable as incurred. There is no minimum consulting fee required.

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**GENERAL INFORMATION ON FEES**

In certain circumstances, all fees, including minimum annual fees, may be negotiable. The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (SEC Rule 205(a)(1)).

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

All fees paid to CCA for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of CCA. In that case, the client would not receive the services provided by CCA which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by CCA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

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Item 6      *Performance-Based Fees* and Side-By-Side Management

CCA does not charge performance based fees. Fees are either hourly or a percentage of assets.

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Item 7      Types of *Clients*

Carnegie Capital Advisors manages the assets of high net worth individuals, individual households, corporations and non-profit organizations.

Portfolios are managed with regard to the time horizon, risk level and cash needs of the client. The investments that are used are not guaranteed as far as income and performance. There is a certain degree of risk that a client takes on when investing in securities and losses can occur which the client should be able to bear.



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

CCA uses research from several third party sources including press releases and news articles when researching securities for its clients. While the firm takes a macro approach in terms of the economy on a domestic and global front, it researches from a bottom up the individual securities to be added to the portfolio. The securities added to the portfolio's do not have any guarantee associated with the potential performance or even the income that will be generated from the issues.

Clients are given no guarantees as to the performance of any individual security or their portfolio as a whole.

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Item 9 Disciplinary Information

There has been no criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which CCA or its employees.

1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
2. is the named subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
3. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation; or
4. was the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a *management person* from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*.

B. Brought before an administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which CCA or its employees.

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority
  - (a) denying, suspending, or revoking the authorization of your firm or a *management person* to act in an *investment-related* business;
  - (b) barring or suspending your firm's or a *management person's* association with an *investment-related* business;
  - (c) otherwise significantly limiting your firm's or a *management person's investment-related* activities; or (d) imposing a civil money penalty of more than \$2,500 on your firm or a *management person*.

C. Brought before a *self-regulatory organization (SRO) proceeding* in which CCA or its employees.

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
2. was *found* to have been *involved* in a violation of the *SRO's* rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than \$2,500.

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Item 10 Other Financial Industry Activities and Affiliations

Not applicable to CCA

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

**CODE OF ETHICS**

Carnegie Capital Advisors addresses the Code and Ethics of the firm in its Policy and Procedures manual. It is based on the principal that all employees of the company place the interest of the client ahead of their own and the Company. Employees sign a certification yearly certifying that they have complied with the Company's Code of Ethics. The Code of Ethics is available upon request.

**PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

It is the expressed policy of CCA that no person employed by CCA may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

CCA or individuals associated with CCA may buy or sell securities identical to those recommended to customers for their personal accounts. Additionally, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

As these situations represent a conflict of interest, CCA has established the following restrictions in order to ensure its fiduciary responsibilities:

- 1) A member or associated person of CCA shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of CCA shall prefer his or her own interest to that of the advisory client.
- 2) CCA maintains a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of CCA .
- 3) All clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.
- 4) CCA emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where CCA is granted discretionary authority of the client's account.
- 5) CCA emphasizes the unrestricted right of the client to select and choose any broker or dealer (except in situations where CCA is granted discretionary authority), (s)he wishes.
- 6) CCA requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 7) Any individual not in observance of the above may be subject to termination

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Item 12 Brokerage Practices

**INVESTMENT OR BROKERAGE DISCRETION**

For discretionary clients, CCA requires that it be provided with written authority to determine which securities and the amounts of securities that are to be bought or sold. CCA does not necessarily have any control over the broker dealer to be used and the commission rates to be paid.

Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

**INVESTMENT OR BROKERAGE DISCRETION**

**PORTFOLIO MANAGEMENT (INSTITUTIONAL ASSET GROUP)**

**AND MUTUAL FUND ASSET ALLOCATION**

CCA has the discretion to select the brokers to be used for Institutional Asset Group and Mutual Fund Asset Allocation client accounts. CCA associated persons managing Institutional Asset Group, Private Client Group and Mutual Fund Asset Allocation client accounts are not registered representatives of a broker dealer.

CCA will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's ability to provide professional services, competitive commission rates, research and other services which will help CCA in providing investment management services to clients. CCA may, therefore recommend (or use) the use of a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance.

Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.

CCA will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple clients accounts so long as transaction costs are shared equally and on a prorated basis between all accounts included in any such block.

Block trading allows CCA to execute equity trades in a more timely, equitable manner and to reduce overall commission charges to clients.

Many clients, when undertaking an advisory relationship, already instruct CCA to execute all transactions through that broker. In the event that a client directs CCA to use a particular broker or dealer, it should be understood that under those circumstances CCA will not have authority to negotiate commissions, obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients.

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Item 13      Review of Accounts

Clients receive a monthly statement directly from the custodian. From a fiduciary viewpoint, this is an important safeguard.

In addition, on a quarterly basis, the client receives statements from CCA that is generated on Advent software, a leading provider of investment management software.

In addition, CCA conducts one on one client reviews with the client at least annually where we review portfolios and ask for updates as far as the client's financial situation that may impact the management of their portfolio.

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Item 14      *Client* Referrals and Other Compensation

CCA does not pay any referral fees for new client's. A large percentage of CCA's clients are through referral from existing clients and professionals such as accountants and estate lawyers but none receive any compensation from CCA

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Item 15     *Custody*

CCA does not provide custody for any clients.



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Item 16 Investment Discretion

For discretionary clients, CCA requires that it be provided with written authority to determine which securities and the amounts of securities that are to be bought or sold. CCA does not necessarily have any control over the broker dealer to be used and the commission rates to be paid. When it does, CCA strives to obtain the best commission or price available for the client.

Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

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Item 17     Voting *Client* Securities

In most cases CCA does the proxy voting for its clients, especially in the case where the accounts are discretionary. If the client chooses to do so, they may vote their own proxies. A proxy voting policy is mailed to the clients each year. The voting authority is delegated through the client's contract with CCA.

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Item 18 Financial Information

CCA is exempt from filing financial statements.

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Item 19 Requirements for State-Registered Advisers

**MICHELLE A. MAIDT**

Born: 1951

**EDUCATION:**

Brooklyn College, CUNY, Brooklyn, NY, BS, Accounting, 1974

Rutgers University, Newark, NJ, MBA, Finance, 1980

Chartered Financial Analyst 1993

Series 65, 1998

Since 1997, Michelle A Maidt has been a Principal of CCA and involved with all the investment activity of the firm.

**JEREMY M. WILLIAMSON**

Born: 1975

**EDUCATION:**

Cleveland State University, BA Sports Marketing, 2001

Series 65, 2010

Since 2007, Jeremy has been the office manager and involved in the client servicing of the firm

**EDUCATION AND BUSINESS STANDARDS**

CCA requires that individuals involved in determining or giving investment advice on its behalf possess a college degree and/or a minimum of three years appropriate business experience.

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