

**Item 1 - Cover Page**

# Miller Tabak Asset Management, LLC

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*Part 2A of Form ADV: Firm Brochure*

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This brochure provides information about the qualifications and business practices of Miller Tabak Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 850-8103. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Miller Tabak Asset Management, LLC is also available on the Internet at [www.millertabakam.com](http://www.millertabakam.com), and at SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by conducting a search using the Miller Tabak Asset Management, LLC name or CRD number 147381.

Miller Tabak Asset Management, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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## **Item 2 - Material Changes**

Effective May 2014, there has been a legal entity ownership change of Miller Tabak Asset Management, LLC (“MTAM”). Miller Tabak + Co., LLC, the prior majority owner, a Financial Industry Regulatory Authority (“FINRA”) broker dealer and an investment adviser registered with the State of New York, has transferred its ownership interests to MTCO LLC (“MTCO”), a New York Limited Liability Company. There was no change in management and control as the new ownership has the same controlling members.

Effective January 2015, MTAM has no affiliation or common ownership with any registered broker-dealer, futures commission merchant, commodity pool operator or a commodity trading advisor. However, certain managing members are registered as registered representatives of unaffiliated broker-dealers. Please refer to Item 10 “Other Financial Industry Activities and Affiliations” of this brochure for additional information.

### **Item 3 - Table of Contents**

Item 1 - Cover Page.....	1
Item 2 - Material Changes.....	2
Item 3 - Table of Contents .....	3
Item 4 - Advisory Business .....	4
Item 5 - Fees and Compensation .....	5
Item 6 - Performance-Based Fees and Side-By-Side Management .....	6
Item 7 - Types of Clients.....	7
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9 - Disciplinary Information .....	8
Item 10 - Other Financial Industry Activities and Affiliations .....	8
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	8
Item 12 - Brokerage Practices .....	9
Item 13 - Review of Accounts .....	10
Item 14 - Client Referrals and Other Compensation .....	10
Item 15 - Custody .....	11
Item 16 - Investment Discretion .....	11
Item 17 - Voting Client Securities.....	11
Item 18 - Financial Information .....	12
Item 19 - Requirements for State-Registered Advisers .....	12

## Item 4 - Advisory Business

Miller Tabak Asset Management, LLC (hereinafter referred to as "MT Asset Management" or "MTAM") is currently registered with the SEC as a Registered Investment Adviser with its principal office in New York City. Founded in 2008, MTAM provides investment advice and portfolio management services on a continuing basis, which may include, but are not limited to, the review of client investment objectives and goals, as well as recommending asset allocation strategies of managed assets among investment products, primarily municipal securities. Our investment advice meets our clients' needs and investment objectives. Clients may impose restrictions on investing in certain securities or types of securities (such as a product type, specific municipalities, etc.) by providing a signed and dated written notification, of which an e-mail is also an acceptable form of notification. If a client chooses to notify MTAM of investment restrictions via e-mail, it must be understood that MTAM will not be held responsible for the terms of the notification until MTAM acknowledges receipt of the notification by e-mail to the client. This is to prevent miscommunication between the client and MTAM in an instance where an e-mail is either not received or is not seen by the staff of MTAM. Should there be an instance where MTAM makes a transaction that is in conflict with the client's revised investment restrictions prior to receiving said notification, the staff of MTAM will consult with the client to determine the best course of action. MTAM provides portfolio management for individuals, small businesses, and investment companies.

MTAM provides investment advisory and other financial services through its Investment Advisory Representatives ("IAR"). Managed portfolios are available to both retail clients (for example, smaller accounts of individuals, IRAs, trusts and employee benefit plans) and institutional clients (for example, investment companies and foundations). In addition, portfolio managers will provide for the selection of specific securities to help meet the client's stated investment objectives or identifying, evaluating, and hiring independent, unaffiliated money management firms on behalf of clients.

MTAM acts as a sub-advisor, also known as a third party money manager ("TPM"), to Advisors that select MTAM for its asset management services. In these instances, an Advisor selects MTAM to provide asset management services for its clients, and for this service the Advisor shares a portion of their stated fees with MTAM. The Advisor discloses a total stated advisory fee to their client, which is disclosed in the Advisor's brochure, and the total fee is allocated between the Advisor and MTAM. The allocation depends on the negotiated agreement between the Advisor and MTAM. MTAM's portion of the advisory fee may be lower when acting as a TPM for an Advisor than if a client worked directly with MTAM because the services MTAM provides as a TPM are limited in scope and do not include the entire realm of advisory services as provided to direct clients of MTAM.

MTAM is registered with the SEC and is subject to its rules and regulations.

Clients are advised to select their own custodians/broker dealers. Prospective clients are hereby advised that lower fees for comparable services may be available from other custodians.

MTAM provides discretionary and non-discretionary investment advisory services to its clients. MTAM and its IAR, as appropriate, are responsible for the following:

- Performing due diligence
- Recommending strategic asset and style allocations
- Providing research on investment product options, as needed
- Obtaining an investment advisory contract from each client which identifies the client's financial ability, risk tolerance, suitability and investment vehicle selection information for each new account
- Providing the Firm Brochure (this document) and any other required documents to client

All employees of MTAM must comply with MTAM's Code of Ethics ("Code of Ethics") which impose restrictions on the purchase or sale of securities from their own accounts and the accounts of certain affiliated persons.

As of March 31, 2015, MTAM managed \$1,105,000,000 on a discretionary basis for our clients. We were not managing any client assets on a nondiscretionary basis.

## **Item 5 - Fees and Compensation**

The following types of fees will be assessed:

### **Asset Management**

MTAM charges up to 20 basis points (.20%) annually on the amount of assets under management ("AUM"). Fees are negotiable and may be less than 20 basis points.

Fees are not based on the share of capital gains or capital appreciation of the funds or any portion of the funds. Fees for the initial quarter will be prorated based upon the number of calendar days in the calendar quarter that the advisory agreement is in effect. As authorized in the client agreement, the account custodian withdraws MTAM's advisory fees directly from the clients' accounts according to the custodian's policies, practices, and procedures.

Fees are charged in advance on a quarterly basis, meaning that advisory fees for a quarter are charged on the first day of the quarter. Clients may terminate investment advisory services obtained from MTAM, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with MTAM. The client is responsible for any fees and charges incurred by the client from third parties as a result of maintaining the account such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, the client may terminate advisory services upon written notice delivered to and received by MTAM. Clients who terminate investment advisory services during a quarter are charged a prorated advisory fee based on the date of MTAM's receipt of client's written notice to terminate. Any earned but unpaid fees are immediately due and payable.

The custodial statement includes the amount of any fees paid directly to MTAM to manage the account. MTAM also sends quarterly invoices detailing the manner and amount of advisory fees to all clients. You should compare the statement we send to your custodian/broker-dealer's statement and verify the

calculation of fees. If the account does not contain sufficient funds to pay advisory fees, MTAM has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. With the exception of IRA accounts, clients may reimburse the account for advisory fees paid to MTAM.

Clients may terminate the investment advisory contract at any time and refunds will be provided on a pro rata basis.

### **Additional Fees and Expenses**

In addition to advisory fees paid to MTAM as explained above, clients may pay custodial service, account maintenance, transaction, and other fees associated with maintaining the account. These fees vary by broker dealer and/or custodian. Clients should ask MTAM for details on transaction fees or other custodial fees specific to their account, as these fees are not included in the annual advisory fee. MTAM does not share any portion of such fees. Additionally, for any funds purchased, the client may pay their proportionate share of the funds' distribution, internal management, investment advisory and administrative fees. Such fees are not shared with MTAM and are compensation to the fund manager. Clients are urged to read the fund prospectus prior to investing.

Fund companies impose internal fees and expenses on clients. These fees are in addition to the costs associated with the investment advisory services as described above. Complete details of such internal expenses are specified and disclosed in each fund company's prospectus. Clients are strongly advised to review the prospectus prior to investing in such securities.

Funds purchased or sold in broker dealer accounts may generate transaction fees that would not exist if the purchase or sale were made directly with the fund company. Funds held in broker dealer accounts also charge management fees. These fund management fees may be more or less than the fund management fees charged if the client held the fund directly with the fund company.

Clients may purchase shares of funds directly from the fund issuer, its principal underwriter, or a distributor without purchasing the services of MTAM or paying the advisory fee on such shares (but subject to any applicable sales charges). Certain funds are offered to the public without a sales charge. In the case of funds offered with a sales charge, the prevailing sales charge (as described in the fund prospectus) may be more or less than the applicable advisory fee. However, clients would not receive MTAM's assistance in developing an investment strategy, selecting securities, monitoring the performance of the account, and making changes as necessary.

Please refer to Item 12 "Brokerage Practices" of this brochure for additional information.

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

MTAM does not charge performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or appreciation of the assets of a client. Our fees are calculated as described in the Fees and Compensation section above, and are not charged on the basis of performance of your advisory account.

Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

## **Item 7 - Types of Clients**

MTAM offers investment advisory services to individuals, small businesses and investment companies. In general, a minimum of \$300,000 is required to open and maintain an advisory account. At our discretion, we may reconsider the minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under management.

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

MTAM's methods of analysis and investment strategies incorporate active management of security selection, portfolio duration, structure, credit quality, and sector allocation. It also considers the client's needs and investment objectives, time horizon, and risk tolerance. In addition, our fundamental analysis includes business cycle analysis and macro-economic and market assessment. MTAM is not bound to a specific investment strategy for the management of investment portfolios, but rather considers the risk tolerance levels pre-determined and gathered at the account opening, as well as on an on-going basis. Examples of methodologies that our investment strategies may incorporate include:

**Asset Allocation** – Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

**Dollar-Cost Averaging** – Dollar-cost averaging is the technique of buying a fixed dollar amount of securities at regularly scheduled intervals, regardless of the price per share. This will gradually, over time, decrease the average share price of the security. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time.

**Technical Analysis** – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

**Long-Term Purchases** – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Short-Term Purchases** – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

**Option Transactions** – an option is a financial instrument that establishes a contract between two parties concerning the buying or selling of an asset at a reference price during a specified time frame. During this time frame, the buyer of the option gains the right, but not the obligation, to engage in some specific transaction on the asset, while the seller incurs the obligation to fulfill the transaction if so requested by the buyer. The price of an option derives from the value of an underlying asset (commonly a stock, a bond,

a currency or a futures contract) plus a premium based on the time remaining until the expiration of the option. Other types of options exist, and options can in principle be created for any type of valuable asset. In return for granting the option, called writing the option, the originator of the option collects a payment, the premium, from the buyer. The writer of an option must make good on delivering (or receiving) the underlying asset or its cash equivalent, if the option is exercised.

Our strategies and investments may have unique and significant tax implications. Regardless of your account size or other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Investing in securities involves risk of loss that clients should be prepared to bear. Although we manage your portfolio with strategies and in a manner consistent with your risk tolerances, there can be no guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Regardless of the methods of analysis or strategies suggested for your particular investment goals, you should carefully consider these risks, as they all bear risks.

## **Item 9 - Disciplinary Information**

Neither MTAM nor its Principal Executive Officers have had any reportable disclosable events in the past ten years.

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

MTAM is not registered nor does it have a pending application to register as a broker dealer. Certain managing members are associated as registered representatives of unaffiliated broker-dealers, LEK Securities Corporation ("LEK") and Mitchell Securities Inc. ("Mitchell").

MTAM does not execute trades for clients or itself through LEK or Mitchell.

Neither MTAM nor its managing members are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of any of the foregoing entities.

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

MTAM's Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect client interests at all times and to demonstrate our commitment to fiduciary duties of honesty, good faith, and fair dealing. All of MTAM's Associated Persons are expected to strictly adhere to these guidelines. Persons associated with MTAM are also required to report any violations of the Code of Ethics. Additionally, the firm maintains and enforces written policies reasonably



designed to prevent the misuse or dissemination of material, non-public information about our clients or client accounts by persons associated with our firm.

MTAM and its employees may buy or sell securities that are also held by clients. It is the expressed policy of the advisor that no person employed by our firm purchase or sell any security prior to the transaction being implemented for an advisory account; therefore, preventing such employees from benefiting from transactions placed on behalf of the advisory clients.

The advisor may have an interest or position in a certain security, which may also be recommended to the client. As these situations may present a conflict of interest, the advisor has established the following restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer or employee of the advisor shall not buy or sell a security for their personal portfolio(s) where their decision is substantially derived, in whole or part, by reason of his or her employment, unless the information is also available to the investing public. No owner/employee of MTAM shall prefer their own interest to that of the client.
2. The advisor reviews all securities transactions conducted in associated persons' brokerage accounts.
3. The advisor requires that all employees act in accordance with all applicable Federal and State regulations governing registered investment advisers.
4. The advisor will not aggregate personal trades with those of clients to ensure that clients are not at a disadvantage.

MTAM's Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting us at (212) 850-8103.

## **Item 12 - Brokerage Practices**

MTAM's sales brochure includes a list of best execution broker dealers which is provided to the client at the inception of the relationship. We believe that our approved list of broker dealers provide quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by our recommended broker dealers, including the value of research provided, the broker dealer's reputation, execution capabilities, commission rates, reporting capabilities, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services our brokerage firms provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Investment advisers who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker, the value of an ongoing relationship with such broker

and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.

You may direct us in writing to use a particular broker dealer to execute some or all of the transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker dealer and other clients who do not direct us to use a particular broker dealer.

MTAM does not have any soft dollar arrangements.

MTAM does not receive client referrals from broker dealers in exchange for cash or other compensation, such as brokerage services or research.

MTAM is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other clients of MTAM. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

### **Item 13 - Review of Accounts**

The Portfolio Managers regularly review their accounts to ensure compliance with the Investment Objectives and Guidelines (IOG) provided by the client and adherence to the "core" portfolio of MTAM. At the inception of the management of an account, the Chief Compliance Officer and the Portfolio Manager review the IOG of the client. The number of relationships managed by each Portfolio Manager shall at all times be reasonable so as to maintain an appropriate level of review of each account. Subsequent periodic one-on-one reviews with clients are scheduled at the client's request.

On a monthly basis, operations personnel reconcile all positions for all clients with the respective custodians of client assets.

Each client receives, at least quarterly, a Portfolio Appraisal that details each security position with all respective cost basis, current market values, accrued interest, and cash holdings. Each quarter every client also receives a letter from MTAM describing current market views, as well as performance reports for the respective period. The respective custodians also send a statement of assets directly to the client at least quarterly, which should be used by the client for comparative purposes to those reports provided by MTAM, with any discrepancy reported immediately to MTAM.

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

The Firm has an agreement with John Konecky, Director of Business Development, to compensate him for assets he brings to the adviser. Mr. Konecky has over 30 years of experience with financial services firms. He joined MTAM from Evergreen Investments, a division of Wachovia Corp. n/k/a Wells Fargo where he

was Divisional Sales Manager. His compensation is derived from the management fees of the adviser, and does not affect the fees charged to individual client portfolios.

Similar agreements may be executed with other 3rd parties or related persons.

## **Item 15 - Custody**

Any investment adviser having custody or access to customer funds or securities must comply with certain rules and regulations designed to protect the clients' assets. Rule 206(4)-2 of the Investment Advisers Act of 1940 details strict requirements governing investment advisers that have custody over client securities or funds. With written authorization to do so, we directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. Because the ability to deduct fees from client accounts is the only form of custody we practice, MTAM is not subject to the full custody requirements such as an annual surprise examination conducted by the SEC, independent internal controls report, etc.

MTAM does not have physical custody of any client funds and/or securities. Client funds and securities should be held with a bank, broker dealer, or other independent qualified custodian. You will receive account statements from the independent, qualified custodian holding your funds at least quarterly. The account statement from your custodian will indicate the amount of advisory fees deducted from your account(s) each billing cycle. Clients should carefully review statements received from the custodian. MTAM also sends quarterly invoices detailing the manner and amount of advisory fees to all clients.

## **Item 16 - Investment Discretion**

Before MTAM can buy or sell securities on your behalf, you must first sign our Investment management agreement, which provides the manager with trading authorization on the account. By choosing to do so, you may grant the firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. Clients may impose limitations on discretionary authority, such as frequency of trading, restrictions on investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided in writing. Please refer to the "Advisory Business" section of this Brochure for more information on our discretionary management services.

## **Item 17 - Voting Client Securities**

With respect to those accounts for which MTAM has voting authority in accordance with client written instructions, and in a manner in which MTAM believes it to be in the best interests of its clients, MTAM may allow proxy voting. MTAM generally votes in accordance with the recommendations of the issuer's existing management, unless it is not prudent to do so. Since it is not customary for MTAM to participate in proxy voting, if the client specifically requests it, MTAM's policy of generally voting in accordance with the issuer's existing management will be discussed. The firm will abide by specific instructions regarding

proxy voting if the client provides such instruction in writing. Once the voting is completed, MTAM will send the client a written notice, generally in the form of an e-mail, notifying them of the vote. The client can also at any time request how specific or all securities have been voted by requesting this information during a face-to-face meeting or in writing.

There may be instances where MTAM does not have the authority to vote client securities. All clients will receive their proxies or other solicitations from their custodian or transfer agent. Clients may contact MTAM by the phone number provided at the front of this brochure if they have any questions regarding any particular solicitation.

A written copy of the proxy policies and procedures are available upon request.

### **Item 18 - Financial Information**

MTAM is not required to provide financial information to our clients because we do not require or solicit the prepayment of more than \$1,200 six or more months in advance.

### **Item 19 - Requirements for State-Registered Advisers**

This section is not applicable because MTAM is a SEC Registered Investment Adviser.