

**Brochure**

**Form ADV Part 2A**

**Item 1 - Cover Page**

**Milestone Advisory Partners, LLC**

**CRD# 227120**

103 Bradford Village Court  
Southern Pines, North Carolina 28387

(910) 691-6100

[www.milestoneadvisorypartners.com](http://www.milestoneadvisorypartners.com)

**September 2, 2015**

This brochure provides information about the qualifications and business practices of Milestone Advisory Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (910) 691-6100 or [milestone@milestoneadvp.com](mailto:milestone@milestoneadvp.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Milestone Advisory Partners, LLC is an investment advisory firm registered with the appropriate regulatory authority. Registration does not imply a certain level of skill or training. Additional information about Milestone Advisory Partners, LLC also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

**Item 2 - Material Changes**

This Brochure is prepared in the revised format required beginning in 2011. This is the initial Brochure of Milestone Advisory Partners, LLC, and is prepared according to the SEC's requirements and rules. In the future, this Item will discuss only specific material changes that are made to the Brochure and will provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure. We will further provide you with a new Brochure as necessary based on changes, new information, or at your request, at any time, without charge.

### Item 3 - Table of Contents

### Page

Item 1 - Cover Page .....	1
Item 2 - Material Changes.....	1
Item 3 - Table of Contents .....	2
Item 4 - Advisory Business .....	3
Item 5 - Fees and Compensation .....	4
Item 6 - Performance-Based Fees and Side-By-Side Management .....	5
Item 7 - Types of Clients .....	5
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss .....	6
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 .....	11
Item 15 - Custody.....	11
Item 16 - Investment Discretion.....	11
Item 17 - Voting Client Securities .....	11
Item 18 - Financial Information.....	12
Brochure Supplement.....	Exhibit A

## ***Item 4 - Advisory Business***

### **General Information**

Milestone Advisory Partners, LLC ("MAP") was formed in 2015, and provides financial planning and portfolio management services to its clients.

Dawn D. Hasty is the sole principal owner of MAP. Please see ***Brochure Supplement***, Exhibit A, for more information on individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

MAP is a newly formed Registered Investment Advisory firm and does not currently have any assets under management.

### **SERVICES PROVIDED**

At the outset of each client relationship, MAP spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and reviewing options for the client. Based on its reviews, MAP generally develops with each client:

- a financial outline for the client based on the client's financial circumstances and goals, and the client's risk tolerance level (the "Financial Profile" or "Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan" or "Plan").

The Financial Profile is a reflection of the client's current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments MAP will make on behalf of the client to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

### **Financial Planning**

One of the services offered by MAP is financial planning, described below. This service may be provided as a stand-alone service, or may be coupled with ongoing portfolio management.

Financial planning generally includes advice that addresses one or more areas of a client's financial situation, such as estate planning, risk management, budgeting and cash flow controls, retirement planning, education funding, and investment portfolio design. Depending on a client's particular situation, financial planning may include some or all of the following:

- Gathering factual information concerning the client's personal and financial situation;
- Assisting the client in establishing financial goals and objectives;
- Analyzing the client's present situation and anticipated future activities in light of the client's financial goals and objectives;
- Identifying problems foreseen in the accomplishment of these financial goals and objectives and offering alternative solutions to the problems;
- Making recommendations to help achieve retirement plan goals and objectives;
- Designing an investment portfolio to help meet the goals and objectives of the client;
- Providing estate planning;
- Assessing risk and reviewing basic health, life and disability insurance needs; or
- Reviewing goals and objectives and measuring progress toward these goals.

Once financial planning advice is provided, the client may choose to have MAP implement the client's financial plan and manage the investment portfolio on an ongoing basis. However, the client is under no obligation to act upon any of the recommendations made by MAP under a financial planning engagement and/or to engage the services of any recommended professional.

#### Portfolio Management

As described above, at the beginning of a client relationship, MAP meets with the client, gathers information, and performs research and analysis as necessary to develop the client's Investment Plan. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by MAP based on updates to the client's financial or other circumstances.

To implement the client's Investment Plan, MAP will manage the client's investment portfolio on a discretionary basis and generally under MAP's Wrap Program, described more fully in ***Item 5, Fees and Compensation*** and ***Appendix 1, Wrap Fee Program Brochure***. As a discretionary investment adviser, MAP will have the authority to supervise and direct the portfolio without prior consultation with the client.

Notwithstanding the foregoing, clients may impose certain written restrictions on MAP in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of MAP.

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

##### General Fee Information

Each "household" will negotiate and agree upon the management fee to be assessed. The management fee will apply to all accounts within the household. The fee will be determined based upon the needs of the client, the overall scope of the engagement and anticipated levels of trading.

When appropriate, the management fee will include brokerage expenses, such as commissions, transactions fees and other expenses related to trading. This is known as a "Wrap Program", and MAP is a Wrap Program Sponsor. The Program fee structure includes the brokerage expenses (i.e., commissions, ticket charges, etc.) of the account as well as the management fee paid to MAP. Under the all-inclusive billing alternative, MAP will assess one client fee that captures the management, brokerage and administrative portions collectively. Inasmuch as MAP pays to the broker/dealer the transaction and execution costs associated with client accounts, this may create a disincentive for MAP to trade securities in accounts.

To the extent that any accounts within the household may expect only infrequent trading, such as accounts with legacy positions with low cost basis, such accounts will generally pay brokerage expenses separately to the executing broker. At the time of the engagement, MAP and the client will agree upon any accounts within the household that will be subject to such brokerage expenses.

Accordingly, client accounts pay a management fee, plus the cost of transactions in the account. MAP does not receive any of these transaction-based fees. Please see ***Item 12 - Brokerage Practices*** for additional information.

In either of these arrangements, the fees noted above are separate and distinct from the internal fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, MAP and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

#### Financial Planning Fees

When MAP provides Financial Planning services, the fee is generally included in the **Portfolio Management Fees**.

#### Portfolio Management Fees

As described above, MAP will negotiate and agree upon a fee, based on a percentage of assets under management, with each client.

The minimum portfolio value is generally set at \$2,000,000. MAP may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where MAP deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in advance. If management begins after the start of a quarter, fees will be prorated accordingly. With client authorization, unless other arrangements are made fees are normally debited directly from client account(s).

Either MAP or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to MAP from the client will be invoiced or deducted from the client's account prior to termination.

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

MAP does not have any performance-based fee arrangements. "Side by Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because MAP has no performance-based fee accounts, it has no side-by-side management.

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

MAP serves individuals, high net worth individuals, pension and profit-sharing plans, corporations, and charitable organizations. With some exceptions, the minimum portfolio value eligible for conventional portfolio management services is \$2,000,000. Under certain circumstances and in its sole discretion, MAP may negotiate such minimum.

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

### **Methods of Analysis**

In accordance with the Investment Plan, MAP will primarily invest in mutual funds and ETFs and, at times, individual bonds and common stocks.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

MAP will also incorporate other methods of analysis, such as:

**Charting Analysis** – involves gathering and processing price and volume information for a particular security. MAP's charting analysis includes, without limitation:

- mathematical analysis;
- graphing charts; and estimations of future price movements based on perceived patterns and trends.

**Point and Figure Charting** – Point and figure charting is used by long-term investors that seek to determine solid entry and exit points in stock market trading. This form of technical analysis is focused on trend development and seeks to avoid the “noise” created daily by minor moves up or down. Point and figure charting is primarily concerned with the larger picture and how that plays out in the areas of supply and demand. Point and figure charts are based solely on price action, not time

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. MAP will generally evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

### **Investment Strategies:**

MAP's strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for each client. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances.

**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.

### **Risk of Loss**

While MAP seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While MAP manages client investment portfolios based on MAP's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that MAP allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that MAP's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, MAP will usually invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* MAP will generally invest portions of client assets directly into equity investments, primarily in pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* MAP may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* MAP may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

*Margin Risk.* MAP does not use margin as an investment strategy. However, clients may elect to borrow funds against their investment portfolio. When securities are purchased, they may be paid for in full or the client may borrow part of the purchase price from the account custodian. If a client

borrowed part of the purchase price, the client is engaging in margin transactions and there is risk involved with this. The securities held in a margin account are collateral for the custodian that loaned the client money. If those securities decline in value, then the value of the collateral supporting the client's loan also declines. As a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in the client's account. The brokerage firm may issue a margin call and/or sell other assets in the client's account to accomplish this. It is important that clients fully understand the risks involved in trading securities on margin, including but not limited to:

- It is possible to lose more funds than is deposited into a margin account;
- The account custodian can force the sale of assets in the account;
- The account custodian can sell assets in the account without contacting the client first;
- The account holder is not entitled to choose which assets in a margin account may be sold to meet a margin call;
- The account custodian can increase its "house" maintenance margin requirements at any time without advance written notice; and
- The account holder is not entitled to an extension of time on a margin call.

### ***Item 9 - Disciplinary Information***

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of MAP or the integrity of MAP's management. MAP has no disciplinary events to report.

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

Neither MAP nor its Management Person has any other financial industry activities or affiliations to report.

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

#### **Code of Ethics and Personal Trading**

MAP has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. MAP's Code has several goals. First, the Code is designed to assist MAP in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, MAP owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated with MAP (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for MAP's associated persons. Under the Code's Professional Standards, MAP expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, MAP associated persons are not to take inappropriate advantage of their positions in relation to MAP clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time MAP's associated persons may invest in the same securities recommended to clients. Under its Code, MAP has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated



persons, reporting and review of such trading. These policies are designed to discourage and prohibit personal trading that would disadvantage clients

#### Participation or Interest in Client Transactions

Because client accounts are invested almost exclusively in open-end mutual funds and ETFs, there is little opportunity for a conflict of interest between personal trades by MAP associated persons and trades in client accounts, even when such accounts invest in the same securities. However, in the event of other identified potential trading conflicts of interest, MAP's goal is to place client interests first.

Consistent with the foregoing, MAP maintains policies regarding participation in initial public offerings ("IPOs") and private placements to comply with applicable laws and avoid conflicts with client transactions. If a MAP associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer.

### ***Item 12 - Brokerage Practices***

#### Best Execution and Benefits of Brokerage Selection

When given discretion to select the brokerage firm that will execute orders in client accounts, MAP seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, MAP may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of MAP's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

MAP generally recommends that clients establish brokerage accounts with Raymond James Financial, Inc. ("Raymond James"), a FINRA registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of clients' assets. MAP may also effect trades for client accounts at Raymond James, or may in some instances, consistent with MAP's duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although MAP may recommend that clients establish accounts at Raymond James, it is ultimately the client's decision to custody assets with Raymond James. MAP is independently owned and operated and is not affiliated with Raymond James.

Raymond James provides MAP with access to its institutional trading, custody, reporting and related services, which are typically not available to Raymond James retail investors. Raymond James also makes available various support services. Some of those services help MAP manage or administer our clients' accounts while others help MAP manage and grow our business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by Raymond James. Raymond James' brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For MAP client accounts maintained in its custody, Raymond James generally does not charge separately for custody services but is compensated by account holders through commissions and

other transaction-related or asset-based fees for securities trades that are executed through Raymond James or that settle into Raymond James accounts. Raymond James Advisor Services also makes available to MAP other products and services that benefit MAP but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of MAP accounts, including accounts not maintained at Raymond James.

Raymond James' products and services that assist MAP in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of MAP's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Raymond James Advisor Services also offers other services intended to help MAP manage and further develop its business enterprise. These services may include: (i) technology compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Raymond James may make available, arrange and/or pay third-party vendors for the types of services rendered to MAP. Raymond James Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to MAP. Raymond James Advisor Services may also provide other benefits such as educational events or occasional business entertainment of MAP personnel. In evaluating whether to recommend that clients custody their assets at Raymond James, MAP may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Raymond James, which may create a potential conflict of interest.

#### Directed Brokerage

MAP does not generally allow directed brokerage accounts.

#### Aggregated Trade Policy

MAP typically directs trading in individual client accounts as and when trades are appropriate based on the client's Investment Plan, without regard to activity in other client accounts. However, from time to time, MAP may aggregate trades together for multiple client accounts, most often when these accounts are being directed to sell the same securities. If such an aggregated trade is not completely filled, MAP will allocate shares received (in an aggregated purchase) or sold (in an aggregated sale) across participating accounts on a pro rata or other fair basis; provided, however, that any participating accounts that are owned by MAP or its officers, directors, or employees will be excluded first.

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

Managed portfolios are reviewed at least monthly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by MAP. These factors generally include, but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Dawn Hasty, MAP's Managing Member, reviews all accounts.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. In addition, MAP provides at least a quarterly report for each managed portfolio. This written report normally includes performance results. Additional reports are available at the request of the client.

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

As noted above, MAP may receive an economic benefit from Raymond James in the form of support products and services it makes available to MAP and other independent investment advisors that have their clients maintain accounts at Raymond James. These products and services, how they benefit our firm, and the related conflicts of interest are described in ***Item 12 - Brokerage Practices***. The availability of Raymond James' products and services to MAP is based solely on our participation in the programs and not in the provision of any particular investment advice. Neither Raymond James nor any other party is paid to refer clients to MAP.

#### ***Item 15 - Custody***

Raymond James is the custodian of the majority of client accounts at MAP. It is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify MAP of any questions or concerns. Clients are also asked to promptly notify MAP if the custodian fails to provide statements on each account held.

From time to time and in accordance with MAP's agreement with clients, MAP will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades or other similar issues.

#### ***Item 16 - Investment Discretion***

As described above under ***Item 4 - Advisory Business***, MAP manages portfolios on a discretionary basis. This means that after an Investment Plan is developed for the client's investment portfolio, MAP will execute that plan without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney ("LPOA") is executed by the client, giving MAP the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. MAP then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with MAP and the requirements of the client's custodian. The discretionary relationship is further described in the agreement between MAP and the client.

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

As a policy and in accordance with MAP's client agreement, MAP does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact MAP with questions relating to proxy procedures and proposals; however, MAP generally does not research particular proxy proposals.

***Item 18 - Financial Information***

MAP does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure with respect to this item.