



November 29, 2018

## **Millar Financial Group**

(510) 792-9395

### Principal Office

39560 Stevenson Place, Suite 111  
Fremont, CA 94539

### Peninsula Office

1190 Chestnut Street  
Menlo Park, CA 94025

[www.millarfinancial.com](http://www.millarfinancial.com)  
[www.millarfinancialgroup.com](http://www.millarfinancialgroup.com)

## **Investment Advisor Brochure**

This brochure provides information about the qualifications and business practices of Millar Financial Group. If you have any questions about the contents of this brochure or would like to request a brochure, please contact us at (510) 792-9395 or [info@millarfinancial.com](mailto:info@millarfinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Millar Financial Group (the Firm) is a Registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training.

Additional information about Millar Financial Group is also available via the SEC's web site [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Millar Financial Group who are registered, or are required to be registered, as Investment Advisor Representatives of Millar Financial Group.

## **1. Material Changes**

There are no material changes.

## 2. Table of Contents

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

### 3. Advisory Business

Millar Financial Group provides investment advice and financial planning services to individuals and families, high net worth individuals, trusts, estates, special needs trustees, conservatorships, and non-profit organizations. (See also Item 10. Other Financial Industry Activities and Affiliations)

The investment advisory process includes the review and analysis of each Client's objectives, cash flow requirements, financial constraints, risk tolerance, and special needs. Various strategies are discussed and/or presented to assist the Client in meeting their financial and personal objectives. Based on information provided by the Client, the Advisor makes recommendations as to how assets and other resources should be deployed and allocated as well as specific investment recommendations to accomplish the desired allocation. All investments are made on a non-discretionary basis. The Advisor provides ongoing investment advisory services including periodic portfolio reviews and adjustments to recommended strategies and investment allocations.

All recommendations are handled on a non-discretionary basis. This means that Client permission must be secured prior to executing any securities transaction. As a result, Client may further restrict their purchase of any security or types of securities.

Portfolios may include: equities (e.g. exchange-listed securities and securities traded over the counter); corporate debt (other than commercial paper); certificates of deposit; municipal bonds; investment company products (e.g. mutual fund shares, variable life insurance, variable annuities); and/or United States Government or Agency securities. Under limited situations, portfolios might contain other assets. Millar Financial Group does not make recommendations regarding the purchase of commodities, futures, precious metals, warrants, or commercial paper.

Millar Financial Group does not participate in any wrap fee programs.

As of November 29, 2018, Millar Financial Group, a sole proprietorship of Kenneth Leung, manages approximately \$122,000,000 in non-discretionary accounts.

### 4. Fees and Compensation

Millar Financial Group is generally compensated for advisory accounts on a fee basis, based on a percentage of assets under management. The following is Millar Financial Group's basic fee schedule, which is applied incrementally on the Billable Market Value (BMV)<sup>1</sup> of all accounts managed as part of

---

<sup>1</sup> Billable Market Value (BMV): The BMV is the Total Market Value (TMV) of account(s) less any Non-Billable Values (NBV) which exist in the account(s) that are subject to the agreement at the end of a billable period. Billable periods are the end of each quarter, or in the case of an account which is terminated or otherwise removed from the agreement, the date of termination or removal. Thus  $BMV = TMV - NBV$ . The following are Non-Billable Values:

Assets where a purchase has generated a commission to the Advisor: If a Client purchases an investment that results in a commission being paid to the Advisor (excluding distribution, administrative or service fees – see discussion below) whether or not as an advisory Client, the BMV will reflect a reduction for the market value of the asset in any billable period ending within 3 years of purchase date for any variable annuity or within 2 years for any other asset.

Certain Mutual Fund Share Classes: The value of any back-end loaded mutual fund (e.g. B Share or C Share fund classes) whether or not the funds were originally purchased through the Advisor.

an advisory agreement. Fees are billed quarterly, in arrears, and are negotiable. Advisory account fees are automatically deducted from Client's account(s) pursuant to their authorization in the investment advisory agreement. Transaction charges are included in the quarterly investment advisory service fee. Millar Financial Group charges an hourly fee for initial consultation at \$300 per hour. The consultation fee is refunded to Client if Client uses our advisory service. For services not provided on an asset fee basis, the Advisor may be compensated through fixed fees, hourly charges, or commissions. Fixed fees and hourly charges are not deducted from the Client's account(s) but are billed directly to the Client as they occur. Lower fees for comparable services may be available from other sources.

	<u>Balance</u>	<u>Annually</u>	<u>Quarterly</u>
<b>First:</b>	\$ 250,000	1.25%	0.3125%
<b>Next:</b>	\$ 250,000	1.00%	0.2500%
<b>Next:</b>	\$ 500,000	0.80%	0.2000%
<b>Above:</b>	\$ 1,000,000	0.60%	0.1500%

Certain investments, when transferred into or held within the account, or as otherwise agreed to by Client and Advisor, will be designated "Administrative-Only Investments." These Administrative-Only Investments shall refer to investments designated by Advisor when transferred into or held within the account, which are held for administrative purposes only and are exempt from the advisory fee calculation. Please refer to Advisor's ADV Part 2A for additional information, inclusive of what types of investments qualify as Administrative-Only and when these investments may become subject to fees.

A portion of the annual asset based advisory fee is paid to RJFS for administration of the account, which includes producing account statements detailing account assets, transactions, the receipt and distribution of funds, receipts of interest and dividends, and investment gains or losses. Advisory accounts must execute all transactions through RJFS (See *Other Financial Industry Activities and Affiliations*).

Client should be aware that all mutual funds incur internal expenses for portfolio management services and fund administrative services. These internal fees are disclosed in the fund prospectus. Internal expenses of bond funds tend to be lower than for equity funds. The advisory fee charged will be in addition to mutual fund internal expenses.

The Advisor does not receive any part of any fees for portfolio management or fund administrative services. The Client understands that certain funds may be obtained directly from the sponsoring fund organization without the assistance of the Advisor.

Certain open-end mutual funds may also assess a distribution fee pursuant to rule 12b-1 under the Investment Company Act of 1940 as amended. RJFS and the Advisor may be eligible, or may subsequently become eligible to share in such fees, which generally equal 0.25% (but may exceed 0.25%) of the mutual fund account balance each year. These fees are disclosed in the prospectus for each mutual fund. All 12b-1 fees, if any, are automatically credited to Client's accounts according to each fund's payment schedule and the firm's crediting schedule. The Advisor recommends no-load mutual funds as well as mutual funds with the load waived. Additionally, the Client understands that no-

load mutual funds may be transacted directly with the sponsoring fund organization, without assistance of the Advisor, with no transaction or processing fee.

The Advisor does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds or insurance products.

Client may also incur charges for other account services provided by RJFS not directly related to the execution and clearing of transactions in which Millar Financial Group does not share. These include, but are not limited to, retirement account custodial fees, conservatorship fees, interest charges on margin loans, and fees for legal or courtesy transfers of securities.

For work performed on the basis of hourly fees (not exceeding \$500 per hour) or fixed charges, the Client will be provided with an estimate of total fees required to complete the work. Estimates for hourly fees, or the amount of any fixed charges are determined based on an estimate of the difficulty and time anticipated to complete the contracted work. No hourly fee or fixed charge work will be performed without prior Client approval.

Client may terminate an investment advisory agreement within 5 days of execution and may receive a refund of all unearned fees paid (if any). In any event, the Client or Advisor may terminate an investment advisory agreement, for any reason, on 30 days written notice. A refund of asset based fees will be prorated for the number of days in the billing period and in cases where the billing period ends on other than a quarter ending date, the BMV will be determined as of the last day of the previous quarter. For non-asset based fees, refunds are based on the difference between actual hours of work completed billed at the rate stated on the agreement, and fees received.

## **5. Performance-Based Fees and Side-By-Side Management**

Performance-based fee arrangements involve the payment of fees based on a share of capital gains or capital appreciation of a Client's 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. Millar Financial Group does not charge any performance-based fees.

## **6. Types of Clients**

Millar Financial Group generally provides portfolio management services to individuals and families, high net worth individuals, trusts, estates, special needs trustees, conservatorships, and non-profit organizations. New investment accounts managed for a fee are generally subject to a minimum aggregate investment of \$200,000.

## **7. Methods of Analysis, Investment Strategies and Risk of Loss**

Investment and planning strategies will differ between Clients depending on stated objectives. Investment strategies emphasize asset allocation to meet anticipated or emergency cash flow needs with an acceptable level of risk. For example, to meet short-term cash flow requirements, typically those occurring in 1-2 years, investments will generally be held in cash investments (e.g. money market funds,

municipal money market funds, CDs, etc.) or other near cash equivalents (e.g. short-term treasury instruments, ultra-short bonds, bond funds, etc.). Funds invested to meet cash flow needs in the long term, typically in more than 7 years, are usually held in equity investments (e.g. equity mutual funds, stocks, ETFs, etc.). Funds invested to meet cash flow requirements in the intermediate term, typically those occurring in 2-7 years, are generally invested in debt investments either through the purchase of corporate or government debt, or investment in mutual funds with a similar objective.

Investments recommended by Millar Financial Group are reviewed and approved by the Firm's Investment Management Committee, currently consisting of Kenneth Leung. Investments are approved prior to being offered to Client and then on a regular and periodic basis to determine changes in Firm recommendations. Evaluation is based on information gathered from a variety of sources including investment databases, industry reports, and other public and private sources. In addition, Millar Financial Group may conduct additional in-house research into investment options (e.g. by interviewing fund holding companies, or portfolio managers; by participating in educational programs and/or site visits). The Firm also reviews analysis conducted and made available through RJFS. However, the Firm is under no obligation to limit approved investments to those recommended by RJFS.

All investments include risks (to principal, interest, purchasing power, etc.) which should be carefully considered at the time a recommendation is made. **Client should be certain to understand the risks inherent to all recommendations and be prepared to bear the risk of loss prior to making a decision to invest.**

## 8. Disciplinary Information

Neither Millar Financial Group nor any of its employees have any legal or disciplinary events to report.

## 9. Other Financial Industry Activities and Affiliations

### Broker-Dealer

Kenneth Leung is an Investment Advisor Representative of Millar Financial Group and a Registered Representative of Raymond James Financial Services, Inc. (RJFS) member FINRA/SIPC. Kenneth Leung is also a Branch Manager of RJFS.

As a Registered Representative all securities transactions are required to be executed through his Broker-Dealer. A conflict would occur if Client did not receive the best execution of transactions as a result of their relationship with the Broker-Dealer and the requirement to place all securities transactions through RJFS.

### Insurance Products

Millar Financial Group offers non-variable, insurance company based investment products (e.g. fixed, deferred and immediate annuities). These investments may generate commissions but will always be held outside of an investment advisory account and not be subject to investment advisory fees. Millar

Financial Group may offer other insurance products (e.g. Life Insurance, Long Term Care Insurance, etc.) as part of its non-advisory activities.

### Other Financial Services

Millar Financial Group offers other financial services. For example, Millar Financial Group provides advice and services regarding estate planning, charitable gifting, special needs issues, etc. Advice is also provided to people addressing the financial issues involved in catastrophic illness including budgeting and funding of long-term care. This often includes public benefit planning and assistance in obtaining benefits that might be available through the state Medi-Cal or other programs. Millar Financial Group may act in the capacity of an Authorized Representative for Client seeking public benefits or appealing an adverse ruling regarding such benefits.

These services are generally within the scope of services provided under an advisory agreement. Where services fall outside of the scope of services provided by the advisory agreement, the Client will be provided an estimate for the anticipated cost of such services. These services are billed on an hourly or flat-fee basis. The Client is under no obligation to utilize or pay for any other financial service(s) to engage the Firm for investment advisory services. Nor is a Client required to obtain investment advisory services to engage the Firm for any other financial service(s).

### Conflict of Interest

Client should understand that since the Advisor may receive compensation in the form of fees and/or commissions for investment and/or financial planning services or products that it recommends, a conflict of interest exists between the interests of the Advisor and the Client.

At no time is a Client under an obligation to act upon the Advisor's recommendations or to effect any transaction through the Advisor.

## **10. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Millar Financial Group operates under a Code of Ethics (which incorporates our Privacy Policy), describing its high standard of business conduct, and fiduciary duty to its Client. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, communication to the public, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. The Code of Ethics is also designed to assure that the personal securities transactions, activities and interests of the employees of Millar Financial Group will not interfere with [i] making decisions in the best interest of advisory Client, and [ii] implementing such decisions while, at the same time, allowing employees to invest for their own accounts. All employees of Millar Financial Group must acknowledge the terms of the Code of Ethics annually, or as amended.

Kenneth Leung is a CFP® registrant. As a registrant, he is bound by the CFP® Code of Ethics. A copy of the CFP® Code of Ethics is available on request.



Employees of Millar Financial Group may purchase securities that are recommended to our Client. Client's accounts are always given priority. Millar Financial Group will remain in compliance of the Insider Trading and Securities Fraud Enforcement Act of 1988.

Millar Financial Group does not cross trades between Client's accounts. The Firm does not practice principal transactions. Principal transactions are defined as transactions where an Advisor, acting as principal for its own account or the account of an affiliated Broker-Dealer, buys from or sells any security to any advisory Client.

A copy of our Privacy Policy is provided to the Client at their engagement of the Firm and annually thereafter. A copy of our Code of Ethics is available to any Client or prospective Client upon request by contacting us at (510) 792-9395 or by emailing to [info@millarfinancial.com](mailto:info@millarfinancial.com).

## **11. Brokerage Practices**

Kenneth Leung is a Registered Representative of RJFS and as such is only able to implement security recommendations through his Broker-Dealer, RJFS. Furthermore, Kenneth Leung may only recommend securities that his Broker-Dealer makes available to their Registered Representatives. Other Advisors who are not Registered Representatives of a Broker-Dealer might allow Client to implement security recommendations through other brokerage firms.

The Advisor is generally compensated for the implementation of recommendations on investment advisory accounts through asset based fees. Millar Financial Group might also make recommendations to Clients who have employer sponsored qualified retirement accounts that are unable to be held at or executed through RJFS. The Advisor may be compensated for this advice on an asset based, hourly, or flat fee basis.

When acting in a non-investment advisory relationship with a Client, Kenneth Leung as a Registered Representative of RJFS may be compensated through commissions based on transactions in a Client's account. However, none of the assets held in non-investment advisory accounts are subject to an advisory fee.

While commissions and fees are generally competitive, they may not be the lowest in the industry. Fees and commissions may be subject to negotiation.

Millar Financial Group does not render advice to or take any actions on behalf of the Client with respect to any legal proceedings, including bankruptcies and shareholder litigation, to which any securities or other investments held in Client accounts, or the issuers thereof, become subject, and does not initiate or pursue legal proceedings, including without limitation shareholder litigation, on behalf of the Client with respect to transactions, securities or other investments held in Client accounts. The right to take any actions with respect to legal proceedings, including shareholder litigation, with respect to transactions, securities or other investments held in a Client account is expressly reserved to the Client.

Millar Financial Group does not aggregate or block trades.

## **12. Review of Accounts**

Account review meetings are performed on a periodic basis at a frequency agreed upon by the Client and Advisor, but in all cases at least annually. Additional review meetings may be conducted at the request of the Client or Advisor.

In addition to annual review meetings, Millar Financial Group periodically monitors the market value, cash holdings, distributions from, deposits to, and performance of Client accounts which may result in the need for additional reviews with the Client. All account reviews and review meetings are performed by members of the Investment Management Committee.

Advisory Clients receive statements of their accounts directly from the Broker-Dealer, RJFS. Statements are received at least quarterly and may be delivered by mail or electronically.

## **13. Client Referrals and Other Compensation**

Millar Financial Group does not have arrangements, oral or in writing, where it either pays or receives compensation for Client referrals.

Millar Financial Group occasionally receives research materials, assistance or sponsorship of Client events (e.g. educational seminars) from investment companies that Millar Financial Group may recommend, however, no assistance is conditioned on execution or recommendation of any future transactions with the Firm.

## **14. Custody**

Millar Financial Group does not have custody of Client funds or securities. The Broker-Dealer, Raymond James & Associates, Inc. member of NYSE/SIPC, who may have custody of Client funds or securities sends at least quarterly, or more frequent, account statements directly to the Client. Millar Financial Group urges Client to carefully review such statements.

## **15. Investment Discretion**

Millar Financial Group does not accept discretionary authority to manage securities accounts on behalf of the Client. Millar Financial Group does not have authority to determine securities to be bought or sold, amount of the securities to be bought or sold, Broker-Dealer to be used, or commission rates to be paid without obtaining specific Client consent.

## **16. Voting Client Securities**

As a matter of policy and practice, Millar Financial Group does not have any authority to and does not vote proxies on behalf of advisory Client. Client retains the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. Millar Financial Group does not provide advice to Client regarding the Client's voting of proxies.

## **17. Financial Information**

Millar Financial Group has no financial commitments that impair its ability to meet contractual and fiduciary commitments to Client, and has not been the subject of a bankruptcy proceeding.

Millar Financial Group does not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, Millar Financial Group is not required to include a financial statement with this brochure. There are no additional disclosures.



**Millar Financial Group  
Brochure Supplement  
Kenneth Leung  
November 29, 2018**

**[www.millarfinancial.com](http://www.millarfinancial.com)  
[www.millarfinancialgroup.com](http://www.millarfinancialgroup.com)**

---

**Principal Office:** 39560 Stevenson Place, Suite 111, Fremont, CA 94539

**Peninsula Office:** 1190 Chestnut Street, Menlo Park, CA 94025

**This brochure supplement provides information about Kenneth Leung that supplements the Millar Financial Group brochure. You should have received a copy of that brochure. Please contact us at (510) 792-9395 or [info@millarfinancial.com](mailto:info@millarfinancial.com) if you did not receive Millar Financial Group's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Kenneth Leung is available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).**

**Educational Background and Business Experience**

Kenneth Leung

Year of Birth: 1984

Kenneth Leung, also known as Ka Ki Kenneth Leung and Ka Ki Leung, is principal of Millar Financial Group.

Kenneth Leung graduated from the University of California, Berkeley in 2007 with a BA in Economics.

Kenneth Leung was formerly employed by Bank of America Corporation as a Retail Teller and California State Automobile Association as an Actuarial Analyst in 2006. In 2007 he was employed by Massachusetts Mutual Life Insurance Co as a Financial Advisor. Kenneth joined Millar Financial in 2007 and became a Registered Representative of Raymond James Financial Services, Inc. (RJFS) in 2010. Kenneth Leung established Millar Financial Group in 2016 and continues to serve Clients of Millar Financial.

Kenneth has been a CFP® practitioner since 2012. The CFP® marks are financial planning credentials awarded by Certified Financial Planner Board of Standards, Inc. to individuals who meet education, examination, experience, continuing education, and ethics requirements. Additional information is available on the CFP® Board of Standards' website at [www.cfp.net](http://www.cfp.net).

Kenneth Leung is an Investment Advisor Representative of Millar Financial Group and a member of their Investment Management Committee.

### **Disciplinary Information**

Kenneth Leung has not been subject to any disciplinary actions.

### **Other Business Activities**

Kenneth Leung is the owner of Millar Financial Group and a Registered Representative and Branch Manager of RJFS, a Broker-Dealer. As a Registered Representative, all securities transactions implemented by the Advisor are required to be executed through RJFS.

Kenneth Leung is a licensed insurance agent and transacts all variable insurance contracts and may conduct non-variable contracts through Raymond James Insurance Group, an affiliate of RJFS. Kenneth Leung is licensed to offer non-variable insurance contracts (e.g. fixed annuities, accidental and health, etc.) directly through various insurance companies.

Kenneth Leung is a sole proprietor managing a residential rental property.

Kenneth Leung is a volunteer for the Alameda County Sheriff's Office Search and Rescue Unit.

### **Additional Compensation**

Kenneth Leung receives no additional compensation. Compensation received is not conditioned on volume or frequency of transactions with Client(s) or within the Firm. Kenneth Leung may earn commissions for transactional business in accordance with Raymond James Financial Services, Inc.'s published commission schedule. Also, at the conclusion of each year, certain qualifying advisors are awarded membership in the Raymond James Financial Services, Inc.'s recognition councils. Qualification for recognition councils is based upon a combination of the advisor's annual production (both advisory and transactional), total Client assets under administration, and the professional certifications acquired through educational programs.