

**Item 1 – Cover Page**

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Part 2A of Form ADV  
The Brochure  
Date of Brochure 03/06/24

This Brochure provides information about the qualifications and business practices of the McMillan Office, Inc. If you have any questions about the contents of this Brochure, please contact us at the above telephone number. 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.

McMillan Office, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

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

## **Item 2 – Material Changes**

Recent material changes follow with corresponding paragraph indicated:

Item 4 – Advisory Business

Par. 5 Added “or limited”

Item 13 – Review of Accounts

Par. 1, Sen. 4 Removed “would”, Added “might”

## **Item 3 – Table of Contents**

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#### **Item 4 – Advisory Business**

The McMillan Office, Inc. was founded in the early 1880's. Until 2011, the McMillan Office operated as a Family Office, providing numerous services to family members and clients. In 2011, with the passage of the Dodd – Frank Reform Act, it was determined that the McMillan Office, Inc. should register with the Security Exchange Commission as an investment advisor. Michael Backman is President and 100% owner of the Company. On October 1, 2012, J.D. Martin & Company, (100% owned by Michael Backman) a registered investment advisory firm, merged into the McMillan Office, Inc. The McMillan Office, Inc. provides investment supervisory services primarily to individual investors, trusts and estates. The McMillan Office also provides investment supervisory service to charitable and nonprofit organizations, pensions, profit sharing plans, retirement accounts and state and municipal entities. Our fees for these services are generally based on a percentage of assets under management. On rare occasions, additional charges may be applicable if extraordinary services are requested or required.

Clients using our services will open a mutually agreed upon brokerage account and often a checking account with that broker. Brokers will be selected on the basis of the level of service provided, which includes: availability of effective institutional research materials, availability of security analysts for consultation and related factors. On stock transactions, the Firm's general practice is to trade with the custodial broker with their individual commission rates (including miscellaneous fees). The reasonableness of brokerage commissions will be judged on the basis of the above factors, the size and complexity of the individual transaction and the total volume of business transacted through each broker. Fixed income securities are normally bought and sold on a net basis. Trades are executed with the best available source for delivery against payment. The receipt of research materials would include economic analysis, company and industry research studies, statistical publications, security ratings, graphs changes of economic activity, etc. Access to individual security analysts by telephone and in meetings is also one of the services considered. Although individual Clients can choose any custodial broker, most of our Clients do not have a broker preference. In this instance, we mutually discuss and determine the custodial broker.

The Company may pay a broker a brokerage commission in excess of that which another broker might have charged for effecting the same transactions, in recognition of the value of (a) brokerage or (b) research services provided by the broker, and (c) individual customer service.

To achieve economy of scale, the Company sometimes engages in bunch stock trading with a particular custodial broker, where more than one account is open. All participating Clients will receive the same average price per share and the same discounted commission (miscellaneous fees not included). If there is a partial fill order, the share allocation amount will be pro-rated accordingly per participants. If a Client has chosen his own custodial broker where no other McMillan Office, Inc. custodial account is open, that Client will not be able to participate in aggregate stock trading and may forego possible commission discounts. Research services provided by brokers through whom the Company effects security transactions may be used in servicing all the Company's accounts and not all such services may be used in connection with the accounts which paid commissions to the broker providing such services.

The McMillan Office, Inc. has full or limited trading authorization with the broker to buy, sell, hold, redeem, and otherwise trade mutual funds, stocks, bonds, and other securities subject to instructions provided by the Client. The institutional broker will provide monthly statements to the Client and hard copies and electronic data to the McMillan Office, Inc. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, the McMillan Office, Inc. investment management fee.

The "investment supervisory services" for individuals includes a determination of the needs and objectives of each individual in order to provide investment management or recommendations appropriate to the particular circumstances. Factors such as age, risk tolerance, net worth, family make-up, dependents, obligations and the potential need for principal or income affect the investment policy guidelines with the option of full discretion or via recommending any portfolio changes to the Client for approval. In either case, the Client is advised of all transactions affecting their portfolio. Cash statements and lists of assets from the McMillan Office with market values are provided quarterly or monthly if the Client wishes. Tax information worksheets are provided annually. Fees are based on the market value of an account on a quarterly basis.

The "investment supervisory services" for Clients other than individuals includes complete investment management of a portfolio on either a full discretionary or recommendation basis. The investment and reinvestment of the fund involves continual supervision of the individual securities making up the portfolio as well as periodic review of the overall diversification and balance of the portfolio. Cash statements detailing transactions and a list of securities reflecting both costs and market values are provided at least quarterly.

Historically, the McMillan Office has always provided bill paying services to Clients. Checking accounts on behalf of our clients are associated with an institutional broker, who is also the custodian for the majority of the assets under management and who is under the jurisdiction of the Financial Industry Regulatory Authority (FINRA), Department of Labor (DOL) and Securities and Exchange Commission (SEC).

The McMillan Office, Inc. has a long-standing relationship with an individual client consultant who was compensated prior to the merger of JD Martin & Company. The consultant is paid at a nominal fixed monthly rate to act as a liaison between the McMillan Office and the Trustees of a local municipal Police and Fire Retirement Account. Duties include the following: attend Trustee meetings, represent the McMillan Office with respect to matters relating to the retirement account and advise the McMillan Office of discussions from Trustee meetings.

## **Item 5 – Fees and Compensation**

### **Investment Advisory Program**

The fee for the McMillan Office, Inc. investment advisory service is based on the account value. The fee is generally deducted from the account at the beginning of each calendar quarter. On rare occasions, some clients pay by check after an invoice is sent to them. Fees, which are negotiable, are calculated at the beginning of each quarter based on the total market value of the portfolio including accrued income at the following annual rates: 1.0% of market value.

The investment advisory contract or agreement may be terminated by either party upon sixty (60) days written notice. Upon termination of the McMillan Office, Inc. investment management services, the McMillan Office, Inc. will have no obligation or authority to recommend or take any action regarding the previously managed assets. The Client will bear the sole responsibility to work with the custodian for liquidation and/or management of assets after termination.

The advisory fees paid to the McMillan Office, Inc. represent fees for management of the account and are separate from any other fees and expenses charged by other parties; therefore, the advisory fees shown in this brochure represent only fees paid to the McMillan Office, Inc. and do not reflect operating expenses and other costs charged by mutual funds or variable annuities and it is important the Client understands that these expenses and costs are ultimately borne by the Client, as the shareholder. In addition, mutual funds or variable annuities may charge contingent deferred sales charges (“CDSC”) on withdrawals. The McMillan Office, Inc. is not responsible for any CDSC charges incurred through the management of the Client’s portfolio or for any transaction costs incurred while managing the Client’s assets. A complete description of all fees and expenses of the securities in which the Client is invested are contained in the relevant prospectuses. The McMillan Office, Inc. also advises the Client to carefully review the custody agreement with the custodian as there may be custodial fees and other service fees charged to the Client by the custodian. It should be noted that the vast majority of assets under management at the McMillan Office, Inc. are individual stock and bond holdings, which do not incur the additional costs associated with mutual funds and annuities.

### **3<sup>rd</sup> Party Affiliation**

The McMillan Office, Inc. is not compensated by any third party. As such, there are no conflict-of-interest issues pertaining to the McMillan Office, Inc. Clients’ assets or accounts.

### **Item 6 – Performance Based Fees and Side by Side Management**

The McMillan Office, Inc. does not charge any performance-based fees.

### **Item 7 – Types of Clients**

The McMillan Office, Inc. provides portfolio management services to individuals, trusts, and estates, charitable and nonprofit organizations, pensions, profit sharing plans, retirement accounts and state and municipal entities. The McMillan Office minimum account size is \$100,000. However, in some instances we accept accounts of less value.

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

The McMillan Office, Inc.'s investment portfolios seek to invest primarily in individual common stocks of companies that appear to offer superior opportunities for capital growth or income depending on the objectives of the Client. These investments are chosen based on a number of factors, such as whether a Company is considered a leader in its industry and a Company’s dividend payment prospects. The McMillan Office, Inc. also actively invests in individual bonds and other debt securities, including those issued by the U.S. government and by federal agencies, corporations, and municipalities. The basic investment philosophy of the investment adviser is to invest in attractively priced securities that, in its opinion, represent above-average, long-term

investment opportunities. Securities may be sold when the investment adviser believes that they no longer represent relatively attractive investment opportunities.

**The Client may lose money by investing in any marketable security chosen by the McMillan Office, Inc. The likelihood of loss may be greater if the Client invests for a shorter period of time. Investing in securities involves risk of loss that Clients should be prepared to bear.**

The prices of, and the income generated by, the funds, common stocks and other securities held in the McMillan Office, Inc.'s investment accounts may decline in response to certain events taking place around the world, including those directly involving the issuers whose securities are held in our accounts. Conditions affecting the general economy; overall market changes; local, regional, or global political, social, or economic instability; governmental or governmental agency responses to economic conditions; worldwide health concerns and currency, interest rate and commodity price fluctuations. The prices of, and the income generated by, most debt securities that the McMillan Office, Inc. may hold may be affected by changing interest rates and by changes in the effective maturities and credit ratings of these securities.

#### **Item 9 – Disciplinary Information**

The McMillan Office, Inc. is required to disclose all material facts regarding any legal or disciplinary events that would be material to the Client's evaluation of the McMillan Office, Inc. or the integrity of the McMillan Office, Inc.'s Advisor Representatives. The McMillan Office, Inc. has no information applicable to this item.

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

The McMillan Office, Inc. is not affiliated with any other financial institutions, such as banks, brokers, and insurance companies. Hence, there are no activities which are related to any other firms.

#### **Item 11 – Code of Ethics**

The McMillan Office, Inc. has adopted a Code of Ethics for all employed persons of the firm describing the McMillan Office, Inc.'s high standard of business conduct, and fiduciary duty to the McMillan Office, Inc.'s Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, 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. All employees at the McMillan Office, Inc. must acknowledge the terms of the Code of Ethics annually, or as amended.

The McMillan Office, Inc. employees are required to follow the McMillan Office, Inc. Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of the McMillan Office, Inc. may trade for their own accounts in securities which are recommended to and/or purchased for the McMillan Office, Inc.'s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the McMillan Office, Inc. employees will not interfere with (i) making decisions in the best interest of advisory Clients

and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

The McMillan Office, Inc. will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

## **Item 12 – Brokerage Practices**

Clients using the McMillan Office, Inc.'s services will open an institutional brokerage account. The McMillan Office, Inc., regardless of choice of broker, then has full or limited trading authorization from the Client to buy, sell, hold, redeem and otherwise trade Mutual Funds, Stocks, Bonds and other securities subject to instructions provided by a Client. The chosen broker/custodian provides monthly statements to the Client and hard copies and electronic data to the McMillan Office, Inc. Factors that the McMillan Office, Inc. considers in recommending a broker-dealer/custodian to Clients include historical relationships, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by the McMillan Office, Inc.'s Clients shall comply with the McMillan Office, Inc.'s duty to obtain best execution, a Client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction. Accordingly, although the McMillan Office, Inc. will seek competitive rates, the McMillan Office, Inc. may not necessarily obtain the lowest possible commission rates for Client account transactions. In order to achieve economy of scale, the Company sometimes engages in bunch stock trading with a particular custodial broker, where more than one account is open. All participating Clients will receive the same average price per share and the same discounted commission (miscellaneous fees not included). If there is a partial fill order, the share allocation amount will be pro-rated accordingly per participant. If a Client has chosen their own custodial broker where no other McMillan Office, Inc. Client custodial account is open, that Client will not be able to participate in aggregate stock trading and may forego possible commission discounts.

## **Item 13 – Review of Accounts**

Accounts are reviewed on an ongoing, continuous basis by the account manager. In addition, an investment review, which details the inventory of all the assets, is prepared by the McMillan Office, Inc. and delivered to the Client on a quarterly basis. The President of the Firm is solely responsible for the reviewing process. Factors which might trigger reviews in addition to the passage of time are: a decision to eliminate a security from all accounts; changing political, economic or market conditions of major significance or a change in the objectives or guidelines under which an account is being managed.

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

Other than the previously described services received from any of the McMillan Office, Inc. brokers, the McMillan Office, Inc. does not receive any other economic benefits from Non-Clients in connection with the provisions of investment advice to Clients.

## **Item 15 – Custody**

All Clients' accounts are held in custody by a broker dealer, bank, or other qualified custodian. Clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains Clients' investment assets. The McMillan Office, Inc. encourages Clients to carefully review such statements and compare such official custodial records to the information that the McMillan Office, Inc. provides. The McMillan Office, Inc. reporting may vary from custodian statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

Historically, the McMillan Office has always provided bill paying services to Clients. Checking accounts on behalf of our clients are associated with an institutional broker, who is also the custodian for the majority of the assets under management and who is under the jurisdiction of the Financial Industry Regulatory Authority (FINRA), Department of Labor (DOL) and Securities and Exchange Commission (SEC). As part of the McMillan Office's authority and discretion as Custodian is the ability to withdraw funds from client accounts to process trades, pay bills and wire funds. This authority is granted when clients execute various contracts with the McMillan Office. To comply with current custody regulations, the McMillan Office, Inc. is required to have an annual custody examination by an independent public accountant on a surprise basis.

#### **Item 16 – Investment Discretion**

The McMillan Office, Inc. usually receives discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account. When selecting securities and determining amounts, the McMillan Office, Inc. observes the investment policies, limitations, and restrictions of the Clients for which the McMillan Office, Inc. advises. Investment guidelines and restrictions must be provided to the McMillan Office, Inc. in writing.

#### **Item 17 – Voting Client Securities**

In the vast majority of cases, the McMillan Office, Inc. does not vote proxies

#### **Item 18 – Financial Information**

The McMillan Office, Inc. has never filed for bankruptcy and is not aware of any financial condition that is expected to affect the McMillan Office, Inc.'s ability to manage Client accounts.

#### **Item 1 – Cover Page**



## **Michael Backman**

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Part 2B of Form ADV  
The Brochure Supplement  
Date of Brochure Supplement 03/06/24

This Brochure Supplement provides information about Michael Backman. It supplements the McMillan Office, Inc.'s accompanying Form ADV Brochure. Please contact the McMillan Office, Inc., Michael Backman, President, at 313-962-0787 if you have any questions about the Form ADV Brochure or this Supplement, or if you would like to request additional or updated copies of either document.

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

### **Item 2 - Education Background and Business Experience**

Michael Backman, born 1959, BS from the University of Michigan (Dearborn), is the President and sole-owner of the McMillan Office, Inc. - since January, 2010. Mr. Backman has been in the financial field since 1983. Prior to purchasing the McMillan Office, Inc., Mr. Backman was employed at the McMillan Office, Inc. (Family Office) from 1986 through 2001. In early 2001, Mr. Backman purchased J.D. Martin & Company, a registered investment advisor company, formed in 1982, located in Detroit, Michigan. From 2001 through 2010, Mr. Backman was an investment and lead consultant to the McMillan Office. Effective October 1, 2012, J.D. Martin & Company was merged into the McMillan Office, Inc.

### **Item 3 – Disciplinary Information**

Michael Backman, President has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Michael Backman or of the McMillan Office, Inc.

**Item 4 – Other Business Activities**

No information is applicable to this Item

**Item 5 – Additional Compensation**

No information is applicable to this Item

**Item 6 – Supervision**

Michael Backman is the President of the McMillan Office, Inc. and is solely responsible for all investment decisions pertaining to any McMillan Office, Inc. clients/accounts.

**Item 7 – Requirements for State-Registered Advisors**

No information is applicable to this Item.