

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

Item 1 Cover Page

**Andrey, Douglas, George**

**Form ADV Part 2A – Disclosure Brochure**

**Effective: November 2021**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Andrey, Douglas, George. If you have any questions about the contents of this Disclosure Brochure, please contact me at (408) 313-0705 or by email at svdoug@yahoo.com. Douglas George Andrey is a registered investment advisor with the State of California. The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Douglas George Andrey to assist you in determining whether to retain Douglas George Andrey. Additional information about Douglas George Andrey is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with my name or my CRD# 312183.

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## **Item 2      Material Changes**

There are no material changes since this is initial filing to qualify for registration.

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## **Item 4 Advisory Business**

### **A. Firm Information**

Douglas George Andrey is a registered investment advisor with the the State of California. I started this business in 2021 and I own this business as a sole proprietor (Owner and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by DOUGLAS GEORGE ANDREY.

### **B. Advisory Services Offered:**

Douglas George Andrey offers investment advisory services to individuals (referred to as a “Client”). Douglas George Andrey serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, Douglas George Andrey upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

### **C. Investment Management Services:**

Douglas George Andrey provides customized investment advisory solutions for its clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. Douglas George Andrey works closely with Clients to identify their investment objectives, risk tolerance and financial situation in order to create a prudent portfolio strategy. Douglas George Andrey will then construct a portfolio, generally consisting of stocks, exchange-traded funds (“ETFs”) and/or bonds to help achieve the Client’s investment objectives. Douglas George Andrey may retain certain legacy investments based on portfolio fit and/or tax considerations. Clients may specify impose restrictions on both types of securities and industries invested in.

### **D. Douglas George Andrey does not participate in any wrap fee programs**

### **E. I currently have no customers or assets under management.**

## **Item 5 Fees and Compensation**

The account fee shall be the higher of \$500 or one-half percent of assets under management calculated at the end of every month divided by 12 (months of the year).

1. Equal to or less than \$1.2 million: \$500 monthly fee
2. Greater than \$1.2 million example: \$1.5 million =  $(\$1.5M \times .005) / 12 = \$625$  monthly fee.

Fees shall be billed monthly after the close of the month and due within 30 days of invoice. Fees are not negotiable.

Clients are responsible for brokerage fees on transactions along with any other and mutual fund expenses. Please go to the brokerage section of this brochure for further information.

Fees paid in advance are not accepted.

Douglas George Andrey does not receive any compensation from the sale of any investment products.

Lower fees for comparable services may be available from other sources.

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

Douglas George Andrey does not accept performance-based fees.

## **Item 7 Types of Clients**

Douglas George Andrey offers investment advisory services to individuals with a minimum of \$750,000 to invest.

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

### **A. Methods of Analysis**

Douglas George Andrey employs fundamental analysis in developing investment strategies for its clients. Research and analysis from Douglas George Andrey are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others. Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Investments are deemed suitable if they meet certain criteria to indicate that they are a strong investment. While this type of analysis helps Douglas George Andrey in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. Douglas George Andrey monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. As noted above, Douglas George Andrey generally employs a long-term investment strategy for its clients, as consistent with their financial goals. Douglas George Andrey will typically hold all or a portion of a security for more than a year but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Douglas George

Andrey may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

#### B. Risk of Loss

Investing in securities involves certain risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Douglas George Andrey will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a client will meet their investment goals. Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a client's account. Douglas George Andrey shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform Douglas George Andrey of any changes in financial condition, goals or other factors that may affect this analysis. Many of the risks associated with a particular strategy are communicated to each Client in advance of investing Client accounts. Douglas George Andrey will work with each Client to help determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with Douglas George Andrey's strategies:

**Market Risks** The value of a client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

**Exchange Traded Funds (ETF) Risks** The performance of ETFs is subject to market risk, liquidity risk, political risk and business risk among other risks. All of these risks involve the possible loss of principal. The price of an ETF may or may not directly fluctuate with the price of the underlying securities that make up the fund. In addition, the price of an ETF will fluctuate based upon market movements and may disassociate from the index being tracked ("Tracking Error").

**Mutual Fund Risks** The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily; therefore, a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day. Past performance is not a guarantee of future returns. Investing in securities and other

investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with Douglas George Andrey.

### **Item 9 Disciplinary Information**

There are no legal, regulatory or disciplinary events involving Douglas George Andrey. Douglas George Andrey has not been subject to any criminal or civil actions, administrative proceedings, or self-regulatory organization (SRO) proceedings.

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

A. Douglas George Andrey is not registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Douglas George Andrey is not 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 the foregoing entities, disclose this fact.

C. Douglas George Andrey does not have any arrangements with the persons or organizations listed below:

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant
10. real estate broker or dealer
11. sponsor or syndicator of limited partnerships.

D. Douglas George Andrey does not recommend or select investment advisors and has no business relationships with them.

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

A. Douglas George Andrey has adopted the its code of ethics from the CFA’s **CODE OF ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT**.

B. There are three main purposes of this code:

- Place the integrity of the profession and the interests of clients above your own interests
- Act with integrity, competence, and respect
- Maintain and develop your professional competence

- C. A copy will be provided upon request.
- B. Douglas George Andrey does and will not recommend any securities where I or related person has a material financial interest.
- C. Any recommendation investment for a client involving a security that I personally own will be disclosed to the client and permission granted from a client before a such an action would occur. The disclosure will be two business days before such trade will occur.
- D. If I should be trading in the same security as a client at the same time. I would disclose that and the client's trade will be placed first.

## **Item 12 Brokerage Practices**

- A. Research and Other Soft Dollar Benefits- Douglas George Andrey does not receive research or other products or services other than execution from a broker-dealer or a third party ('soft dollar benefits') in connection with client securities transactions.
- B Benefit- Douglas George Andrey does not receive receives client referrals from a broker-dealer or third party.
- C. Directed Brokerage Benefits- Douglas George Andrey does not routinely recommend, request or require that a client direct you to execute transactions through a specified broker-dealer.
- D. Item 12 – Directed Brokerage) Benefits- Douglas George Andrey does not permit a client to direct brokerage. Directed brokerage does not benefit clients as it does not guarantee any significant financial benefits and may actually increase costs.
- E. Douglas George Andrey does not aggregate orders at the current time.
- F. Douglas George Andrey does not recommend any specific brokerage and has no intention to do so. The choice of what brokerage to use is up to the client. If a client should want a recommendation, I would recommend Charles Schwab, E\*TRADE and Fidelity.

## **Item 13 Review of Accounts**

- A. Douglas George Andrey reviews client accounts on a weekly basis. A daily move in the major markets' indexes (Russell 2000, S&P 500 and DJIA) of more than 5% would cause an additional review.
- B. A quarterly account review with a client with a written comparison to relevant benchmarks (Russell 2000, S&P 500 and DJIA).



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

Douglas George Andrey does not do any of the following:

- A. Does not receive from someone who is not a client any economic benefit for providing investment advice or other advisory services to my clients.
- B. directly or indirectly compensates any person for client referrals who is not supervised by me.

### **Item 15 Custody**

Custody, as it applies to investment advisers, has been defined by the SEC as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Account statements are delivered directly from the client's brokerage account to each client.

Douglas George Andrey has custody as per the advisory agreement for the management of accounts but not the ability to transfer funds to or from such accounts.

### **Item 16 Investment Discretion**

Douglas George Andrey will have written discretionary authority to determine the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or

approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Douglas George Andrey. Discretionary authority will only be authorized upon full disclosure to the Client. Evidence of this will be a DPOA executed by the client.

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

Douglas George Andrey does not accept proxy-voting responsibility for any Client does not accept proxy-voting responsibility for any Client.

Clients will receive their proxies or other solicitations directly from their custodian Clients can contact me via phone or email with questions about a particular solicitation.

### **Item 18 Financial Information**

Douglas George Andrey has no adverse financial situations that would reasonably impair the ability to meet all obligations to its clients. Douglas George Andrey has not been subject to a bankruptcy or financial compromise. Douglas George Andrey is not required to deliver a balance

sheet along with this Disclosure Brochure, as advanced fees of \$1,200 or more for services to be performed six months or more in advance are not collected.

Furthermore, no advance payments are accepted.

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

Douglas George Andrey has B.S.C. in Information Science and an MBA from Santa Clara University. He has over thirty years of experience in Market Analysis and Business Operations in the tech industry. He has been an active investor in the market for over 40 years.

Douglas George Andrey is not compensated for advisory services with performance-based fees.

Douglas George Andrey has not been involved in an award or found liable in an arbitration claim alleging damages in excess of \$2,500 or found liable in any civil, self-regulatory organization, or administrative proceedings.

Douglas George Andrey or any management persons have no relationship or arrangement with any issuer of securities.

