

Item 1 – Cover Page

Andrews Advisory Associates, LLC

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This Brochure provides information about the qualifications and business practices of Andrews Advisory Associates, LLC. If you have any questions about the contents of this Brochure, please contact us by phone at 808-521-4015, or by email at AAA@AndrewsLLC.com. 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.

Andrews Advisory Associates, LLC is a Registered Investment Adviser (“RIA”) federally registered with the Securities and Exchange Commission (“SEC”). Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide clients with information about which they can decide to hire or retain an Adviser. Additional information about Andrews Advisory Associates, LLC is available on the SEC’s website at www.adviserinfo.sec.gov by searching CRD #118957. The SEC’s website also provides information about any persons affiliated with Andrews Advisory Associates, LLC who are registered, or are required to be registered, as Investment Adviser Representatives (“IARs”) of the RIA. An IAR is a person who provides advice to others about investments for a fee. They have received a passing score on a competency examination and have registered in the State of Hawaii as a representative of a RIA. RIAs and IARs all have a Central Registration Depository (“CRD”) number in a national database that holds information about investment advisers and brokerage firms.

This disclosure document does not constitute any understanding or Agreement with our firm. Only those who review, complete and sign a written Investment Advisory / Investment Management Agreement with our firm are considered “Clients.” The Agreement applies only to included assets within the account(s) specified on the Agreement for the Client.

Item 2 – Material Changes

This item contains material changes to our firm since the last annual update of our Form ADV Part 2A Brochure, dated **March 25, 2022**. Since the last annual amendment, the following changes have been made:

- Our firm's Chief Compliance Officer is Christina M. Cotten, CFP®. In the event of Christina's absence, Travis Tsukayama, CFP® will be the designated compliance contact.
- Effective June 9th, 2022, Christina M. Cotten, CFP® and Travis T. Tsukayama, CFP® are now 52.5% and 47.5% owners of Andrews Advisory Associates, LLC, respectively. Christina M. Cotten, CFP® and Travis T. Tsukayama, CFP® are both Managers of the firm.
- On June 9th, 2022, Les Andrews, CFP®, passed away, having completed a legal business succession plan to transfer ownership of Andrews Advisory Associates, LLC to Christina M. Cotten, CFP® and Travis T. Tsukayama, CFP®.
- Our firm now pays referral fees to independent solicitors for the referral of their clients to our firm in accordance with relevant state statutes and rules. All clients referred by Solicitors to our firm will be given fill written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). Please see Item 14 of this Brochure for more information.
- Our firm no longer offers a Wrap program, nor a Wrap offering to Legacy Clients.

Pursuant to SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Our Brochure may be requested by calling our office at 808-521-4015 or by e-mailing us at AAA@AndrewsLLC.com.

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Item 4 – Advisory Business

- A. **Andrews Advisory Associates, LLC (“AAA” or “Advisor”)** has been federally registered as an investment adviser since 2006. Christina M. Cotten, CFP® has been in financial services since 1999 and has been with the firm since 2007. She is a 52.5% owner of the firm. Travis T. Tsukayama, CFP® has been with the company since 2015, and is a 47.5% owner of the firm. There are three affiliated Investment Adviser Representatives: Christina M. Cotten, CFP® (CRD# 3178052) and Travis T. Tsukayama, CFP® (CRD# 6705780), and Kaila J. Woo (CRD# 7129337).

Christina M. Cotten, CFP® and Travis T. Tsukayama, CFP® are CERTIFIED FINANCIAL PLANNER™ Professionals who have fulfilled the certification and renewal requirements of the CFP Board. They have completed a comprehensive program of study at a college or university approved by the CFP Board, have several years of professional experience related to financial planning, and have passed a comprehensive CFP® certification exam covering financial planning, tax, retirement and estate planning, investment management and insurance. Christina and Travis are members of the CFP Board, the Financial Planning Association (FPA®), and the local FPA chapter, FPA of Hawaii.

- B. **Types of Advisory Services.** Our tailored *Keep It Simple Strategy*® centers on diversification through asset allocation, dollar-cost averaging and periodic rebalancing. We provide value for our clients by creating all our clients’ investment portfolios in-house with cost-effective passive investments with no minimums and no transaction fees, when possible. We eliminate layers of additional management fees and company expenses by investing as directly in the stock and bond markets as practical. As investment fiduciaries, we place our clients’ best interests first by investing simply and in a disciplined manner.

We provide four distinct types of advisory services for individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. There is a separate **Agreement** for each type of service. The Agreement specifically sets forth the terms governing the services provided by AAA; clients should carefully review the Agreement prior to approval.

1. **Discretionary Investment Management Services.** AAA has the power and discretion to supervise, manage, and direct the investment of the assets in the Account, including the authority to purchase, sell, invest, exchange, convert, and trade the Account assets and to place all orders for the purchase and sale of securities with or through brokers, dealers, or issuers selected by the Advisor, or to otherwise effect transactions with respect to the Account, **without prior consultation** with the client. AAA may also have the authority to request disbursements to the client, and to deduct management fees.
 - **Asset Allocation Portfolios** consist of stocks, exchange-traded funds, mutual funds, certificates of deposit (CDs) and cash.
 - **Dividend Boosters Discipline**® is a focused individual stock strategy consists of about 25 domestic US companies that have a global footprint and a history of increasing dividends, diversified across major economic sectors. The Dividend Boosters Discipline® strategy is generally appropriate for larger, more established portfolios.
2. **Non-Discretionary Investment Advisory Services.** AAA will provide the client with personalized advice on the assets in the client’s account(s) as listed and described in the client’s

Agreement. AAA has the authority to purchase, sell, invest, exchange, convert, and trade Account assets and to place orders for the purchase and sale of securities **with prior approval of each transaction** from the client. AAA may also have the authority to request disbursements to the client, and to deduct management fees.

3. **Qualified Retirement Plan Platform with a separate participant Recordkeeper.** Our investment platform was developed by our firm and features no-load, no-transaction-fee Exchange Traded Funds (ETFs) and mutual funds with no minimum transaction size, held in a custodial trust account. Within each plan, there are three customized options:

- **Discretionary Advisor-Managed Model Portfolios.** AAA is a discretionary **ERISA Section 3(38) Fiduciary Investment Manager** solely responsible for the selection and monitoring of investment choices within five asset allocation model portfolios based on participants' tolerance for volatility. Models are comprised of the same self-directed choices available to participants. The portfolios are named Aggressive, Growth, Balanced, Moderate and Conservative.
- **Non-Discretionary Participant Self-Directed Choices.** AAA is also a non-discretionary **ERISA Section 3(21) Fiduciary**, recommending and monitoring a diverse list of investment choices for participants to self-direct. The Client can add or delete choices and approves the final list of investment choices available for participants.
- **Non-Discretionary Separate Brokerage Account.** For an additional annual administrative cost and separate transaction fees, participants may choose to self-direct a full range of investments in a separate brokerage account with the same custodian that handles the plan platform.

4. **Financial Planning Services.** Our firm offers Financial Planning services billed at an hourly rate. These services are available exclusively for our existing investment management or investment advisory clients; their children or other family members; and/or their employees. At the discretion of AAA, incidental financial planning services may be included as part of the clients' fee for other services.

- C. Each client's portfolio is tailored to their individual needs, including their goals, time horizon, and tolerance for investment volatility. We hold a meeting or series of meetings designed to gather all relevant facts regarding each clients' individual circumstances. Portfolios can be customized for any reason, such as the client's desire for socially responsible or sustainable investing. We accommodate our clients' requests for holding legacy assets or other exceptions to our standard recommendations. We manage each portfolio individually. We provide a service, not a product.
- D. AAA does not assign any advisory contract to any outside parties without the written consent of the client.
- E. Our firm does not offer or sponsor a wrap fee program.
- F. Client assets managed by AAA on a discretionary basis total **\$113,432,634**. Client assets managed by AAA on a non-discretionary basis total **\$42,857,030** (as of December 31, 2022).

Item 5 – Fees and Compensation

- A. The advisory fee for **Non-Discretionary Investment Advisory Services, Discretionary Investment Management Services** and/or **Retirement Plan Services** is billed quarterly as a percentage of assets under management based upon the market value of the assets in the account during each previous calendar quarter, excluding cash and sweep money market balances. The advisory fee will be charged by one of two methods: (1) in arrears based on the portfolio value at the end of the previous billing period (usually the previous quarter end) or (2) in arrears adjusted to reflect all flows (Deposits and Withdrawals) for each day of the previous billing period (usually the previous quarter). The billing method will be specified in the agreement. The one-time fee for **Financial Planning Services** is charged as a comprehensive financial plan with a flat fee determined in advance by the Advisor and the client. However, flat fees will not exceed \$10,000 for Financial Planning Services.

Fee schedules are based on clients' **aggregate Assets Under Management (AUM)**. The account values of "immediate family" members (spouse and children) as well as the account values of retirement or business accounts for which the advisory fee is paid by the employer (as listed in the client Agreement) may be aggregated for the purpose of calculating the advisory fee. The Advisor may, at its discretion, calculate other client relationships based on an aggregate if such calculation is more favorable to the client. *All fees are negotiable.*

FEE SCHEDULES:**Discretionary Investment Management or Non-Discretionary Investment Advisory Services**

Assets Under Management (AUM) (Fee per Annum)				Mutual Funds ¹ ETFs & Stocks ²	§529 Plans Laddered Bonds or CDs to be held to maturity	Cash & Sweep money market balances
				<i>Flat Rate from \$0</i>		
Below		\$500,000		1.00%	0.50%	0.00%
Above	\$500,000	Below	\$1,000,000	0.80%	0.50%	0.00%
Above		\$1,000,000		0.60%	0.50%	0.00%

AUM = Assets Under Management: All included assets, cash and sweep money market balances. Plus General Excise Tax: State of Hawaii (excluding Oahu) General Excise Tax 4.167%; Oahu, Kauai, and the Island of Hawaii General Excise Tax 4.715%; Out of State 0.000%

Clients may choose to have management fees deducted from the cash / sweep money market balance of their account(s). They may specify an account or accounts from which to deduct the fees, or have the fees deducted *pro-rata* from all accounts. They may also choose to be directly billed for fees. If fees billed are not paid in a timely manner (as determined by the Agreement) the Advisor may deduct fees from the clients' account(s). As part of this process, Clients understand the following:

- The client's independent custodian sends statements at least quarterly showing the market values for each security included in the Assets and all account disbursements, including the amount of the advisory fees paid to our firm;
- Clients will provide authorization permitting our firm to be directly paid by these terms. Our firm will send an invoice directly to the custodian; and
- If our firm sends a copy of our invoice to the client, a legend urging the comparison of information provided in our statement with those from the qualified custodian will be included.

¹ Open End Mutual Funds

² Also includes Transaction Fee Open End Mutual Funds, Closed End Mutual Funds and Exchange-Traded Funds with a Transaction Fee paid by the client

Fiduciary Investment Management and Non-Fiduciary Investment Advisory Services for Qualified Retirement Plans with a separate participant Recordkeeper:

Assets Under Management (AUM)			Flat Rate from \$0	Fee per Annum
Below			\$3,000,000	0.40%
Above	\$3,000,000	Below	\$4,000,000	0.35%
Above	\$4,000,000	Below	\$5,000,000	0.30%
Above	\$5,000,000	Below	\$10,000,000	0.25%
Above	\$10,000,000	Below	\$25,000,000	0.20%
Above	\$25,000,000	Below	\$50,000,000	0.15%
Above			\$50,000,000	0.10%

AUM = Assets Under Management: All included assets, cash and sweep money market balances. Fee includes Hawaii General Excise Tax paid by the Adviser.

Hourly Financial Planning Services (offered exclusively to Investment Management or Investment Advisory clients, their family members, and/or their employees):

Qualification	Hourly Rate
Investment Adviser Representative	\$200.00
Supervised Clerical Staff	\$50.00

Plus General Excise Tax: State of Hawaii (excluding Oahu) General Excise Tax 4.167%; Oahu, Kauai, and the Island of Hawaii General Excise Tax 4.715%; Out of State 0.000%

- B. Clients may choose to have management fees deducted from the cash / sweep money market balance of their account(s). They may specify an account or accounts from which to deduct the fees, or have the fees deducted *pro-rata* from all accounts. They may also choose to be billed for fees. If fees billed are not paid in a timely manner (as determined by the Agreement) the Advisor may deduct fees from the clients' account(s). Clients are normally billed quarterly in arrears, but some qualified retirement plan custodians may bill monthly in arrears.
- C. In addition to AAA's management fees, Clients will incur transaction charges for trades executed in their accounts, via individual transaction charges. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Clients may be responsible for Custodial brokerage fees, third-party 401(k) recordkeeping and custodial fees, third party investment fees and other third-party manager fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees - Fund Expense Ratio and distribution fees (12(b)1) - which are disclosed in a fund's prospectus. AAA shall not receive any portion of these commissions, fees, and costs as compensation. AAA always seeks to minimize custodial transaction and fund internal management fees when possible. Charles Schwab & Co., Inc. ("Schwab") and TD Ameritrade, Inc. ("TD Ameritrade"), do not charge transaction fees for U.S. listed equities and exchange traded funds.
- D. AAA bills investment management fees in arrears, not in advance. There are no pre-paid fees for investment management. The Agreement may be terminated upon **written notice** within five (5) business days of the agreement date without charge. Thereafter, it may be terminated upon receipt of written notice by the Client or Advisor for any reason. Clients will be charged for the number of days

in the quarter during which they received services, up to when written notice of the termination was provided to AAA. Clients are required to move their assets to a new custodian and/or Advisor upon termination of the Agreement. If the assets are not moved, AAA may consider the Agreement as remaining in effect until the assets are removed from the custodian. AAA reserves the right to charge on an hourly basis for any advisory or administrative services rendered after termination of the Agreement. The charge will be the rate for Financial Planning services as stated in the Agreement. AAA may charge a deposit for one-time Financial Planning services in advance.

- E. AAA is a fee-only investment advisory practice. Supervised persons of AAA do not receive any commissions or other compensation for the sale of securities or other investment products.

Item 6 – Performance-Based Fees and Side-By-Side Management

AAA does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are based on a percentage of assets under management.

Item 7 – Types of Clients & Account Requirements

AAA provides services to individuals, high net worth individuals, and pension and profit-sharing plans. Financial Planning services are available to clients who have an Agreement with our firm to provide discretionary investment management or non-discretionary investment advisory services for their assets under management (AUM).

The minimum AUM for new clients with individual personal, business or retirement accounts is \$250,000. There is no minimum AUM for new 401(k) plans in our group platform with a separate participant recordkeeper. The minimum AUM is sometimes waived based on AAA's assessment of the client's earning potential, future financial situation, familial or business affiliation with existing clients, a past business relationship with associates of AAA, a referral from an existing client or a business colleague, or for any other reason deemed prudent by AAA.

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

Methods of Analysis

There are different levels of volatility associated with assets that historically offer different rates of return. Since asset classes, regions, styles and capitalizations respond differently to changing economic trends and to each other, they are combined into a portfolio whose goal is to balance the weakness of one with the strength of another. AAA reminds clients that there are no "risk-free" investments. Generally, when clients assume greater risk, they also create the opportunity for reward. This principle of investing is known as the *risk/reward tradeoff*. There is no guarantee regarding the future performance of any investment, or that clients will meet their stated investment goals. Assets under management are subject to the risk of loss or diminishment in value. With that said, we use the following methods of analysis in formulating our investment advice and/or managing client assets:

Mutual Fund and/or Exchange Traded Fund ("ETF") Analysis: Analysis of the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. The underlying assets in a mutual fund or ETF are also reviewed in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the Client's portfolio. The funds or ETFs are monitored in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not

guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as our firm does not control the underlying investments in a fund or ETF, managers of different funds held by the Client may purchase the same security, increasing the risk to the Client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the Client's portfolio.

Investment Strategies We Use

For each of our investment strategies, our firm conducts extensive comparisons within each asset class using a wide variety of available investments. We review our recommendations on a regular basis to ensure investments continue to meet our criteria. We may employ dollar-cost averaging and portfolio rebalancing to potentially reduce market risk and improve performance over time. Clients' taxable portfolios are carefully managed to potentially lower their tax liability. We specialize in asset-allocation based portfolio design, and do not subcontract portfolio or investment management. Furthermore, we use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Exchange Traded Funds ("ETFs"): An ETF is a type of Investment Company (usually, an open-end fund or unit investment trust) whose primary objective is to achieve the same return as a particular market index. The vast majority of ETFs are designed to track an index, so their performance is close to that of an index mutual fund, but they are not exact duplicates. A tracking error, or the difference between the returns of a fund and the returns of the index, can arise due to differences in composition, management fees, expenses, and handling of dividends. ETFs benefit from continuous pricing; they can be bought and sold on a stock exchange throughout the trading day. Because ETFs trade like stocks, you can place orders just like with individual stocks - such as limit orders, good-until-canceled orders, stop loss orders etc. They can also be sold short. Traditional mutual funds are bought and redeemed based on their net asset values ("NAV") at the end of the day. ETFs are bought and sold at the market prices on the exchanges, which resemble the underlying NAV but are independent of it. However, arbitrageurs will ensure that ETF prices are kept very close to the NAV of the underlying securities. Although an investor can buy as few as one share of an ETF, most buy in board lots. Anything bought in less than a board lot will increase the cost to the investor. Anyone can buy any ETF no matter where in the world it trades. This provides a benefit over mutual funds, which generally can only be bought in the country in which they are registered.

One of the main features of ETFs are their low annual fees, especially when compared to traditional mutual funds. The passive nature of index investing, reduced marketing, and distribution and accounting expenses all contribute to the lower fees. However, individual investors must pay a brokerage commission to purchase and sell ETF shares; for those investors who trade frequently, this can significantly increase the cost of investing in ETFs. That said, with the advent of low-cost brokerage fees, small or frequent purchases of ETFs are becoming more cost efficient.

Equity Securities: Equity securities represent an ownership position in a company. Equity securities typically consist of common stocks. The prices of equity securities fluctuate based on, among other things, events specific to their issuers and market, economic and other conditions. For example, prices of these securities can be affected by financial contracts held by the issuer or third parties (such as derivatives) relating to the security or other assets or indices. There may be little trading in the secondary market for particular equity securities, which may adversely affect our firm's ability to value accurately or dispose of such equity securities. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the value and/or liquidity of equity securities. Investing in smaller companies may pose additional risks as it is often more difficult to value or dispose of small company stocks, more difficult

to obtain information about smaller companies, and the prices of their stocks may be more volatile than stocks of larger, more established companies. Clients should have a long-term perspective and, for example, be able to tolerate potentially sharp declines in value.

Mutual Funds: A mutual fund is a company that pools money from many investors and invests that money in a variety of differing security types based on the objectives of the fund. The portfolio of the fund consists of the combined holdings it owns. Each share represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate. The price that investors pay for mutual fund shares are the fund's per share net asset value ("NAV") plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads). Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades. With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling a broker or your investment adviser. Investors can also monitor how a stock's price changes from hour to hour—or even second to second. By contrast, with a mutual fund, the price at which an investor purchases or redeems shares will typically depend on the fund's NAV, which is calculated daily after market close.

The benefits of investing through mutual funds include: (a) Mutual funds are professionally managed by an investment adviser who researches, selects, and monitors the performance of the securities purchased by the fund; (b) Mutual funds typically have the benefit of diversification, which is an investing strategy that generally sums up as "Don't put all your eggs in one basket." Spreading investments across a wide range of companies and industry sectors can help lower the risk if a company or sector fails. Some investors find it easier to achieve diversification through ownership of mutual funds rather than through ownership of individual stocks or bonds.; (c) Some mutual funds accommodate investors who do not have a lot of money to invest by setting relatively low dollar amounts for initial purchases, subsequent monthly purchases, or both.; and (d) At any time, mutual fund investors can readily redeem their shares at the current NAV, less any fees and charges assessed on redemption.

Mutual funds also have features that some investors might view as disadvantages: (a) Investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. Depending on the timing of their investment, investors may also have to pay taxes on any capital gains distributions they receive. This includes instances where the fund performed poorly after purchasing shares.; (b) Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.; and (c) With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling a broker or your investment adviser. Investors can also monitor how a stock's price changes from hour to hour—or even second to second. By contrast, with a mutual fund, the price at which an investor purchases or redeems shares will typically depend on the fund's NAV, which the fund might not calculate until many hours after the investor placed the order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close. When investors buy and hold an individual stock or bond, the investor must pay income tax each year on the dividends or interest the investor receives. However, the investor will not have to pay any capital gains tax until the investor actually sells and makes a profit. Mutual funds, however, are different. When an investor buys and holds mutual fund shares, the investor will owe income tax on any ordinary dividends in the year the investor receives or reinvests them. Moreover, in addition to owing taxes on any personal capital gains when the investor sells shares, the investor may have to pay taxes each year on the fund's capital gains. That is because the law requires mutual funds to distribute capital gains to shareholders if they sell securities for a profit and cannot use losses to offset these gains.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease, and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, and that their assets are appropriately diversified in investments. Clients are encouraged to ask our firm any questions regarding their risk tolerance.

Our investment strategy seeks to reduce or eliminate any significant or unusual risk other than normal market risk. Our recommended portfolios consist primarily of securities that have a large market capitalization (number of outstanding shares times the share price), highly liquid, and easily traded on exchanges by our brokerage custodians. We generally avoid recommending any investment that cannot be readily traded on a daily basis. We seek to minimize or eliminate any trading costs from the brokerage custodians. We choose investments that have a very low ongoing internal cost.

Capital Risk: Capital risk is one of the most basic, fundamental risks of investing; it is the risk that you may lose 100% of your money. All investments carry some form of risk and the loss of capital is generally a risk for any investment instrument.

Economic Risk: The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

ETF & Mutual Fund Risk: When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities, the ETF, or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.

Strategy Risk: There is no guarantee that the investment strategies discussed herein will work under all market conditions and each investor should evaluate his/her ability to maintain any investment he/she is considering in light of his/her own investment time horizon. Investments are subject to risk, including possible loss of principal.

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 clients' evaluation of AAA or the integrity of AAA management. AAA has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Our firm has no other financial industry activities and affiliations to disclose.

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

- A. AAA has adopted a Code of Ethics which establishes rules of conduct for its supervised persons. The AAA Code of Ethics is based upon the principle that AAA and its supervised persons owe a fiduciary

duty to its clients. A copy of the Code will be provided to any client or prospective client upon request to 808-521-4015 or to AAA@AndrewsLLC.com.

- B. AAA does not purchase securities from or sell securities to clients and has no material financial interest in any securities recommended by the firm.
- C. AAA has a policy in place regarding the securities that supervised persons of AAA are allowed to trade in their personal accounts. All supervised persons are required to report personal securities transactions to the Chief Compliance Officer (CCO) on a quarterly basis.
- D. Clients of AAA must always receive best execution. Client trades are placed before any trades in the personal accounts of associated persons. The securities we recommend are large, liquid and easily traded on a public exchange, so personal securities trades have little or no effect on clients' portfolios.

Item 12 – Brokerage Practices

- A. AAA does not maintain custody of any client assets. Clients who are individuals and/or corporations must establish independent account(s) via a separate custodial agreement directly with a “qualified custodian.” We do not open any accounts for clients; however, we do assist with the process. To maintain an Investment Advisory or Investment Management agreement with AAA, clients are required to choose between two registered custodians, Schwab Advisor Services, Division of Charles Schwab & Co., Inc., Member SIPC (“**CSI**”) or TD AMERITRADE Institutional, a Division of TD AMERITRADE, Inc., member FINRA/SIPC/NFA (“**TDA**”). To maintain an Agreement with AAA, clients who are Qualified Retirement Plan (“**QRP**”) Sponsors with a separate participant Recordkeeper are required to open an account with one of the custodians with which AAA has an agreement to provide custodial services.

These will be referred to as “the Custodians.” AAA is independently owned and operated and is not affiliated with the Custodians. The Custodians hold clients' assets in a brokerage account and buy and sell securities when AAA instructs them to, based on AAA's participation in the programs offered by the Custodians to independently registered investment advisers. For QRPs, the Custodians may accept trade instructions from participants via a separate participant Recordkeeper. The Recordkeeper does not maintain custody of QRP assets.

We choose Custodians who will hold Client assets and execute transactions on terms advantageous to our clients. Some factors we consider when recommending Custodians include the following:

- Combination of transaction execution services and asset custody services. (For clients of AAA, the Custodians generally do not charge a separate fee for custody, but are compensated in some instances by charging transaction fees or other fees on trades that they execute or that settle in client's accounts.)
- Quality of execution – capability to execute, clear, and settle trades (buy and sell securities).
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Availability of investment research and technology to assist us with investment decisions
- Breadth of available investment products (stocks, bonds, mutual funds, ETFs, etc.) The investment products available through the Custodians include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by retail clients.

- Quality and timely execution of services along with competitiveness pricing of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices. While the Advisor may not choose a Custodian with the lowest possible cost, the Advisor does research each custodian to ensure the Custodian's services are offered at a fair and reasonable cost. The Custodians generally do not charge separately for custody services but are compensated by charging commissions or other fees on trades that it executes or that settle in clients' accounts.
- Reputation, financial strength, and stability
- Prior service to us and other clients

With this in consideration, our firm participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. Our firm also recommends that clients use the Schwab Advisor Services division of Charles Schwab & Co., Inc. ("Schwab"). TD Ameritrade and Schwab are independent [and unaffiliated] SEC-registered broker-dealers. TD Ameritrade and Schwab offer services to independent investment advisers which includes custody of securities, trade execution, clearance, and settlement of transactions. TD Ameritrade and Schwab enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. TD Ameritrade and Schwab do not charge client accounts separately for custodial services. Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client's custodial account. However, neither TD Ameritrade nor Schwab charge transaction fees for U.S. listed equities and exchange-traded funds. Transaction fees are negotiated with TD Ameritrade or Schwab and are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise.

1. Research and Other Soft Dollar Benefits. "Soft dollar" benefits are research or other products or services other than execution received from a custodian that benefits our firm. Some benefits that our firm receives from custodians may include:

- Investment research and market data to assist us in making investment decisions
 - Access to client data, such as cost basis, trade confirmations, and account statements
 - Availability of trade execution, pricing services, back-office support and other services that help us to execute trades in a timely manner.
 - Access to third-party technology such as software or other services that may be offered to us at no cost or at a discounted rate
 - Consulting on technology, compliance, legal and business planning needs
 - Publications and web-based educational seminars
 - Educational conferences and events which may be offered to us at no cost or at a discounted rate
- a. The services provided by the custodians benefit our firm because we do not have to pay for the research, software, technology platforms and education they provide.

- b. While the additional soft-dollar benefits provided by the custodians may provide an incentive to select or recommend a certain custodian, the soft-dollar benefits provided by all available major custodians are all comparable due to improved technology. Our primary reason for choosing custodians is best execution and service to our clients.
 - c. Transaction fees charged by major custodians are similar. We do not choose custodians that charge significantly higher transaction costs in exchange for soft-dollar benefits.
 - d. Soft dollar benefits are generally allocated proportionately to all clients of that custodian.
 - e. Our firm does not receive transaction or any other brokerage fees charged to clients.
 - f. Our firm did not direct client transactions to a particular custodian in exchange for soft dollar benefits.
- 2. Our firm does not receive client referrals from custodians.
 - 3. Our firm does not allow clients to execute transactions through a custodian of their own choice.

Item 13 – Review of Accounts

- A. **Non-Discretionary Investment Advisory Services and Discretionary Investment Management Services.** AAA monitors client account holdings on a frequent basis. The Advisor offers to provide periodic face-to-face investment reviews with clients periodically in writing. Review meetings may be conducted more often if deemed necessary due to changes in the Client's investment objectives or life circumstances.

Qualified Retirement Plans with a separate participant recordkeeper: Discretionary model portfolios managed by the Adviser within this platform are monitored on a regular basis and rebalanced semi-annually or more often, depending upon market conditions. For non-discretionary participant-directed assets, the Advisor provides general education on retirement topics as requested by the participants and assists with services such as helping participants to access their accounts and request loans and distributions. If the Plan Sponsor arranges the meeting, the Advisor will conduct educational meetings for the participants on an annual basis, or more often if deemed necessary. The Advisor also offers private, one-on-one hour-long consultations to all plan participants on an annual basis. The recordkeeper, independent of the Advisor, provides quarterly statements to all plan participants along with daily account access and reports via their participant websites.

Financial Planning Services will be provided on a one-time basis with no review unless the client signs an Agreement to receive further services from AAA. We recommend Financial Planning clients review their Plan on an annual basis or upon a significant change in their personal circumstances.

- B. AAA reviews clients' accounts on a periodic basis; however, the client is also free to schedule a review meeting at their convenience at reasonable intervals, which will trigger an additional review.
- C. Written reports provided to clients

Non-Discretionary Investment Advisory Services and Discretionary Investment Management Services: Written holdings and performance reports along with an investment update cover letter are provided to all clients who pay advisory fees on a quarterly basis.

Qualified Retirement Plans with a separate participant recordkeeper: A written investment update cover letter is provided to the plan sponsor (employer) on a quarterly basis along with an offer to schedule an educational meeting for the participants.

Item 14 – Client Referrals and Other Compensation

Our firm may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between our firm's participation in the program and the investment advice given to clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our firm's participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our firm's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to our clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our firm's choice of TD Ameritrade for custody and brokerage services.

Our firm receives economic benefit from Schwab in the form of the support products and services made available to our firm and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit our firm, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability of Schwab's products and services is not based on our firm giving particular investment advice, such as buying particular securities for our clients.

In accordance with Rule 206 (4)-1 of the Investment Advisers Act of 1940, our firm provides cash or non-cash compensation directly or indirectly to unaffiliated persons for testimonials or endorsements (which include client referrals). Such compensation arrangements will not result in higher costs to the referred client. In this regard, our firm maintains a written agreement with each unaffiliated person that is compensated for testimonials or endorsements in an aggregate amount of \$1,000 or more (or the equivalent value in non-cash compensation) over a trailing 12-month period in compliance with Rule 206 (4)-1 of the Investment Advisers Act of 1940 and applicable state and federal laws. The following information will be disclosed clearly and prominently to referred prospective clients at the time of each testimonial or endorsement:

- Whether or not the unaffiliated person is a current client of our firm,

- A description of the cash or non-cash compensation provided directly or indirectly by our firm to the unaffiliated person in exchange for the referral, if applicable, and
- A brief statement of any material conflicts of interest on the part of the unaffiliated person giving the referral resulting from our firm's relationship with such unaffiliated person.

In cases where state law requires licensure of solicitors, our firm ensures that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If our firm is paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Item 15 – Custody

We do not maintain custody of clients' account. We do require clients to provide us with a Limited Power of Attorney to place trades, deduct fees directly from Advisory accounts, to request disbursements to be provided directly to the client's address of record, and other actions required to properly execute the client's Agreement. The Custodians maintain actual custody of our clients' accounts. Clients receive monthly or quarterly statements and annual tax reporting from the Custodians. AAA urges clients to carefully review such statements and compare such official custodial records to the account statements that we provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If assets have been previously transferred to the Custodians from an outside custodian, we can provide accurate performance and cost basis reporting only if the clients have provided us accurate cost basis reporting from the previous outside custodian.

Item 16 – Investment Discretion

AAA will only provide discretionary investment management services if the client chooses this service in writing on the Agreement. In all cases, 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, AAA observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to AAA in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, AAA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide clients with certain financial information or disclosures about AAA's financial condition. AAA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.