

Item 1 – Cover Page



# Millington Financial Advisors, LLC

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March 2023

This Brochure provides information about the qualifications and business practices of Millington Financial Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at (630) 922-7900 or [info@millingtonfa.com](mailto:info@millingtonfa.com).

Millington Financial Advisors, LLC 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 Millington Financial Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. The amendments are designed to require a registered investment adviser to provide Clients with a clearly written and meaningful disclosure, in plain English, about the advisor’s business practices, conflicts of interest and advisory personnel.

Millington Financial Advisors believes that communication and transparency are the foundation of our relationship and continually strive to provide you with the complete and accurate information at all times. We encourage all current and prospective investors to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any material 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 further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Charles F. Millington, President, at (630) 457-1264 or [cfmillington@millingtonfa.com](mailto:cfmillington@millingtonfa.com). Our Brochure is also available on our web site [www.millingtonfa.com](http://www.millingtonfa.com), also free of charge.

Additional information about Millington Financial Advisors, LLC is available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Millington Financial Advisors, LLC who are registered, or are required to be registered, as investment adviser representatives of Millington Financial Advisors, LLC.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at <http://adviserinfo.sec.gov>.

To review the firm information for Millington Financial Advisors:

- Click **Investment Advisor Search** in the left navigation menu.
- Select the option for **Investment Advisor Firm** and enter **156315** (our firm’s CRD number) in the field labeled “Firm IARD/CRD Number”.
- This will provide access to Form ADV Part 1 and Part 2.
- Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the Advisor.
- In the left navigation menu, Form ADV Part 2 is located near the bottom.

We are advising our clients on assets under management of approximately \$126,630,000.

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## **Item 4 – Advisory Business**

### **A. Description of Advisory Firm**

Millington Financial Advisors, LLC was formed by Charles G. Millington and Charles F. Millington, a father and son team, with over 40 years and 20 years of respective financial services experience. We formed Millington Financial Advisors, LLC in January of 2011 to leverage our expertise to deliver the highest quality financial planning and investment advisory services to individuals, Pension & Profit-Sharing Plans, Charitable Organizations and Corporations.

### **Our Professional Backgrounds:**

**Charles G. Millington MBA, CPA, CFP®**– born 1947

Position:

CEO, Millington Financial Advisors, LLC

Education:

MBA, Finance – DePaul University, Graduate School of Business, 1984

BA, History - DePaul University -1970

Business Background:

CEO of Millington & Company, 2005-Present

CEO of Millington Investments, LLC, 2013-Present

CEO of Millington Securities, 2008-2014

Executive VP, CFO, COO and Treasurer of Claymore Securities, 2002-2005

President of Charles Millington & Associates, 1999-2002

Senior VP Operations and Treasurer of Van Kampen Investments, 1981-1999

Controller of Elkay Manufacturing, 1979-1981

CFO of Wilson Enterprises, 1975-1979

Public Accounting, 1974-1975

Assistant Controller of Halsey Stuart, 1973-1974

Auditor with Aetna Casualty, 1971-1973

Examinations/ professional designations:

Certified Financial Planner, 2011

Certified Public Accountant, 1974

FINRA Series 7, 24, 27, 53, 66, 79 & 99 licenses, 1982-2011

**Charles F. Millington MBA, CPA, CFP®** – born 1974

Position:

President / CCO, Millington Financial Advisors, LLC

Education:

MBA – Northern Illinois University – College of Business, 2006

BS, Accounting – Illinois State University, 1996

Business Background:

President of Millington & Company, 2009-Present

President of Millington Investments, LLC, 2013-Present

President of Millington Securities, 2009-2014

Financial Reporting Manager of BP's Oil Trading Business, 2006-2009

Controller of Claymore Securities, 2002-2005

VP Controller of Charles Millington & Associates, 2001-2002

Accounting Manager at Accenture, 2000-2001

Accounting Manager at LaSalle Investment Management, 1998-2000

Public Accounting, 1996-1998

Examinations / professional designations:

Certified Financial Planner, 2012

Certified Public Accountant, 2001

FINRA Series 7, 24, 27, 66, 79 & 99 licenses, 2003-2011

Illinois Life, Variable Contract and Health Insurance Producer, 2011

## **B. Description of Advisory Services Offered**

All relationships with Millington Financial Advisors, LLC start with complementary get acquainted sessions. During these sessions we listen to what the client's individual wants and desires are for in an ongoing financial advisory relationship. We help the client understand more about what we can offer in the areas of financial planning, investment management services and pension consulting services. We then work towards developing a structured relationship based on financial planning, investment management or pension consulting.

### **Financial Planning**

Millington Financial Advisors, LLC's financial planning clients can receive either a:

- Comprehensive Financial Plan
- Basic Financial Plan, or a
- Financial Review

A Millington Financial Advisors, LLC financial plan includes:

1. Establishing and defining the client-planner relationship
2. Gathering client data, including goals
3. Analyzing and evaluating the client's financial status
4. Developing and presenting financial planning recommendations
5. Implementing the financial planning recommendations
6. Monitoring the financial planning recommendations

After the get acquainted sessions, if a client determines they would like to receive financial planning services, a complexity assessment is provided which recommends either a comprehensive or basic financial plan.

**Comprehensive Financial Planning:** a comprehensive financial plan will be recommended for those individuals or households with a complex set of financial objectives and assets. We would typically recommend that a client with a net worth greater than \$2 million receive this level of service. However, this level of service would only be recommended if it were identified that multiple opportunities existed across the areas of:

- Tax Planning
- Insurance Planning
- Retirement Planning
- Estate Planning
- Investment Planning
- Educational Planning
- Goal Planning
- Cash Flow Planning
- Debt Restructuring

**Basic Financial Planning:** a basic financial plan would be recommended for those individuals or households with a less complex set of financial planning needs. Typically, clients with a net worth less than \$2 million would receive an appropriate level of service with a basic financial plan. Under certain circumstances we may recommend a comprehensive financial plan for those individuals or households with less than \$2 million of net worth but with a relatively complex set of financial opportunities across the areas mentioned within the comprehensive financial planning area of this section.

Millington Financial Advisors, LLC, financial planning clients pay a flat retainer fee detailed in “Item 5 Fees and Compensation”. In a financial planning relationship, there are a series of client planner meetings designed to efficiently and accurately provide a complete picture of the client’s current financial position and their opportunity to accomplish their stated financial goals.

Both comprehensive and basic financial planning clients receive services which entail Millington Financial Advisors, LLC taking the time required to understand, evaluate, organize, and feedback the financial position and understanding of their client’s goals. We develop a financial plan that is mindful of those goals and highlight the necessary steps to properly position the client to achieve the objectives they hold most dear.

We help our clients execute their financial plan by providing specific investment recommendations and guidance. If need be, we will consult with experts, or recommend our clients work with experts, in the areas of law, tax and insurance.

Financial planning services may extend to the ongoing evaluation and monitoring of our client’s financial portfolio. Timely views of the client’s financial positions are maintained to ensure recommendations continue to remain appropriate, progress is properly communicated and to determine if any change to the client’s individual circumstances should be considered.



Millington Financial Advisors, LLC remains conscious of changing tax laws and economic conditions by adhering to a comprehensive continuing professional education program. We also invest in a complete set of research tools which provide insightful economic and investment analysis. Our ongoing implementation and monitoring services will include additional recommendations to accommodate new or changing conditions affecting our client's financial environment.

The ongoing relationship is periodically reviewed to determine the appropriate level of time and fees necessary to maintain the client's desired level of financial planning and client and planner interaction.

**Financial Review:** A financial review is offered to clients who do not want or need an ongoing client planner relationship and wish to schedule meetings at the frequency of their choice to address any one of the topics covered in a financial plan. The time for these meetings is limited to two-hour meetings and the fees will be based on hourly rates detailed in "Item 5 Fees and Compensation".

### **Investment Management Services**

Millington Financial Advisors, LLC offers both fee based and commission-based investment management services to individual accounts. The investment management fee table is included in "Item 5 Fees and Compensation." The investment management services are based on strategies, such as contrarian, momentum and value investing or are invested based on a broader asset allocation parameters in line with client desires.

Millington Financial Advisors, LLC primarily allocates its client's assets on a discretionary basis utilizing exchange traded funds (ETFs), individual equity securities and debt instruments in accordance with the investment objectives of the client. On a rare occasion, the advisors of Millington Financial Advisors, LLC may offer through its affiliation with the Broker-Dealer Millington Investments, Inc. commission-based products. Recommendations are only made after a thorough understanding of the client's goals and financial objectives are understood.

We offer our clients fee based investment management services. These services focus on leveraging our deep understanding of the client's specific needs obtained through our ongoing financial planning services. We build customized portfolios with principal preservation strategies to help the client comfortably ride out volatility and participate in equity market recoveries to target long-term growth. This allows our clients to sleep well at night and aim for a meaningful total return. We directly manage portfolios primarily utilizing cost and tax efficient Exchange Traded Funds and individual stocks. We routinely monitor economic indicators and adjust asset class allocations to position portfolios to take advantage of opportunities and reduce risks.

## **Pension Consulting Services**

Millington Financial Advisors, LLC provides advisory services separately or in combination to retirement benefit plans. Millington Financial Advisors, LLC will contract with plan sponsors / trustees for services to the plan which may include:

- Plan sponsor due diligence, vendor search & analysis, and recommendations
- Creation or review of investment policy statements
- Employee Education programs and presentations
- General plan consulting, which entails addressing ongoing questions, concerns and issues raised by the client.

## **C. Client Tailored Services and Client Imposed Restrictions**

Millington Financial Advisors, LLC tailors our advisory services to the individual needs of our clients. Clients may impose restrictions on certain types of securities.

## **D. Wrap Fee Programs**

Millington Financial Advisors, LLC does not participate in wrap fee programs.

## **E. Client Assets Under Management**

Millington Financial Advisors, LLC began managing client's assets during the 1<sup>st</sup> quarter of 2011. As mentioned earlier in this document, Millington Financial Advisors manages \$126,630,000 as of the time of December 31, 2022.

## Item 5 – Fees and Compensation

### A. Method of Compensation and Fee Schedule

Millington Financial Advisors, LLC primarily offers fee based services, on occasion, their advisors can offer commission based services through its affiliate Millington Investments, LLC. The specific manner in which fees are charged by Millington Financial Advisors, LLC is established in a client's written agreement with Millington Financial Advisors, LLC. Fees are negotiable and will be mutually agreed upon by the client and Millington Financial Advisors, LLC before any services beyond introductory meetings are rendered. The following is a list of the fees applicable to the services identified in Item 4, Section B "Description of Advisory Services Offered":

**Comprehensive Financial Plan:** a comprehensive financial plan will require a series of client planner meetings typically over a 3-5 month period. Clients pay a flat fee of \$4,000 for a comprehensive financial plan. The fee will be billed \$1,000 per month for the first 3 months of the client planner relationship. A final \$1,000 payment will be required after the client receives their completed comprehensive financial plan. Millington Financial Advisors, LLC will continue to provide implementation and monitoring assistance as part of the fees charged for a two-month period after the plan is delivered. If the client and planner mutually agree to seek and provide implementation and monitoring services after that time a \$1,000 quarterly fee will be charged.

**Basic Financial Plan:** a basic financial plan will require a series of client planner meetings typically over a 2-3 month period. Clients pay a flat fee of \$2,500 for a basic financial plan. The fee will be billed in two payments of \$1,000 due after the first month of service and \$1,500 at the time the basic financial plan is delivered. Millington Financial Advisors, LLC will continue to provide implementation and monitoring assistance as part of the fees charged for another month after the plan is delivered. If the client and planner agree to seek and provide ongoing implementation and monitoring services after that time a \$500 quarterly fee will be charged.

**Financial Review:** financial review sessions take place at the sole discretion of the client and are charged based on an hourly rate. The hourly rate charged will be dependent upon the complexity of the services rendered, but fall within the following general categories:

Lower level – An hourly rate of \$75 per hour will be charged for services that entail activities such as working through financial service provider data connectivity, assistance with completion of paperwork, custodial account opening and general data organization. These services will typically be provided by an assistant with 1-5 years of financial services experience.

Mid-level-hourly rates will range from \$175 per hour and will entail activities such as evaluating a client's financial situation, supervising lower-level services rendered and determining the appropriate steps to reach stated goals. The services will typically be

provided by managers with 10-15 years of experience.

Senior level – hourly rates will be \$250 per hour and will entail services such as determining and providing recommendations to reach goals, implementing recommendations, and coordinating services with the client and other financial professionals, attorneys, or stockbrokers. These services typically will be provided by senior level managers with more than 15 years of experience.

**Investment Management Services:** investment management fees are based upon a percentage of the market value of assets being managed by Millington Financial Advisors, LLC. The fee assessed by Millington Financial Advisors, LLC is exclusive of, and in addition to brokerage commissions, transactions fees, and other related costs and expenses which shall be incurred by the client. Millington Financial Advisors, LLC advisors may indirectly receive through their affiliation with Millington Investments, Inc. a portion of these commissions, fees and costs. Millington Financial Advisors, LLC's fee will generally be prorated and charged quarterly, in advance, based upon the ending balance of the assets in the previous quarter. The fee will vary depending upon the market value of the assets under management and the type of investment management services rendered.

The following are the fees charged by Millington Financial Advisors, LLC:

| <b>Assets Managed</b>  | <b>Annual Fee</b> |
|------------------------|-------------------|
| First \$1,000,000..... | 1.00%             |
| Next \$2,000,000.....  | 0.75%             |
| Above \$3,000,000..... | 0.50%             |

Client fees are payable quarterly, in advance, based on assets under management. Clients may terminate accounts at any time and receive a full pro-rata refund of any unearned fees.

Millington Financial Advisors, LLC, may negotiate to charge a lesser management fee based upon certain criteria, for example anticipated future earning capacity, anticipated future assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc. Additionally, Millington Financial Advisors has the discretion to waive or reduce fees and expenses with respect to any client.

**Pension Consulting Services:** Fees for pension consulting services are typically charged an hourly rate from \$150-\$200 per hour depending on the complexity of the work involved.

**Termination of a Client:** an advisory client has a right to terminate the contract without penalty within five (5) business days after entering a contract.

## **B. Client Payment of Fees**

Unless alternative arrangements are made, clients will be billed in advance each calendar quarter. Clients may also elect to authorize Millington Financial Advisors, LLC to directly debit fees from client accounts held at Custodian as part of the Investment Advisory Agreement.

## **C. Additional Client Fees Charged**

Millington Financial Advisors, LLC fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investments and other third parties such as fees charged by managers, custodial 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, which are disclosed in a fund's prospectus. As a result of Millington Financial Advisors, LLC affiliation with Broker-Dealer Millington Investments, LLC. and their ability to offer commission-based products, Millington Financial Advisors, LLC advisors may receive commissions on such products.

## **D. Prepayment of Client Fees**

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee, based on the timing of the termination and passage of time from the previous billing cycle. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

## **E. External Compensation for the Sale of Securities to Clients**

Item 12 further describes the factors that Millington Financial Advisors, LLC considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

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

Millington Financial Advisors, LLC does not charge performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

Millington Financial Advisors, LLC generally provides portfolio management services and investment advisory services to individuals. On occasion, however, it may also provide portfolio management services and investment advisory services to pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. Millington Financial Advisors, LLC does not impose a minimum account size for its clients or impose any other restrictions for opening or maintaining an account.

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

### **A. Methods of Analysis and Investment Strategies**

In offering securities advice to its clients, Millington Financial Advisors, LLC uses a combination of Fundamental, Technical and Cyclical analysis as part of a broad-based asset-allocation process.

- i. Fundamental Analysis. This form of analysis focuses on individual companies and their respective industry groups. This sort of analysis tends to be long term in nature. Sources used for fundamental analysis mainly include company's financial statements, product lines, management experience and expertise, and the overall outlook of the company's industry
- ii. Technical Analysis. This form of analysis uses indexes, averages, theories, price trends and charts. Past history of both the securities and the markets as a whole is used in Technical Analysis. This is more of a short-term approach.
- iii. Cyclical Analysis. This form of analysis deals with recognizing cyclical patterns in past stock and market performance and using that data to predict future performance. This analysis involves the use of charts and graphs.

Sources of information used by Millington Financial Advisors, LLC include financial media, inspections of corporate activities, research materials prepared by others, annual reports, prospectus and filings with the Securities and Exchange Commission.

## B. Investment Strategy and Method of Analysis Material Risks

Investment strategies used by Millington Financial Advisors, LLC to implement investment advice given to clients include long-term purchases (securities held at least a year), short-term purchases (securities sold within a year), trading (securities sold within 30 days), short sales, margin transactions and option writing including covered options and spread strategies.

It is important to note that investing in securities involves risk of loss that clients should be prepared to bear. Certain principal risks include:

- i. **Price Volatility.** Common stock prices fluctuate for several reasons including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market, such as the current market volatility, or when political or economic events affecting the issuers occur. In addition, common stock prices may be particularly sensitive to rising interest rates, as the cost of capital rises and borrowing costs increase.
- ii. **Dividends.** There is no guarantee that the issuers of the securities will declare dividends in the future or that if declared they will either remain at current levels or increase over time.
- iii. **Financial Condition of Issuer.** The financial condition of an issuer may worsen, or its credit ratings may drop, resulting in a reduction in the value of your units. This may occur at any point in time, including during the initial offering period.
- iv. **Legislation/Litigation.** From time to time, various legislative initiatives are proposed in the United States and abroad which may have a negative impact on certain of the companies. In addition, litigation regarding any of the issuers of securities or of the industries represented by such issuers, may negatively impact the value of securities. We cannot predict what impact any pending or proposed legislation or pending or threatened litigation will have on the value of securities.
- v. **Foreign Securities.** ADRs are issued by a bank or trust company to evidence ownership of underlying securities issued by foreign corporations. Securities of foreign issuers present risks beyond those of domestic securities. More specifically, foreign risk is the risk that foreign securities will be more volatile than U.S. securities due to such factors as adverse economic, currency, political, social or regulatory developments in a country, including government seizure of assets, excessive taxation, limitations on the use or transfer of assets, the lack of liquidity or regulatory controls with respect to certain industries or differing legal and/or accounting standards.
- vi. **Emerging Markets.** Emerging markets are generally defined as countries with low per capita income in the initial stages of their industrialization cycles. Risks of investing in developing or emerging countries include the possibility of investment and trading

limitations, liquidity concerns, delays and disruptions in settlement transactions, political uncertainties and dependence on international trade and development assistance. Companies headquartered in emerging market countries may be exposed to greater volatility and market risk.

- vii. Inflation Risk. Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money.

### C. Security Specific Material Risks

Millington Financial Advisors, LLC does not primarily recommend a particular type of security. When a recommendation includes securities offered through a prospectus, Millington Financial Advisors, LLC will make the prospectus available to the client and encourage them to review its contents in order to gain the appropriate understanding of the specific material risks involved with that recommendation.

### 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 your evaluation of Millington Financial Advisors, LLC or the integrity of Millington Financial Advisors, LLC's management. Millington Financial Advisors, LLC has no information applicable to this Item.

#### A. Criminal or Civil Actions

Millington Financial Advisors, LLC and its management persons have **not** been involved in or been the subject of any criminal or civil action in a domestic, foreign, or military court of competent jurisdiction.

#### B. Administration Enforcement Proceedings

Millington Financial Advisors, LLC and its management persons have **not** been involved in or been the subject of any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority.



### **C. Self-Regulatory Organization Enforcement Proceedings**

Millington Financial Advisors, LLC and its management persons have **not** been involved in or been the subject of any self-regulatory organization (SRO) proceeding.

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

### **A. Broker-Dealer Representative Registration**

Our principal owners, Charles G. Millington and Charles F. Millington, have a controlling ownership interest in Millington Investments, LLC, a registered broker dealer CRD # 168800. If Millington Financial Advisors, LLC provides recommendations to its clients that include Millington Investments, LLC products the recommendations will only be made, if they are deemed to be appropriate and the conflict of interest is appropriately communicated before any investment decisions are made.

### **B. Futures or Commodity Registration**

Millington Financial Advisors, LLC and its management persons are not registered, and do not have an application pending to register as a futures commissions merchant, commodity pool operator, a commodity trading advisor, and are not an associated person of the foregoing entities.

### **C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

The Millington Financial Advisors LLC, relationship with Millington Investments, LLC is deemed material. The nature of the conflict of interest is identified in the Broker-Dealer Representative Registration area of this section. Charles F. Millington, a principal of Millington Financial Advisors, LLC, is married to Erin M. Millington the owner of Millington Insurance Solutions, LLC an independent insurance agency. On occasion advisory clients will seek advice on property and casualty insurance coverage, if Millington Insurance Solutions, LLC is discussed or recommended, the conflict of interest will be identified at the point in time the firm is identified. It is also important to note that Millington & Company provides general business consulting services, such as outsourced accounting and temporary CFO services.

## **D. Recommendations or Selection of Other Investment Advisers and Conflicts of Interest**

Millington Financial Advisors, LLC does not recommend or select other investment advisers for its clients.

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

### **A. Code of Ethics Description**

Millington Financial Advisors, LLC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics and Rules of Conduct include provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts, and personal securities trading procedures, among other things. All supervised persons at Millington Financial Advisors, LLC must acknowledge the terms of the Code of Ethics annually, or as amended. Millington Financial Advisors, LLC, clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Charles F. Millington.

### **B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Millington Financial Advisors, LLC anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Millington Financial Advisors, LLC has management authority to be affected, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Millington Financial Advisors, LLC, its affiliates and/or clients, directly or indirectly, have a position of interest. Millington Financial Advisors, LLC's employees and persons associated with Millington Financial Advisors, LLC are required to follow Millington Financial Advisors, LLC's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Millington Financial Advisors, LLC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Millington Financial Advisors, LLC's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of Millington Financial Advisors, LLC 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. Under the Code, certain classes of securities have been designated as exempt transactions based upon a determination that these would not materially interfere with the

best interests of Millington Financial Advisors, LLC's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, in order to reasonably prevent conflicts of interest between Millington Financial Advisors, LLC and its clients.

### **C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

It is the responsibility of Millington Financial Advisors, LLC to take appropriate action with regards to the investing in the same securities as our clients. Millington Financial Advisors, LLC must first disclose any control relationship with an issuer. A Registered Representative may not recommend or otherwise induce the purchase of the securities of any issuer it controls, is controlled by, or is under common control with Millington Financial Advisors, LLC unless, in connection with the recommendation or inducement, the Registered Representative discloses such fact to the customer. If such disclosure is not made in writing, it must be supplemented by the giving or sending of a written disclosure "at or before the completion of the transaction".

Millington Financial Advisors, LLC, within the Code of Ethics includes provisions relating to the practice of insider trading, and the misuse of material inside information. Millington Financial Advisors, LLC also adheres to employee trading policies stated within Code of Ethics. The intent of this policy is to ensure that the primary focus of efficient and productive running of our various businesses is met, mainly that of serving our client's interest is first and foremost.

### **D. Client Securities Recommendation or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Millington Financial Advisors, LLC's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Millington Financial Advisors, LLC 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.

It is Millington Financial Advisors, LLC's policy that the firm will not affect any principal or agency

cross securities transactions for client accounts. Millington Financial Advisors, LLC will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, 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 principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

### **A. Factors Used to Select Broker-Dealers for Client Transactions**

Millington Financial Advisors, LLC uses or recommends custodians for client assets. We chose this custodian on the basis of having a reasonable, straightforward commission structure, integrity, and financial stability. Millington Financial Advisors, LLC will benefit from certain services and information provided to the firm by the custodian, but we do not have discretion over the commissions our clients pay.

As a function of choosing and recommending this custodian for our clients' assets, Millington Financial Advisors, LLC enjoys access to research reports to which we might not otherwise have access. The availability of these reports is no way a function of the number or types of trades the firm executes on behalf of its clients. Millington Financial Advisors, LLC receives no cash benefits or equipment from the custodian.

The client receives confirmation of all transactions in the account and is free to terminate participation in the Platform and retain or dispose of any assets in the account at any time. Millington Financial Advisors, LLC has no authority to cause any purchase or sale of securities in any client account or change the selected model asset allocation or to direct the account to be invested in any manner other than as previously authorized by the client.

If a client selects an IMA, UMA or CMA investment solution, the third-party Discretionary Managers are granted the authority to manage the accounts on a discretionary basis, including the authority to buy, sell, select, remove and select securities and other investments for the account, and to select broker-dealers or others through which transactions will be affected.

Although Millington Financial Advisors does not select the executing brokers that the Custodian uses, it does evaluate the Custodian's trading services ("Best Execution") on a periodic basis. This is done by evaluating the execution statistics that the Custodian is required to disclose on a periodic basis.

## B. Aggregating Securities Transactions for Client Accounts

Transactions for each client generally will be affected independently, unless Millington Financial Advisors, LLC decides to purchase or sell the same security for several clients at approximately the same time. Millington Financial Advisors, LLC may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Millington Financial Advisors, LLC client’s differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently.

Under this procedure, transactions will generally be averaged as to price and allocated among Millington Advisors, LLC clients’ pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Millington Financial Advisors, LLC determines to aggregate client orders for the purchase or sale of securities, including securities in which Millington Financial Advisors, LLC’s affiliate(s) may invest, Millington Financial Advisors, LLC shall generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Millington Financial Advisors, LLC shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that Millington Financial Advisors, LLC determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, Millington Financial Advisors, LLC may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

## **Item 13 – Review of Accounts**

### **A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Additionally, Millington Financial Advisors, LLC issues periodic written reports to its investment advisory clients. These written reports are reviewed by either Charles G. Millington, the CEO, or Charles F. Millington, the president, on a quarterly basis, and generally contain a list of assets, investment results, and statistical data related to the client's account, and are made available via mail or electronic delivery. The information in these reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports that we provide, so clients can be aware of what accounts they have, and how they are doing.

### **B. Review of Client Accounts on Non-Periodic Basis**

Client preferences, unexpected performance, or shifting market conditions may warrant more frequent reviews. Upon request, Clients receive reports more frequently, and may, access comprehensive account information using their custodian's and or our data aggregator's web access. Clients may opt in or out of duplicate confirms from the trade-executing broker. In addition to these written or formal methods, Millington Financial Advisors, LLC communicates quite frequently by email, telephone and in person about their accounts and their personal and financial condition.

### **C. Content of Client Provided Reports and Frequency**

Millington Financial Advisors, LLC offers comprehensive financial planning clients access to reports with a statement of financial condition, a statement of cash of flows, and an analysis of investment performance. All of Millington Financial Advisors, LLC's clients have access to real time reporting from their custodian and our online data aggregator.

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

Millington Financial Advisors, LLC and its related parties do not directly or indirectly compensate any person who is not our supervised person for client referrals. From time to time, other professionals in our personal networks may recommend an associate of theirs during their ordinary course of business and some of our affiliated persons may also recommend the professional services of individuals within their personal network if they feel it is appropriate for our clients, but at no time will any compensation be exchanged for these referrals.

#### **Item 15 – Custody**

Millington Financial Advisors, LLC does not provide custodial services to its clients. Client assets are held with banks, financial institutions or registered broker-dealers that are “qualified custodians.” Clients will receive statements directly from the qualified custodians at least quarterly. We urge clients to carefully review those statements and compare the custodial records to the reports that we provide them. The information in our reports may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

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

Millington Financial Advisors, LLC usually receives discretionary authority from the client at the outset of an advisory relationship to select and identify the number 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.

Client investment guidelines and restrictions must be provided to Millington Financial Advisors, LLC in writing.

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

Clients may retain the right to vote proxies on certain securities. Clients have the option to designate Millington Financial Advisors, LLC to act as the Discretionary Manager on behalf of a proxy vote.

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

##### **A. Balance Sheet**

Millington Financial Advisors, LLC does not solicit prepayment of more than \$500 in fees per client,

six months in advance and therefore does not need to include a balance sheet for our most recent fiscal year.

#### **B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

Because Millington Financial Advisors, LLC does have discretionary authority of clients' securities, we are required to disclose financial conditions that are reasonably likely to impair our ability to meet contractual commitments to clients. Millington Financial Advisors, LLC and its management have **no** financial conditions that are reasonably likely to impair our ability to meet contractual commitments.

#### **C. Bankruptcy Petitions during the Past Ten Years**

Millington Financial Advisors, LLC and its management have not been the subject of a bankruptcy petition at any time during the past ten years.