

## **Intersect Capital LLC**

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### **FORM ADV PART 2A DISCLOSURE BROCHURE**

This brochure provides information about the qualifications and business practices of Intersect Capital LLC. If you have any questions about the contents of this brochure, please contact us at 925-790-2894. 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.

Additional information about Intersect Capital LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Intersect Capital LLC is 122418.

Intersect Capital LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## **Item 2 Summary of Material Changes**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last updated brochure, dated December 12, 2014, we have no material changes to report.

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## Item 4 Advisory Business

Intersect Capital LLC, formerly known as Financial Horizons Wealth Building Strategies, LLC is a registered investment adviser based in San Ramon, California. We are organized as a limited liability company under the laws of the State of California. We have been providing investment advisory services since 1997. David Shiell (Managing Member) and Armanino LLP are our principal owners.

As used in this brochure, the words "we", "our" and "us" refer to Intersect Capital LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

We are a "fee-only" investment adviser. "Fee-only" means we are paid exclusively by our clients and the amounts of all such compensation are fully disclosed to clients in writing. We do not sell products and we do not receive commissions or other compensation from any source. We do not receive soft dollar compensation or commissions from any outside party. This fee-only arrangement enables our firm to act solely in our clients' best interests; there is no financial incentive, hidden or otherwise, for our firm to operate in any other manner.

We provide our clients with an extensive range of investment advisory services through our investment management programs, including retirement planning, estate planning, asset allocation and discretionary and non-discretionary portfolio management services. Our integrated suite of services may be offered to clients on an all-inclusive or individual basis. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. We are affiliated with Armanino LLP a regional CPA in San Ramon, CA. Refer to the *Other Financial Industry Activities and Affiliations* section below for additional disclosures on our relationship with Armanino LLP.

### **Financial Planning and Consulting Services**

We offer broad-based, modular, and consultative financial planning services. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives. The financial plan is a collaborative tool that identifies important client goals. A key goal is determining the asset accumulation target that will provide you with a comfortable retirement. On a periodic basis, we review and update the plan while monitoring your success in achieving your goals.

Prior to engaging our firm to provide financial planning services, you will be required to enter into a separate written agreement with us that sets forth the terms and conditions of the engagement and describes the scope of the services to be provided, and the fees to be paid. We charge an average hourly fee of \$200 for financial planning services. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you and request that you approve the additional fee. The fees incurred for financial planning and/or consulting related services are calculated and billed on a monthly basis upon completion of the contracted services. Depending on the scope and complexity of the services requested, we may ask for a retainer. We will not require prepayment of a fee more than six months in advance and in excess of \$1,200.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g. attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm you choose.

We may waive or offset the financial planning/consulting fees should you choose to implement the plan through our portfolio management services described below. We reserve the right to determine whether the financial planning and/or consulting fees will be waived or offset by the fees earned in the implementation process. The scope and complexity of the services that were provided will determine the waiver or offset of the fee.

You may terminate the financial planning agreement by providing written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Portfolio Management Services**

We provide discretionary and non-discretionary portfolio management services in accordance with your individual investment objectives. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. This authorization includes deciding which securities to buy and sell, when to buy and sell, and in what amounts, in accordance with your investment program, without obtaining your prior consent or approval for each transaction. In addition, we are also granted discretionary authority to determine the broker or dealer to be used for your account transactions and the commission rates to be paid. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, and/or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

The annual fee for portfolio management services is billed quarterly in advance based on the market value of the assets under our management on the last day of the preceding quarter. Fees will be assessed pro rata in the event the portfolio management agreement is executed at any time other than the first day of a calendar quarter. On an annualized basis, our fees for portfolio management services typically range between 1.00% and 0.50% based on the assets held in your account.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances. Lower fees for comparable services may be available from other sources.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We will send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

If you receive an invoice from our firm, we encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian please call our main office number located on the cover page of this brochure.

You may terminate the portfolio management agreement upon 30-days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

#### **Advisory Services to Retirement Plans and Plan Participants**

As disclosed above, we offer various levels of advisory and consulting services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status, which is described in the status section below.

The services we provide to your Plan are described above, and in the service agreement that you sign. Our compensation for these services is described in sections above in this brochure and also in the service agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants, unless the plan sponsor directs us to deduct our fee from the plan or directs the plan record-keeper to issue payment for our fee out of the plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

Status - Intersect Capital LLC is registered as an investment adviser under the Investment Advisers Act of 1940 and represents that it is not subject to any disqualification as set forth in Section 411 of ERISA. In performing fiduciary services, we are acting either as a non-discretionary fiduciary of the Plan as defined in Section 3(21) under ERISA, or as a discretionary fiduciary of the plan as defined in Section 3(38) under ERISA, as set forth in the arrangement with each plan sponsor.

## **Family Office Services**

We offer Family Office Services designed to help our clients organize their financial situation. Such services generally include financial planning in the following areas:

- Bank Accounts
- Bill Pay
- Liability Management
- Record Keeping
- Reporting
- Tax Planning
- Audit Support
- Entity Review and Maintenance
- Estate Planning
- Payroll
- Retirement Reporting
- Union/Guilds
- Medical Insurance
- Concierge

For a separate fee, you may also retain our firm to manage your securities portfolio, as described in the *Portfolio Management Services* section in this brochure.

We charge a fixed fee for family office services. Fixed fees are negotiable and range from \$10,000 to \$50,000, depending on the scope and complexity of services to be rendered. Fees are billed and paid monthly in advance. If our services are retained in the middle of a month, the fee for such month will be calculated on a pro rata basis, based upon the number of days remaining in the month.

We will send you a monthly invoice for the payment of our family office fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our family office fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account to include our family office fee. You should review all statements for accuracy.

## **Types of Investments**

We offer advice on equity securities, corporate debt securities, certificates of deposit, municipal securities, investment company securities (mutual funds), exchange traded funds, US Government securities, options contracts on securities and interest in partnerships investing in real estate. Additionally, we may recommend other types of investments since each client has different needs and different tolerances for risk. We may also advise you on any type of investment held in your portfolio at the inception of our advisory relationship, or on specific types of investments at your request. You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

## **Assets Under Management**

As of December 31, 2014, we manage \$254,977,000 in client assets on a discretionary basis, and \$14,340,000 in client assets on a non-discretionary basis.

## Item 5 Fees and Compensation

Please refer to the *Advisory Business* section in this brochure for information on our advisory fees, fee deduction arrangements, and refund policy according to each service we offer.

### Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## Item 7 Types of Clients

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we require a minimum of \$1,000,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- Charting Analysis - involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's



industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

- Technical/Cyclical Analysis - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- Option Writing - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

Our strategies and investments may have unique and significant tax implications. We generally take tax efficiency into consideration in the management of your assets. Nonetheless, regardless of your account size or any other factors, we recommend that you consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. You understand that our investment recommendations for your account are subject to various currency, market, economic, political and business risks, and that those investment decisions will not always be profitable. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Recommendation of Particular Types of Securities**

We primarily recommend mutual funds and exchange traded funds for our clients. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of

the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it. You should be advised of the following risks when investing in these types of securities:

Mutual funds and exchange traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

## **Item 9 Disciplinary Information**

Intersect Capital LLC has been registered and providing investment advisory services since 1997. Neither our firm nor any of our Associated Persons has any disciplinary information.

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

David W. Shiell, President and Chief Compliance Officer, is also the President and Chief Compliance Officer of Big Sky Asset Management LLC, an affiliated investment adviser firm with the same office location as our firm. Generally, Mr. Shiell will split his professional time between his functions with our firm and Big Sky Asset Management LLC ("Big Sky"). We will not recommend that our clients utilize the advisory services of Big Sky, and we do not expect that our clients will become clients of Big Sky.

Armanino LLP (AM), partial owner of our firm, is an accounting firm. AM offers tax planning and accounting services that are separate from the advisory services we provide. We have a reciprocal referral arrangement between our firm and AM, and we will recommend that you use the services of AM if appropriate and suitable for your needs.

### **Arrangements with Affiliated Entities**

The arrangement we have with our affiliated entities presents a conflict of interest because we may have a financial incentive to recommend our affiliates' services. While we believe that compensation charged by our affiliates are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services and may obtain comparable services and/or lower fees through other firms.

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

We have adopted a Code of Ethics that sets the standard of conduct expected to comply with applicable securities laws. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. We adhere strictly

to these guidelines. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm. Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this Brochure.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you. A potential conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that any purchases or sales of a security for a client either precede, or are concurrent with (via block trade), transactions in the same securities for or on behalf of our firm or persons associated with our firm, .

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

## **Item 12 Brokerage Practices**

We will recommend that clients establish brokerage accounts with the Schwab Institutional a division of Charles Schwab & Co., Inc. ("Schwab Institutional"), among others, to maintain custody of clients' assets and to effect trades for their accounts. Clients are advised that there may be transaction charges involved when purchasing or selling securities. Our firm does not share in any portion of the brokerage fees/transaction charges imposed by Schwab Institutional or other brokerage firms for custodial services. Additionally, the commission/transaction fees charged by these firms may be higher or lower than those charged by other broker-dealer/custodians.

In selecting a broker dealer based on discretionary authority, we endeavor to select those brokers or dealers that will provide the best services but not necessarily at the lowest commission rates possible. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, and other services. Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker might charge is permissible if the difference in cost is reasonably justified by the quality of the brokerage services offered.

The research products and services that we may receive from brokerage firms (e.g. Schwab, among others) may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers who utilize Schwab, and are not considered to be paid for with soft dollars. However, the commissions charged by a particular broker for a particular transaction, or set of transactions, may be greater than the amounts another broker who did not provide research services or products might charge.

We participate in Schwab's institutional service programs. While there is no direct linkage between the investment advice given and participation in the institutional service programs, economic benefits are

received which would not be received if we did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving institutional service program clients exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available to institutional investors.

Some of the products, services and other benefits provided by Schwab Institutional benefit us but may not benefit your accounts. These benefits may include educational events organized and/or sponsored by Schwab Institutional and occasional business entertainment of which may include meals and attendance at sporting events and concerts. Our recommendation that you place assets in Schwab's custody may be based in part on benefits to us, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

While we endeavor at all times to put the interest of our clients first as part of our fiduciary duty, clients should be aware that receipt of additional compensation itself creates a potential conflict of interest.

#### **Research and Other Soft Dollar Benefits**

We do not have any soft dollar arrangements.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Directed Brokerage**

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. When directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

#### **Block Trades**

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts. Such accounts are treated as client accounts and are neither given preferential nor inferior treatment versus other client accounts.

## Item 13 Review of Accounts

David W. Shiell, Managing Member and Chief Compliance Officer, will monitor your account(s) on a continuous basis to ensure the advisory services provided to you and the portfolio mix remain consistent with your current investment needs and objectives. We will conduct account reviews at least quarterly. Additional reviews may be conducted at your request, or based on various circumstances, including, but not limited to: contributions and withdrawals; year-end tax planning; market moving events; security specific events; and/or, changes in your risk/return objectives.

We will provide you with written reports that include relevant account information such as inventory and appraisals of account holdings, cash activity summary, and portfolio allocation details. You will also receive trade confirmations and statements, at least quarterly, directly from your account custodian(s).

We encourage you to reconcile our reports with those received from the qualified custodian. If you find your holdings differ between these two statements, please call our main office number located on the cover page of this brochure.

## Item 14 Client Referrals and Other Compensation

Armanino LLP (AM), partial owner of our firm, is an accounting firm. AM offers tax planning and accounting services that are separate from the advisory services we provide. We have a reciprocal referral arrangement between our firm and AM, and we will recommend that you use the services of AM if appropriate and suitable for your needs.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from Schwab in connection with utilizing their brokerage services.

## Item 15 Custody

### Securities

Under government regulations we are deemed to have custody of your assets if you authorize us to deduct our advisory fees directly from your account or you give us authority to withdraw assets from your account. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. They will be sent by way of your instructions to the custodian. We urge clients to carefully review such statements and compare such official custodial records to the account statement that we provide to them.

### Cash and Bank accounts

In the context of providing bill payment services to some Family Office clients, we will take custody of client bank accounts. In these circumstances, we enter into a separate engagement which details the roles and responsibilities of us and the client. Additionally, the accounts are maintained at a qualified custodian; the client receives a monthly invoice from us; we employ checks and balancing over management of the designated accounts as described in our compliance manual; the accounts are reconciled monthly by us to include a quarterly summary of all account activity.

David W. Shiell, Managing Member of Intersect Capital LLC also serves as trustee to particular accounts for which he provides investment advisory services. Mr. Shiell's capacity as trustee gives him custody over the advisory account for which he serves as trustee. This account will be held with a bank, broker-dealer, or other independent, qualified custodian. If Mr. Shiell acts as trustee for your advisory account, you will receive account statement(s) from the independent, qualified custodian holding your funds and securities at least quarterly. You should carefully review account statement(s)

for accuracy. If you have a question regarding your account statement(s) or if you did not receive your statement(s) from the custodian, please contact us directly at the telephone number on the cover page of this Brochure.

## **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement. If you engage us to provide Investment Advisory Services on a discretionary basis, we have the authority to determine the selection and amount of securities to be purchased or sold for your account(s), the broker or dealer to be used for each transaction, and over the commission rates to be paid without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the *Advisory Business* section above for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

Without exception, we will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights.

## **Item 18 Financial Information**

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

## **Item 19 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to

anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact us at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

### **Trade Errors**

In limited circumstances, we may make an error in submitting a trade on your behalf. In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a loss, we will reimburse you or otherwise ensure that your account is made whole. Where the trading error results in a gain, you have the option of retaining the gain or refusing the gain if, for example, the gain creates an unfavorable tax situation.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.