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**Investment Advisory Services**

**Disclosure Brochure  
(In lieu of Form ADV, Part II)**

**Registered with the Securities and Exchange Commission ("SEC")**

**SEC File Number 801-57207**

***This Disclosure Brochure has been prepared for prospective investment advisory clients of Eagle Capital Management, LLC, in accordance with the rules of the Securities and Exchange Commission, and is delivered in lieu of Form ADV, Part II. This brochure provides information about Eagle Capital Management, LLC that should be considered before becoming a client of the company.***

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*The information contained in this brochure relates only to specific questions published by the SEC and this document is not intended to be a marketing brochure, nor is it designed to provide detailed information about all aspects of Eagle's business.*

Eagle Capital Management, LLC

Form ADV, Part II Disclosure Brochure

**To All Clients and Prospective Clients of Eagle Capital Management, LLC:**

The Securities and Exchange Commission (“SEC”) requires that Eagle Capital Management, LLC (“Eagle”) provide a written document containing information in Form ADV, Part II to all clients with whom the firm enters into an investment management agreement. Eagle must deliver this document to a client or prospective client:

- a) Not less than 48 hours prior to executing a contract with Eagle, or
- b) At the time of executing such agreement, in which case the client has the right to terminate the agreement within 5 business days without penalty.

In fact, the client may terminate an agreement with Eagle at any time, without penalty, upon the firm’s receipt of written notification from the client. (See Eagle’s Investment Management Agreement.)

Part II of Form ADV contains information relating to Eagle’s business. This information includes types of services offered, fees, types of clients served, types of investments generally selected by Eagle, methods of analysis, strategies employed, information sources consulted, educational and business backgrounds of the principals of the firm, conditions for acceptance of accounts, the nature of discretionary authority, the process of reviewing accounts, brokers used and the allocation of brokerage commissions.

We hope you find this brochure informative. As always, if you have questions please do not hesitate to call us.

**Eagle Capital Management, LLC**

**Michael W. Rohm**

**Kenneth N. Ross**

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## **Advisory Services and Fees**

### **Advisory Services**

The principle business of Eagle Capital Management, LLC (“Eagle”) consists of furnishing “investment management” services to clients. Prior to engaging Eagle, each client is required to enter into a formal *Investment Management Agreement* which sets forth the terms and conditions under which Eagle will manage the client’s assets. This service consists of continuous advice concerning the investment of client’s assets consistent with the circumstances, preferences and objectives of each client and the investment of client’s assets within Eagle’s management style which is discussed with each client prior to entering into an agreement with Eagle. The investment process includes the assessment of each client’s needs, restrictions, and objectives. Eagle constructs each client’s investment program in the context of these considerations and in accordance with Eagle’s management style. The client’s objectives and needs are assessed on a continual basis to determine the need to make adjustments in the client’s portfolio. Account reviews are conducted on an ongoing basis with clients by the Principals of the firm. Investment advisory clients must notify Eagle of any changes in their investment objectives and/or financial situation. Clients (in person or via telephone) are encouraged to review their investment objectives and account performance on an at least an annual basis.

Eagle may, from time to time, invest client’s assets on a fully discretionary basis without a detailed knowledge of the client’s circumstances and objectives. In these instances, Eagle formulates and implements an investment program that is considered prudent, appropriate, and suitable to the nature of the account and Eagle’s understanding of the client’s general circumstances. These circumstances may occur when the assets of a client are turned over to Eagle and Eagle has not had time yet to meet with the client. It is Eagle’s policy to meet as soon as possible with the client, however.

Eagle also provides investment advice to defined contribution plans whose plan sponsors have contracted with Eagle to provide services to such plan or in cases where Eagle has been appointed as an ERISA 3 (38) investment fiduciary. In the cases where Eagle is appointed as an ERISA 3 (38) investment fiduciary, Eagle has a written contract which details Eagle’s responsibilities and services and the fees for said services. In addition, Eagle operates within the



parameters of written investment guidelines adopted by the plan sponsor that is modified from time to time. In some cases, Eagle provides advice and consultation to the participants of defined contribution plans that use insurance contracts as a custodian of assets and which said insurance companies provide investment options in selected mutual funds to the plan participants in self-directed accounts. Eagle's responsibilities include discussing investment options with the plan participants, discussing risk and the allocation of investments.

Additionally, Eagle provides help in the enrollment process with plan participants. In the case of such plans, participants select their own options within the family of funds offered by the insurance company. Eagle meets with the investment board or committee of the plan sponsor to review plan operation and performance of the plan's fund options. Eagle and its principals maintain an insurance license for services in connection with such plans that use insurance contracts as a funding vehicle.

If a client requests that Eagle recommend a broker-dealer/custodian for execution and custodial services, Eagle generally recommends that investment management accounts be maintained by Charles Schwab & Co., Inc. ("*Schwab*"). Some clients may direct Eagle to use a specific broker-dealer/custodian. Broker-dealers such as *Schwab* charge commissions and or transaction fees for effecting certain securities transactions in addition to the fees charged by Eagle. There is no direct financial relationship between Eagle and *Schwab*, or any other brokerage firm.

Although Eagle does not receive any compensation from *Schwab*, there are certain benefits from being an institutional customer of *Schwab*. Eagle has access to *Schwab*'s institutional website which provides account data, live stock quotes, electronic trading, and research from *Schwab* on stocks and mutual funds. Additional benefits include a dedicated customer support team, free software to download information on client *Schwab* accounts, discounts with *Schwab*-owned vendors and ongoing correspondence and counsel on marketing, research, business operations and compliance. Eagle utilizes *Schwab* because it offers an attractive combination of discounted trade commissions, access to lower cost "institutional only" mutual fund shares, a large no-load mutual fund marketplace, a large set of no-transaction fee funds, accuracy in order execution, convenient office locations, financial strength, substantial insurance, responsive customer service and familiarity to clients.

Eagle currently invests client's assets among various individual equity and fixed income securities, exchange traded funds, and mutual funds, on a discretionary basis consistent with the clients investment objectives. Eagle does not issue periodic publications on a subscription basis nor are any special reports or analyses prepared and distributed relating to securities. Eagle does, on a quarterly basis, publish "The Eagle's View" which discusses the state of the economy and Eagle's strategy for investments in the future. On occasion, Eagle publishes a special treatise on a timely subject. These publications are distributed to all clients of Eagle and are also used in the

marketing of the firm's services. Eagle does not issue any charts, graphs formulas or any other devices used by clients in evaluating securities, nor does Eagle furnish any advice to clients involving securities on other than an incidental basis. Eagle offers on an incidental basis very general guidance commonly referred to as financial planning for which Eagle does not market or solicit clients. Eagle does not receive any separate or additional fee.

#### Other Financial Industry Activities or Affiliations

Eagle is also a licensed insurance agency, and its principals serve as its licensed insurance agents. In such capacity, Eagle and its principals are licensed to offer insurance products on a commission basis. If the client requests that Eagle address insurance issues, Eagle may utilize the services of an unaffiliated insurance agency. In such event, the unaffiliated insurance agency and Eagle may share commissions. Eagle does not hold itself out to be an insurance agency and its principals do not solicit clients to purchase insurance products. Insurance services are provided purely as an accommodation to Eagle's clients and Eagle's insurance commission business is not material to its investment advisory operations.

Additionally, Eagle provides investment advice to clients of the Trust Department of Gulf Coast Bank and Trust Company located in Metairie and New Orleans, Louisiana. Eagle has a contractual arrangement to act as the Trust Department's investment management provider and is paid directly by the Trust Department. The clients of the Trust Department are advised by the Trust Department of their relationship with Eagle and each client executes an investment guideline document which is also signed by Eagle and the Trust Department. In addition, the client executes an agency agreement with the Trust Department.

#### Fees

Clients can engage Eagle to perform investment advisory services on a *fee-only* basis. Eagle's investment advisory fee is based upon a percentage (%) of the market value of the assets placed under Eagle's management. These fees are between 0.50% and 1.50% depending on the type of account and are set forth in the *Investment Advisory Agreement* executed by the client.

Eagle's annual fee is prorated and paid quarterly in arrears based upon the market value of the assets on the last business day on the previous quarter. If a client terminates the services of Eagle during a billing quarter, the fee is pro-rated.

Eagle, in its sole discretion, may reduce its minimum fee and/or charge a lesser investment management fee based upon certain criteria ( i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets managed, related accounts, account composition, negotiations with clients and other criteria). In the instances in which Eagle performs services in connection with a plan that use insurance company contracts as a means to offer investment

options, Eagle is compensated on a commission basis at the rate of 0.25% to 1% of assets held. The commissions are reported in Schedule A of the 5500 Federal Form which is filed by the Plan with the Department of Labor.

### Types of Clients

Eagle offers investment advisory services to individuals, banks, pension and profit sharing plans, trusts, estates, charitable organizations and businesses.

### Types of Investments

Eagle provides investment advice on the following types of securities:

- A. Equity investments, exchange traded funds, listed securities, over-the-counter and foreign issuer securities,
- B. Corporate debt securities, commercial paper, certificates of deposit,
- C. Municipal Securities,
- D. Mutual Funds,
- E. United States Government Securities.

### Methods of Analysis, Sources of Information and Investment Strategies

Eagle uses a combination of technical, fundamental and cyclical methods to assess risks and opportunities in the capital markets. Fundamental data helps Eagle identify companies and industries with compelling characteristics. Technical data is used to identify those firms that have demonstrated increases in earnings over sustained a period and securities that have attractive price to earnings ratios. Cyclical data is examined to determine the nature of the economy and to some extent to forecast what industries will be most favorable for investment of client's assets.

Throughout the investment process Eagle consults financial newspapers and magazines both foreign and domestic, research material prepared by others, corporate rating services, annual reports and prospectuses, filings with the SEC and company press releases. Eagle continually adapts its investment strategies to market conditions and individual client needs and requirements. Decades of experience have shown that no one approach works at all times for all clients. Eagle's principal goal in investing client funds in equity securities is to achieve long term capital appreciation. Eagle's fixed income approach is designed to capture a good deal of current return income and some capital appreciation.

A more complete description of the Firm's investment strategy can be found on its web site: [www.eagle-capital.com](http://www.eagle-capital.com).

### Educational and Business Background

The founder and President of the Company is Michael W. Rohm. He was born in 1948 and holds a Bachelor's degree from Louisiana State University and an MBA from the University of Detroit. Prior to forming Eagle in March of 2000, he was Senior Vice-President of JMC Capital Management and prior to that Assistant Treasurer of Entergy Corporation in New Orleans.

The co-founder and Executive Vice-President of Eagle is Kenneth N. Ross. Kenneth was born in 1957. He holds a Bachelor's degree and an MBA from The University of New Orleans. Prior to forming Eagle, he was portfolio manager at JMC Capital Management. He holds the designation of Chartered Financial Analyst.

The Vice President and Portfolio Manager is Eric V. Maxwell. He was born in 1971 and holds a Bachelor's degree from Oklahoma State University and an MBA from the University of Oklahoma. Prior to joining Eagle, he was Director of Compensation and Human Resources Systems for IAP Worldwide Services Inc. in Florida and prior to that Global Human Resource Manager for BearingPoint Inc. in Virginia.

All individuals that give advice on behalf of Eagle must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals are encouraged to seek the appropriate licenses and designations.

### Participation or Interest in Client Transactions

Eagle has implemented an investment policy relative to personal securities transactions. This investment policy is part of Eagle's overall written Code of Ethics which serves to establish a standard of business conduct of Eagle's principals and Associated Persons. This Code is based upon fundamental principles of openness, integrity, honesty and trust. A copy of Eagle's code of Ethics is available upon request. The principals of Eagle may from time to time purchase or sell for themselves the same securities that are purchased for clients. There is deemed to be no conflict of interest because these securities are widely held in publically traded companies and the transaction size is typically far too small to affect the market. Eagle maintains and enforces policies reasonably designed to prevent misuse of material nonpublic information by Eagle or any person associated with Eagle.

### Review of Accounts

Account reviews are conducted on an ongoing basis by the principals of the firm. All clients are advised that it remains their responsibility to inform Eagle of any changes in investment objectives and/or financial situations. All clients are encouraged to review either in person or via



phone their investment objectives and account performance. Clients are provided with transaction confirmation notices and monthly account statements directly by the broker-dealer custodian.

#### Investment and Brokerage Discretion

If requested, Eagle will arrange for executions of securities brokerage transactions for the account through the broker Eagle believes will provide “best execution”. In seeking “best execution”, the determinative factor is not the lowest commission cost, but the best quantitative execution, taking into account the full range of broker-dealers services including execution capability, commission rates and responsiveness. Accordingly, although Eagle will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions. Transactions for each client will generally be affected individually, unless Eagle decides to purchase or sell the same securities for several different clients at approximately the same time. Eagle may “batch” such orders to maintain “best execution”, to negotiate more favorable commission rates or to allocate equitably among clients differences in prices and commissions and other transaction costs. Clients may sometimes direct Eagle to execute transactions through a particular broker-dealer (subject to Eagle’s right to decline and/or terminate the engagement). In such event, the client shall negotiate the commission rates and Eagle will not seek “best execution”. This may result in increased costs to the client. In this event the client acknowledges that the broker-dealer selected by the client may cause the client to experience higher costs, lower prices and problems with execution.

#### Proxy Voting Policy

All proxy votes are the exclusive responsibility of the individual clients. In the case of pension plans where there is more than one client, when a Board of Trustees is involved, Eagle votes all proxies. Eagle’s proxy voting policy is available upon request.

#### Additional Compensation

Clients are sometimes introduced to Eagle by an affiliated or unaffiliated solicitor. Eagle may pay a referral fee to that solicitor. All payments are made in accordance with the requirements of the Rules established under the Investment Advisers Act of 1940 and any corresponding state securities law requirements. Any fee is paid solely from Eagle’s fee and does not result in an additional charge to any client. If an unaffiliated solicitor refers a client to Eagle, the solicitor, at the time of the solicitation is required to disclose the nature of his/hers/its relationship with Eagle and shall provide the client with a written disclosure statement which acknowledges the solicitors compensation and solicitor arrangement with Eagle. Eagle receives client referrals

from Charles Schwab & Co. Inc. (Schwab) through its participation in the *Schwab Advisor Network™ (the Service)* designed to help investors find independent investment advisors. Schwab is a broker-dealer independent and unaffiliated with Eagle and does not supervise Eagle and has no responsibility for Eagle's management of client portfolios of Eagle's other advice and services. Eagle pays fees to *Schwab* to receive client referrals through *the Service*. Participation in this *Service* may raise potential conflicts of interest. Eagle pays a referral fee to *Schwab* for all accounts in the custody of *Schwab* and a Non-Custody fee on all accounts where *Schwab* is not the custodian. This fee is based on a percentage of the value of the client's assets and is paid directly by Eagle. These referral fees are paid by Eagle and not the client. Eagle's fees for these accounts are generally higher for Non-custody *Schwab* accounts than for *Schwab* custody accounts and, therefore, Eagle has an incentive to encourage that accounts remain in the custody of Schwab. Non-custody fees are not required if it is the client's sole decision to transfer any account from *Schwab's* custody.

For accounts maintained in the custody of *Schwab*, *Schwab* generally does not charge separately for custodial services, but receives compensation from Eagle's clients in the form of commission or other transaction related compensation. Schwab charges a fee for trades through another broker-dealer other than *Schwab*. This fee is charged in addition to the commissions charged for the settlement of trades in a clients account. Thus is an incentive for Eagle to execute trades through *Schwab* rather than another broker-dealer. Nevertheless, Eagle acknowledges its obligation to seek best execution on trades in their clients' accounts.

**The firm's Chief Compliance officer, Michael W. Rohm, remains available to address any questions that a client or prospective client may have regarding the firms services, fees, types of investments and methods utilized in developing its investment strategies and relationships with solicitors and broker-dealers.**