

**Firm Brochure**  
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of VANCE CAPITAL MANAGEMENT, LLC. If you have any questions about the contents of this brochure, please contact us at: 209-533-8404, or by email at: [bob@vancecm.com](mailto:bob@vancecm.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any securities authority including the State of California. Being registered or being a registered investment advisor does not imply a certain level of skill or training.

Additional information about VANCE CAPITAL MANAGEMENT, LLC is available on the public website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

July 3, 2012

## Material Changes

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### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory registrations and organization.

We have updated our brochure to reflect changes that needed to be made to conform to the regulations of the state of California. Otherwise, there are no other material changes.

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### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 209-533-8404 or by email at: [bob@vancecm.com](mailto:bob@vancecm.com).

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## Advisory Business

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### Firm Description

VANCE CAPITAL MANAGEMENT, LLC, ("FIRM NAME") was founded in 1998.

VANCE CAPITAL MANAGEMENT, LLC provides personalized confidential financial planning and investment management to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

VANCE CAPITAL MANAGEMENT, LLC is a fee-based financial planning and investment management firm.

VANCE CAPITAL MANAGEMENT, LLC is in the business of selling annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. VANCE CAPITAL MANAGEMENT, LLC is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.

Investment advice is an integral part of financial planning. In addition, VANCE CAPITAL MANAGEMENT, LLC advises clients regarding cash flow, college planning, retirement planning, tax planning and estate planning.

Investment advice is provided, with the client making the final decision on investment selection. VANCE CAPITAL MANAGEMENT, LLC does not act as a custodian of client assets. The client always maintains asset control. VANCE CAPITAL MANAGEMENT, LLC places trades for clients under a limited power of attorney.

A written evaluation of each client's initial situation is often provided to the client, often in the form of a net worth statement. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

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**Principal Owners**

Robert Vance is a 95% stockholder. Margaret Vance is a 5% stockholder.

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**Types of Advisory Services**

VANCE CAPITAL MANAGEMENT, LLC provides investment supervisory services, also known as asset management services; manages investment advisory accounts not involving investment supervisory services; and furnishes investment advice through consultations.

On more than an occasional basis, VANCE CAPITAL MANAGEMENT, LLC furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, insurances, and trust services that often include estate planning.

Vance Capital Management, LLC publishes newsletters for clients. We do not charge for these newsletters. We use them as a way to give clients updates, inform them of new products and services and to discuss the general state of markets and the economy. Any changes are reported in our updates.

As of 12/31/2011, VANCE CAPITAL MANAGEMENT, LLC manages approximately \$32,803,000 in assets for 552 clients. Less than 1% is on a non-discretionary basis with the majority managed on a discretionary basis using a limited power of attorney. Currently none of them are non-discretionary.

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**Tailored Relationships**

The goals and objectives for each client are documented in our client relationship management systems and files. Investment policy statements are sometimes created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

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**Types of Agreements**

The following agreements may be used to define the typical client relationships.

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**Financial Planning Agreement**

A financial plan is designed to help the client with all aspects of financial planning without ongoing investment management after the financial plan is completed.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for

changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the discretion of the client.

A conflict inherently exists between the interests of the financial advisor and the interests of the client. Client is under no obligation to act on the recommendations of the financial advisor. In addition, there is no obligation to purchase any of the products that may be recommended.

Should the client act on the recommendations of the financial advisor, there is no obligation to transact any of the recommendations through the financial advisor. In fact, the financial planning process is designed to minimize conflicts of interest so all recommendations will be such that transactions can be effected through other financial investment firms. No proprietary products will be recommended that cannot be obtained through other financial investment firms.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. There is no minimum (or maximum) fee and is negotiable depending on the hours billed. Time is billed at \$200 per hour. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

After delivery of a financial plan, future face-to-face meetings may be scheduled as necessary. Our hourly fee is \$200.

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### **Advisory Service Agreement**

Most clients choose to have VANCE CAPITAL MANAGEMENT, LLC manage their assets in order to obtain ongoing in-depth advice and life planning. All aspects of the client's financial affairs are reviewed, including oftentimes those of their children. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

Robert M. Vance is a Registered Investment Advisor. This is necessary to provide investment management, hourly advice or financial planning. Being a Registered Investment Advisor in no way implies a certain level of skill or training.

The scope of work and fee for an Advisory Service Agreement is provided to the client in writing prior to the start of the relationship. An Advisory Service



Agreement is for the management of assets. Financial planning concerns such as cash flow management; insurance review; investment management (including performance reporting); education planning; retirement planning; estate planning; and tax preparation, as well as the implementation of recommendations within each area are generally covered by the Financial Planning Agreement. Included with the Advisory Service Agreement may be some of the components of financial planning as part of the services.

The annual Advisory Service Agreement fee is based on a percentage of the investable assets according to the following schedule:

Core Program:

\$0 to \$99,000—1.25% \$100,000 to \$249,999—1.15%  
\$250,000 to \$499,999—1.00% \$500,000 to \$749,999—0.90%  
\$750,000 to \$1,499,999—0.80% \$1,500,000 to \$2,500,000—.70%  
Over \$2,500,000 is negotiable

Core / Satellite Program:

\$0 to \$99,000—1.50% \$100,000 to \$249,999—1.40%  
\$250,000 to \$499,999—1.25% \$500,000 to \$749,999—1.15%  
\$750,000 to \$1,499,999—1.05% \$1,500,000 to \$2,500,000—0.95%  
Over \$2,500,000 is negotiable

Absolute Returns Program:

\$0 to \$99,000—2.0% \$100,000 to \$249,999—1.90%  
\$250,000 to \$499,999—1.75% \$500,000 to \$749,999—1.65%  
\$750,000 to \$1,499,999—1.55% \$1,500,000 to \$2,500,000—1.45%  
Over \$2,500,000 is negotiable

Current client relationships may exist where the fees are lower than the fee schedule above. Also, according to CCR Section 260.238(j), we are disclosing that although our fees are reasonable for the services provided, you may be able to obtain lower fees for comparable services from other sources.

Due to the high costs of wrap-fee accounts, we do not currently offer them.

Although the Advisory Service Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by a 30 day written notice to the other party. Fees are billed in advance on a quarterly basis. The quarterly fee is  $\frac{1}{4}$  of the annual fee and is calculated based on the most recent fiscal quarter (Dec 31, March 31, June 30, September 30)

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**Investment Management Agreement**

An *Investment Management Agreement* may be executed when financial planning is not provided as part of the relationship

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**Hourly Planning Engagements**

VANCE CAPITAL MANAGEMENT, LLC provides hourly planning services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements is \$200.00

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**Asset Management**

Assets are invested primarily in no-load or low-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds.

Stocks, bonds and other types of asset classes also may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades. VANCE CAPITAL MANAGEMENT, LLC does not receive any compensation, in any form, from fund companies, brokerage companies or custodians.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), U. S. government securities, options contracts, and interests in partnerships.

VANCE CAPITAL MANAGEMENT, LLC has from time-to-time recommended third party money managers and advisors. Should we offer this service at a later date then we will verify that they are licensed and notice filed with the California Department of Corporations. We do not offer third party wrap-fee accounts at this time.

Initial public offerings (IPOs) are not available through VANCE CAPITAL MANAGEMENT, LLC.

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**Termination of Agreement**

A Client may terminate any of the aforementioned agreements at any time by notifying VANCE CAPITAL MANAGEMENT, LLC in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination.

## Fees and Compensation

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### Description

VANCE CAPITAL MANAGEMENT, LLC bases its fees on a percentage of assets under management, hourly charges, and/or commissions.

Financial plans are priced according to the degree of complexity associated with the client's situation.

Fees are negotiable.

VANCE CAPITAL MANAGEMENT, LLC conducts workshops and seminars from time-to-time. We do not charge for these events and are a service for our clients.

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### Fee Billing

Investment management fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has begun. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Fees for financial plans are billed upon delivery of the financial plan.

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### Other Fees

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

VANCE CAPITAL MANAGEMENT, LLC, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

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### Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.95% means that the mutual fund company charges 0.95% for their services. These fees are in addition to the fees paid by you to VANCE CAPITAL MANAGEMENT, LLC.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

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**Past Due Accounts and Termination of Agreement**

VANCE CAPITAL MANAGEMENT, LLC reserves the right to stop work on any account that is more than 30 days overdue. In addition, VANCE CAPITAL MANAGEMENT, LLC reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in VANCE CAPITAL MANAGEMENT, LLC's judgment, to providing proper financial advice.

Either party may terminate any Agreement at any time by giving a written notice to the other party. Fees paid in advance of termination will be prorated and any unearned portion will be refunded to the Client.

## **Performance-Based Fees and Side-By-Side Management**

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**Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

VANCE CAPITAL MANAGEMENT, LLC does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## **Types of Clients**

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**Description**

VANCE CAPITAL MANAGEMENT, LLC generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

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**Account Minimums**

The minimum account size is \$100,000 of assets under management, which equates to an annual fee of \$1,250 to \$2,000 depending on the program selected.

VANCE CAPITAL MANAGEMENT, LLC has the discretion to waive the account minimum. Other exceptions may apply to employees of VANCE CAPITAL MANAGEMENT, LLC and their relatives, or relatives of existing clients.

# Methods of Analysis, Investment Strategies and Risk of Loss

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## Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that VANCE CAPITAL MANAGEMENT, LLC may use include Morningstar Principia mutual fund information, Morningstar Principia stock information, Charles Schwab & Company's "SchwabLink" service, Advisor Intelligence, and the World Wide Web.

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## Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. This means that we use passively-managed index and exchange-traded funds as the core investments, and then add actively-managed funds where there are greater opportunities to make a difference. Portfolios are globally diversified to control the risk associated with traditional markets.

We also offer an Absolute Returns Program. This is designed to take advantage of short term market moves and take advantage of trends in the market place. It is also structured to use inverse funds (move opposite the market) to take advantage of market declines.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies) and inverse funds.

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## Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real security properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## Disciplinary Information

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### Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients. The firm and its employees have not been involved in any type of civil suit, arbitration, criminal suit or bankruptcy.

## Other Financial Industry Activities and Affiliations

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### Affiliations

VANCE CAPITAL MANAGEMENT, LLC has arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, banking or thrift institution, insurance company or insurance agency.

We have a relationship with a broker/dealer, Ridgeway and Conger, Inc. We use them for any commission products which is separate from our fee based business which is our State of California registration.

As part of our relationship with the broker/dealer, Ridgeway and Conger, Inc., we use banking products such as CDs, money market accounts and foreign CDs for which we get paid a commission.

We are licensed to sell life, health, disability and long term care insurance as well as property and casualty insurance per license #0789284. We use a number of different insurance companies and general agencies. We typically try to find the best pricing for clients and will become licensed with certain insurance companies for that reason alone. We intend to begin selling property and casualty insurance by 12/31/2012.

We do not recommend or select other advisors and we do not receive any compensation relating to our business relationships. Hence, we have no conflicts of interest.

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

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### Code of Ethics

The employees of VANCE CAPITAL MANAGEMENT, LLC have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request. Each person signs a Confidentiality Agreement as well.

### Participation or Interest in Client Transactions

VANCE CAPITAL MANAGEMENT, LLC and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the VANCE CAPITAL MANAGEMENT, LLC *Compliance Manual*.

### Personal Trading

The Chief Compliance Officer of VANCE CAPITAL MANAGEMENT, LLC is Robert Vance. He reviews all employee trades each quarter that involve individual securities. The personal trading reviews ensure that the personal

trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

## Brokerage Practices

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### Selecting Brokerage Firms

VANCE CAPITAL MANAGEMENT, LLC does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. VANCE CAPITAL MANAGEMENT, LLC recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

VANCE CAPITAL MANAGEMENT, LLC recommends discount brokerage firms and trust companies (qualified custodians), such as Charles Schwab, and Trust Company of America.

Robert Vance is a Registered Representative with Ridgeway and Conger, Inc.

VANCE CAPITAL MANAGEMENT, LLC does not receive fees or commissions from any of these arrangements. Fees and commissions are paid to Robert Vance, sole proprietor, with a nominee interest to VANCE CAPITAL MANAGEMENT, LLC.

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### Best Execution

VANCE CAPITAL MANAGEMENT, LLC reviews the execution of trades at each custodian each quarter. The review is documented in the VANCE CAPITAL MANAGEMENT, LLC *Compliance Manual*. Trading fees charged by the custodians is also reviewed on a quarterly basis. VANCE CAPITAL MANAGEMENT, LLC does not receive any portion of the trading fees.

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### Soft Dollars and Research

VANCE CAPITAL MANAGEMENT, LLC has received soft dollar payments for financial planning software. One of our custodians, Charles Schwab does provide third party research for using their platform. They provide both proprietary research and third party research.

This is a benefit to VANCE CAPITAL MANAGEMENT, LLC since we do not have to pay for it ourselves. It may be possible that we may have an incentive to transact business with Charles Schwab that could make the costs for clients to be higher than another firm. We are not aware of clients paying higher fees because of our soft dollar benefits.

All clients will benefit from any research or soft dollars that we choose to use.



All fee based advisors that use Charles Schwab are entitled to the same research and that benefit can help all our clients. We don't direct any accounts based on soft dollars.

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**Order Aggregation**

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

## **Review of Accounts**

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**Periodic Reviews**

Account reviews are performed quarterly, semi-annually, annually or bi-annually as needed by advisor, Robert M. Vance, MS, CLU, ChFC, CFP®, . Account reviews are performed more frequently when market conditions dictate.

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**Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

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**Regular Reports**

Clients receive periodic communications on at least an annual basis. All reports are done as needed or requested by the client.

## **Client Referrals and Other Compensation**

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**Incoming Referrals**

VANCE CAPITAL MANAGEMENT, LLC has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals. The firm has had formal relationships with other firms that are registered with the SEC or FINRA but currently none exist.

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**Referrals Out**

VANCE CAPITAL MANAGEMENT, LLC does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

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**Other Compensation**

VANCE CAPITAL MANAGEMENT, LLC. has engaged in selling and buying precious metals.

Robert Vance is licensed as an insurance agent and receives commissions directly from the insurance companies. He is also licensed to sell commissionable products through Ridgeway and Conger, Inc, but in no case is a fee ever imposed over a commission of any kind.

## **Custody**

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### **SECURITIES “Custody”**

VANCE CAPITAL MANAGEMENT, LLC is considered to have custody of accounts. Previously debiting accounts for payment of fees was not considered custody in this sense. We comply with the current rules regarding custody which are found in CCR Section 260.237.2. We maintain net capital requirements as mandated by the California Department of Corporations.

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### **Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

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### **Performance Reports**

Some custodians such as Trust Company of America provide performance reports. VANCE CAPITAL MANAGEMENT, LLC no longer provides in-house performance reports due to the liability of such reports.

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### **Net Worth Statements**

Clients are often provided net worth Statements and net worth graphs that are generated from our client relationship management system. Net worth Statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth Statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

## **Investment Discretion**

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### **Discretionary Authority for Trading**

VANCE CAPITAL MANAGEMENT, LLC accepts discretionary authority to manage securities accounts on behalf of clients. VANCE CAPITAL MANAGEMENT, LLC has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

The client approves the custodian to be used and the commission rates paid to the custodian. VANCE CAPITAL MANAGEMENT, LLC does not receive

any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the strategy you have selected.

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**Limited Power of Attorney**

A limited power of attorney is a trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades that you have approved.

## **Voting Client SECURITIES**

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**Proxy Votes**

Unless the client designates otherwise, VANCE CAPITAL MANAGEMENT, LLC votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. A copy of VANCE CAPITAL MANAGEMENT, LLC's proxy voting policy is available upon request.

## **Financial Information**

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**Financial Condition**

VANCE CAPITAL MANAGEMENT, LLC does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet and net capital worksheets are required to be provided because VANCE CAPITAL MANAGEMENT, LLC is considered to have custody. We do not require clients to pay fees more than \$500 more than six months in advance.

VANCE CAPITAL MANAGEMENT, LLC in compliance with the State of California does submit to net capital requirements.

Non-affiliated third parties may notify us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment. We also have a business continuity plan in place for dealing with natural disasters or other types of emergencies that would require us to operate from another location than our current office.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and State regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by Federal and State securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing. Brochure Supplement (Part 2B of Form ADV)

None of the owners of VANCE CAPITAL MANAGEMENT, LLC have been involved in an arbitration suit, civil suit, criminal suit or a bankruptcy of any kind.

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### **Education and Business Standards**

VANCE CAPITAL MANAGEMENT, LLC requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, MS, CFP®, CFA, ChFC, JD, CLU, EA or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management. Our belief is our advisors should have to have more education and credentials than a major brokerage firm requires.

Currently, Robert M. Vance, MS, CLU, ChFC, CFP® is the only employee of VANCE CAPITAL MANAGEMENT, LLC that is advising clients, making trading decisions or meeting with clients for the purpose of providing any kind of financial or investment advice.

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### **Professional Certifications**

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.

- Successfully pass the Candidate Fitness Standards and background check.

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**Robert M. Vance, MS, CLU, ChFC, CFP®**

March, 13, 1951

Education:

BS Finance, Colorado State University, 1973  
 Certified Financial Planner, College for Financial Planning, 1991  
 Chartered Life Underwriter, American College  
 Master of Science Financial Planning, College for Financial Planning  
 Chartered Financial Consultant, American College  
 1998-Present VANCE CAPITAL MANAGEMENT, LLC  
 1990-1998 American Express Financial Advisors, Inc.

Business Experience:

1998 – Present: VANCE CAPITAL MANAGEMENT, LLC  
 1990 – 1998 American Express Financial Advisors

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**Margaret B. Vance**

June 10, 1953

Education:

BS Finance, California State University at Stanislaus, 2004

Business Experience:

1998-Present: VANCE CAPITAL MANAGEMENT, LLC

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**Requirements for State-Registered Advisers**

Item A—Educational Background and Business Experience

Robert M. Vance (Born 1951)

Mr. Vance graduated from Colorado State University with a bachelor's degree in finance in 1973. He received his masters of Science degree from the College for Financial Planning in 2003. Mr. Vance was a financial advisor for IDS/American Express and American Express Financial Advisors from 1990 to 1998. In 1998, he formed VANCE CAPITAL MANAGEMENT, LLC.

Margaret B. Vance (Born 1953)

Mrs. Vance graduated from California State University at Stanislaus with a bachelor's degree in finance in 2004. She has worked for VANCE CAPITAL MANAGEMENT, LLC since 1998.

#### Item B—Other Business Activities

Mr. Vance operates as a registered representative and is affiliated with Ridgeway and Conger, Inc. He receives commissions as well as service fees from mutual funds, bank and insurance companies.

He also has a life and health insurance license as well as a property and casualty license, CA #0789284 and helps clients with their insurance needs. Mr. Vance prepares tax returns as well. Time spent in these activities is less than 10%.

These activities could lead to conflicts of interests. We try to mitigate these potential conflicts by putting client needs first. We believe that we have a fiduciary duty to clients and we adhere to the ethics standards as put forth by the Certified Financial Planners Board of Standards Inc. We also believe that we have disclosed all material conflicts of interest under CCR Section 260.238 (k) regarding the investment advisor, its representatives or any employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Mrs. Vance is an administrator only and is not licensed to give advice to clients and is not subject to any conflicts of interest.

#### Item C—Compensation

We are not compensated with performance-based fees. We believe that this is inappropriate and can lead to higher risk portfolios.

#### Item D—Management and Disciplinary Information

Mr. Vance does not have any disciplinary information to disclose. He has not been party to a) a criminal or civil action in a domestic, foreign or military court; b) an administrative proceeding before the SEC, FINRA, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority; c) a self-regulatory proceeding; or d) any other proceeding in which a professional attainment, designation, or license was revoked.

Mrs. Vance has never been subjected to any disciplinary procedures.

#### Item E—Management and Securities

VANCE CAPITAL MANAGEMENT, LLC and its employees, including Robert M. Vance and Margaret B. Vance have not nor currently have any arrangements or relationships with any issuers of securities

# **Vance Capital Management**

## **Part 2B of Form ADV Brochure Supplement**

**Robert M. Vance, MS, CLU, ChFC, CFP®**

**Vance Capital Management, LLC**

**14570 Mono Way, Suite A**

**Sonora, CA 95370**

**209.533.8404**

**June 29, 2012**

This brochure supplement provides information about Robert Vance that supplements Vance Capital Management, LLC's disclosure brochure. You should have received a copy of that brochure. Please contact Vance Capital Management, LLC's compliance department by calling 800-750-4457 if you did not receive a copy of their brochure or if you have any questions about the contents of this supplement.

Additional information about Robert Vance is available on the SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Robert M. Vance (Born 1951)

## Item 2—Educational Background and Business Experience

Mr. Vance graduated from Colorado State University with a bachelor's degree in finance in 1973. He received his Master of Science degree from the College for Financial Planning in 2003. Mr. Vance was a financial advisor for IDS/American Express and American Express Financial Advisors from 1990 to 1998. In 1998, he formed Vance Capital Management, LLC. Additional employment information is below:

<b>Office of Employment Address History</b>				
<b>From</b>	<b>To</b>	<b>Firm</b>	<b>Address</b>	<b>Position</b>
10/28/2011	Present	RIDGEWAY & CONGER, INC. (113055)	2123 MAIN STREET NEW WOODSTOCK, NY 13122	Registered Representative
10/28/2011	Present	RIDGEWAY & CONGER, INC. (113055)	14570 MONO WAY SUITE A SONORA, CA 95370	Registered Representative
06/22/2006	10/31/2011	BFT FINANCIAL GROUP, LLC (109121)	14570 MONO WAY SUITE A SONORA, CA 95370	Registered Representative
08/01/2003	10/31/2011	BFT FINANCIAL GROUP, LLC (109121)	14570 MONO WAY, STE. A SONORA, CA 95370	Registered Representative
07/10/2001	08/01/2003	WORLD CHOICE SECURITIES, INC. (30933)	14570 MONO WAY, SUITE A SONORA, CA 95370	Registered Representative
07/24/2000	07/05/2001	MACKEN SECURITIES, INC. (13390)	14570 MONO WAY, SUITE A SONORA, CA 95370	Registered Representative
05/01/1998	Present	VANCE CAPITAL MANAGEMENT, LLC ( <a href="#">128678</a> )	14570 MONO WAY SONORA, CA 95370	Manager/ Owner
04/27/1998	07/21/2000	SUNAMERICA SECURITIES, INC. (20068)	14570 MONOWAY SUITE A SONORA, CA 95370	Registered Representative
03/01/1990	04/28/1998	AMERICAN EXPRESS FINANCIAL ADVISORS INC. (6363)	1150 NINTH STREET CENTRE PLAZA OFF TWR SUITE 1200 MODESTO, CA 95354	Registered Representative



03/01/1990	04/28/1998	IDS LIFE INSURANCE COMPANY (6321)	101 COLLEGE AVENUE SUITE 3 MODESTO, CA 95350	Registered Representative	
10/01/1988	06/23/1989	DREAMWEST SECURITIES CORPORATION (19478)	6 S WASHINGTON ST #3 SONORA, CA 95370	Registered Representative	

### Item 3—Disciplinary Information

Mr. Vance does not have any disciplinary information to disclose. He has not been party to a) a criminal or civil action in a domestic, foreign or military court; b) an administrative proceeding before the SEC, FINRA, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority; c) a self-regulatory proceeding; or d) any other proceeding in which a professional attainment, designation, or license was revoked.

### Item 4—Other Business Activities

Mr. Vance operates as a registered representative and is affiliated with Ridgeway and Conger, Inc. He receives commissions as well as service fees from mutual funds, bank and insurance companies.

He also has a life and health insurance license and helps clients with their insurance needs. Mr. Vance prepares tax returns as well.

These activities could lead to conflicts of interests. We try to mitigate these potential conflicts by putting client needs first. We believe that we have a fiduciary duty to clients and we adhere to the ethics standards as put forth by the Certified Financial Planners Board of Standards Inc.

### Item 5—Additional Compensation

Mr. Vance does not receive any additional economic benefit from third parties for providing advisory services.

### Item 6—Supervision

Mr. Vance is the Chief Compliance Officer for Vance Capital Management, LLC and is responsible for his day-to-day supervision. Vance Capital Management, LLC has procedures for supervising the investment process and portfolio management of their clients.

### Item 7—Requirements for State-Registered Advisers

Mr. Vance has not been involved in any arbitration claims, civil claims, nor self-regulatory organization claims. He has not been charged with any misdemeanor or felony and he has not been the subject of a bankruptcy petition.

# **Vance Capital Management**

## **Part 2B of Form ADV Brochure Supplement**

**Elizabeth J. Wright**

**Vance Capital Management, LLC**

**14570 Mono Way, Suite A**

**Sonora, CA 95370**

**209.533.8404**

**June 29, 2012**

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**VANCE CAPITAL MANAGEMENT, LLC**

This brochure supplement provides information about Elizabeth Wright that supplements Vance Capital Management, LLC's disclosure brochure. You should have received a copy of that brochure. Please contact Vance Capital Management, LLC's compliance department by calling 800-750-4457 if you did not receive a copy of their brochure or if you have any questions about the contents of this supplement.

Additional information about Elizabeth Wright may be available on the SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Elizabeth J. Wright (Born 1983)

#### Item 2—Educational Background and Business Experience

Mrs. Wright graduated from California State University at Chico with a bachelor's degree in nutrition in 2005. Mrs. Wright joined Vance Capital Management, LLC in 2007. Below is her employment history.

From	To	Firm	Position
10/28/2011	Present	RIDGEWAY & CONGER, INC. (113055)	Administrative
02/19/2008	Present	BFT FINANCIAL GROUP, LLC (109121)	Administrative
12/01/2007	Present	VANCE CAPITAL MANAGEMENT, LLC ( <a href="#">128678</a> )	Administrative, Registered Investment Advisor

#### Item 3—Disciplinary Information

Mrs. Wright does not have any disciplinary information to disclose. She has not been party to a) a criminal or civil action in a domestic, foreign or military court; b) an administrative proceeding before the SEC, FINRA, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority; c) a self-regulatory proceeding; or d) any other proceeding in which a professional attainment, designation, or license was revoked.

#### Item 4—Other Business Activities

Mrs. Wright has no other business activities to report.

#### Item 5—Additional Compensation

Mrs. Wright does not receive any additional economic benefit from third parties for providing advisory services.

#### Item 6—Supervision

Mr. Vance is the Chief Compliance Officer for Vance Capital Management, LLC and is responsible for Mrs. Wright's day-to-day supervision. Vance Capital Management, LLC has procedures for supervising the investment process and portfolio management of their clients.

#### Item 7—Requirements for State-Registered Advisers

Mrs. Wright has not been involved in any arbitration claims, civil claims, nor self-regulatory organization claims. She has not been charged with any misdemeanor or felony and he has not been the subject of a bankruptcy petition.