



Creating clarity from complexity.

Form ADV, Parts 2A and 2B
November 7, 2016

104 Tiburon Boulevard, Suite 200
Mill Valley, CA 94941
(415) 321-2950

www.LTSCapital.org

This brochure provides information about the qualifications and business practices of LTS Capital Advisors, which is the trade name of Long-Term Solutions, LLC. If you have any questions about the contents of this brochure, please contact us at (415) 321-2950. 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 LTS Capital Advisors and Long-Term Solutions, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Long-Term Solutions, LLC is an SEC-registered Investment Adviser. SEC registration does not imply that it has reviewed the skills or training of the Adviser.

Part 2A

Item 2 MATERIAL CHANGES

Update

LTS Capital Advisors (“LTS” or “the Firm”) is pleased to provide its clients and prospective clients with this Brochure, which is the Firm’s Form ADV Part 2A and Part 2B. The Brochure contains important information about the Firm’s business practices as well as a description of potential conflicts of interest relating to the Firm’s advisory business that could affect a client’s account.

This Brochure, dated November 7, 2016, is an amendment to the last update to this Brochure, which was dated May 11, 2016.

Material changes since the last annual update:

- Eyefluence, Inc., a company in which our affiliates LTS Capital Partners II—Eyefluence A, LLC and LTS Capital Partners—Eyefluence B, LLC invested through pooled investment vehicles offered to LTS Capital Advisors clients, was acquired by Google, Inc. on October 17, 2016. Any references to Eyefluence, Inc. in this brochure have therefore been deleted.
- Updating current disclosures in Items 4, 5, 8, 10, 13, 15, 18 and our Privacy Policy

Please note that this section of the Brochure discusses only material changes since the last update of our Brochure. For any future material changes to this and subsequent Brochures, we will provide you with the updated Brochure or a summary of material changes within 120 days of the close of our fiscal year, or more often if necessary.

More information about LTS Capital Advisors and Long-Term Solutions, LLC and our employees who are registered as investment advisers may be found on the SEC’s website: www.adviserinfo.sec.gov

Item 3 TABLE OF CONTENTS

Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	5
	Overview of the Firm	
	Services Offered	
	Services Provided Through LTS Capital Advisors	
	Services Provided Through LTS Capital Partners	
	Services Provided Through LTS Access Program	
	Investment Approach	
	Other Information	
Item 5	Fees and Compensation	8
	Investment Management Fees	
	Fees for Other Services	
	General	
	Wealth and Investment Advisor Services Agreement	
	Negotiated Fees	
	Fee Components	
	Termination of Services	
	Additional Compensation	
	Solicitor Referral Arrangements	
	LTS Capital Partners	
Item 6	Performance-Based Fees and Side-by-Side Management	12
Item 7	Types of Clients	12
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	13
Item 9	Disciplinary Information	19
Item 10	Other Financial Industry Activities and Affiliations	20
Item 11	Code of Ethics	21

Item 12	Brokerage Practices	22
Item 13	Review of Accounts	23
Item 14	Client Referrals and Other Compensation	24
Item 15	Custody	24
Item 16	Investment Discretion	25
Item 17	Voting of Client Securities	25
Item 18	Financial Information	26
	Privacy Policy Notice	27
	Form ADV Part 2B	29

Item 4 ADVISORY BUSINESS

LTS Capital Advisors (“LTS”, or “the Firm”) is the trade name of Long-Term Solutions, LLC, which is a family-owned Mill Valley, California-based wealth and investment management firm that delivers customized solutions to preserve, grow, and transfer wealth. Our mission is to help our clients achieve long-term financial success without hindering their lifestyle. Our goal is to provide unbiased advice and access to alternative and institutional-quality investments, with unsurpassed attention and personalized service.

Services offered

LTS offers three categories of services, any or all of which are available to clients who qualify:

1. Financial advisory and wealth management services through LTS Capital Advisors
2. Direct private equity pooled investment vehicles under the LTS Capital Partners banner
3. Access to institutional-quality alternative investments through the LTS Access Program

LTS Capital Advisors *creates clarity from complexity.*

Services provided through LTS Capital Advisors

LTS Capital Advisors provides custom-tailored solutions to a select group of clients with substantial assets. LTS acts as your CIO to evaluate and select investment managers and pooled investments for client accounts, and advise on portfolio design and implementation, to meet investment needs as individually tailored to each client. Our diverse team with its complementary areas of expertise can provide in-depth consulting on financial planning, investment strategy and management, global asset review, commercial real estate investment and development, closely held companies and transition planning, coordination of tax and estate strategies, and strategic philanthropy.

Capital Sufficiency Analysis

A Capital Sufficiency Analysis (aka Financial Plan) provides an in-depth analysis of income, expenses, and assets and liabilities over time. By projecting multiple outcomes into the future, based on parameters defined by the client, it tests investment outcomes in terms of asset and cash flow growth, adjusted for taxes and inflation, and measures the likelihood of achieving defined financial goals.

The Capital Sufficiency Analysis provides the basis for a comprehensive wealth management plan addressing investments, taxes, estate planning, risk management, asset protection, insurance, retirement, philanthropy, wealth transfer and inheritance, and the transition or liquidation of family enterprises.

Investment Strategy and Management

A goals-based approach to investing and portfolio construction that is driven by client goals and objectives and supported by in-depth research. Our approach is to build thoughtful portfolios in ways that seek to provide downside protection and excellent risk-adjusted returns. We design our portfolios around a core of index-based investments and seek to enhance performance and reduce

the risk of loss by selectively adding actively managed liquid and private investments to create portfolios with low correlation to the broad markets.

Client portfolios may also incorporate tax overlay strategies, including tax-loss harvesting, to maximize after-tax returns of the portfolio. Tax loss harvesting uses previously unrealized investment losses to offset realized capital gains and ordinary income from other sources, lowers tax liabilities at year-end, and increases the after-tax return of the overall portfolio.

Global Asset Review and Consolidated Reporting

It is a common scenario for affluent individuals to have a wide variety of assets, often held in multiple accounts with multiple custodians and managers, with no consolidated balance sheets, cash flow projections, or performance reporting. By conducting a global review of all assets, their associated liabilities and cash flows, we can help make sense of:

- Overall allocation
- Risk profile
- Expected performance and cash flows of complex asset holdings
- Solutions for unintended concentration of risk
- Recommendations for rationalization, simplification, performance and tax efficiency improvement.
- Using the LTS private client online portal, clients can maintain an on-demand consolidated overview of all assets, their value and their performance.

Real Estate and Closely Held Company Consulting Services

LTS provides fee-based and performance-based real estate advisory and implementation services based on the experience of Richard Intrater and George Brewster, who collectively have been involved in over \$3 billion of commercial real estate transactions. Assignments have included portfolio acquisitions and dispositions, equity and debt financings, development, and asset management for office, multi-family, retail, and specialty assets. George has held the professional designation of Counselor of Real Estate (CRE) since 2005.

Tax & Estate Strategies

Working directly with you, and coordinating with your legal and accounting advisors, we can work with you to resolve complex tax, estate and succession issues.

Strategic Philanthropy

- Creation and management of philanthropic plans
- Creation and management of donor-advised funds, family foundations, and charitable trusts
- Coordination of philanthropy with estate planning
- Grant-making advisory services

Family Office Services

- Custom-tailored family office services on an ongoing or periodic basis
- Family foundation oversight
- Trustee selection advisory
- Family continuity/education
- Wealth transfer planning
- Transition consulting for family businesses

- Integrated personal budgeting and cash flow forecasting
- We do not offer bill paying, accounting or personal trustee services

Services provided through LTS Capital Partners

LTS Capital Partners is the banner under which LTS provides investment advisory and research services to privately offered pooled investment vehicles that invest in private venture- and growth-stage companies that typically possess significant intellectual property with broad applications and strong IP protection. To date, there have been 19 such offerings, including LTS Capital Partners I, LP, LTS Capital Partners II, LLC (a series LLC), LTS Capital Partners—Fallbrook, LLC, etc., which have raised a combined total of approximately \$20 million. Richard L. Intrater, owner of LTS, is the GP or Managing Member of each of these entities and LTS Capital Advisors provides advice directly to the entities and not individually to the partners or members of the entities. Current LTS Capital Advisors clients receive first priority to invest in these limited offerings.

Services provided through the LTS Access Program

LTS Access is our program to offer qualified investors investment advisory and research services to access institutional-quality managers including KKR, Carlyle, Apollo and Portfolio Advisors, as well as established and emerging hedge fund managers, at reduced minimums and/or fees. We provide research, due diligence, unbiased advice and low-minimum access to private alternative investments including structured investments, private equity, hedge and venture capital funds. These investments are often made available to qualified LTS clients at lower investment minimums than normally required from retail investors due to our long-standing relationships with many top alternative investment sponsors. These sponsors sometimes also offer reduced fee structures to LTS clients. Qualification standards for each investment sponsor must be met in order to invest. LTS receives no compensation from third party investment sponsors and receives only asset management fees from its clients for this service. In addition, LTS clients who have extensive private equity and hedge fund holdings may place them under supervision with LTS and arrange for consolidated balance sheet, cash flow and performance reporting through the LTS client portal.

Investment Approach

The LTS investment advisory team practices a highly disciplined approach to the design of goals-based investment plans. In collaboration with the client, we review risk tolerance, cash flow and liquidity needs, time horizons, return goals, and tax considerations and memorialize the resulting strategy in an extensive, custom-tailored Investment Policy Statement (IPS). The IPS forms the basis for the implementation and monitoring of wealth management clients' financial success.

Our investment approach uses strategic and tactical asset allocation and hedged investments to attempt to capture upside and limit downside in volatile market environments. Liquid equity and debt security positions are supplemented with private equity, credit and other alternatives to conventional stock-and-bond portfolios to reduce correlation to market volatility and enhance performance without unnecessarily increasing risk.

Other Information

LTS is an independent Registered Investment Adviser (RIA) headquartered in Mill Valley, California. Richard L. Intrater, its President and CEO, is the principal owner through a family trust. Mr. Intrater has a background in international finance, investment banking and wealth management, having formerly served as Senior Vice President of Bond Trading at Lehman Brothers, founder of Sutter Street Capital Management and as Senior Managing Director and Member of the Board of Directors of Sand Hill Advisors.

LTS was founded in 2005 to manage the complex portfolio of a multi-generational family office, together with its related entities, trusts and philanthropies. Our affiliated series of private equity investments, under the banner of LTS Capital Partners, was created to make direct investments in private, venture- and growth-stage tech companies, with an emphasis on promising socially responsible technologies. LTS and LTS Capital Partners have since evolved to offer their services and investments to multiple high net worth families and trusts, foundations, businesses and retirement plans. We accept clients who can benefit from our unique blend of abilities, and with whom we can develop long term relationships.

LTS is not owned by, or affiliated with, any bank, broker-dealer, insurance company, or other investment manager. LTS does not have custody of client assets, except as noted below. LTS is not a broker-dealer, custodian or trust. LTS and its employees do not accept any compensation other than asset-based and transaction fees from its clients, except in connection with LTS Capital Partners, from which it receives fund organization and operating expenses, management fees and performance-based fees. Investors in LTS Capital Partners vehicles do not pay wealth management fees on those investments. Except as may be disclosed herein, LTS does not receive remuneration or participate in commissions, sales charges, service fees, 12b-1 fees, or any other form of monetary compensation from third parties in connection with the selection or recommendation of investments.

As of October 31, 2016, the Firm managed approximately \$147.3 million (\$147,311,877) of client assets for 90 clients and twelve pooled investment vehicles, consisting of \$96,687,687 of discretionary assets and \$50,614,190 of non-discretionary assets.

Item 5 FEES AND COMPENSATION

Investment Advisory Fees

LTS generally bases its wealth and investment advisory fees on assets under management or advisement. Normally our fee starts at 100 basis points (1.0%) of assets under management per annum for accounts, with higher fees on smaller and more complex accounts. Fees can be reduced for larger portfolios at our discretion. Portfolios consisting of assets on which LTS advises, but does not actively manage, assets are billed at a lower rate.

Wealth and investment management fees are based upon the quarterly ending balance of all securities (except LTS Capital Partners investments) and other managed or supervised assets in client accounts. Wealth and investment management fees are billed quarterly, in advance, and are normally deducted from client accounts. LTS Access program clients are billed semi-annually, in advance, based

on either a) the total investment commitment, in the case of private equity and other funds that are invested in multiple draws over a period of time, or b) the reported investment balance as of the month end closest to the anniversary date of the investment, in the case of hedge funds and other investments where the entire investment amount is paid upon subscription. LTS performs periodic testing to ensure that fees are calculated and billed in accordance with the Agreement.

LTS also offers clients the option of paying on a consulting fee basis. Consulting fees are negotiated in advance and are custom-tailored to the specific needs of the client.

Consolidated asset reporting and monitoring through the LTS private client portal permits clients to consolidate information on assets, liabilities and cash flows, including private equity investments and real estate assets. It is available to all LTS wealth and investment management clients. Assets included in consolidated reporting that are not under LTS management are billed at a negotiated rate.

Fees for wealth and investment management services are specified in our Wealth and Investment Management Services Agreement and in our LTS Access Investment Management Services Agreement. The former are usually for a term of two years and are thereafter renewed automatically unless notice is given by either party to terminate ninety days prior to the date of expiration. The latter are typically for the life of the investment.

LTS clients receive monthly or quarterly account statements directly from the custodian, except in the case of LTS Capital Partners investments, which issue annual Schedule K-1s. LTS clients may opt out of electronic delivery of statements. The Firm also provides performance reports at least annually.

Fees for Other Services

Fees for financial planning are based on the complexity of the plan, and generally range from \$2,500 to \$15,000 for a custom Capital Sufficiency Analysis. Other financial planning and wealth management consulting and implementation services are charged separately, based on an hourly rate of \$250 to \$500 or a negotiated flat fee, depending on the needs of the client.

General

Asset-based fees are based on the quarterly ending balances of the reported fair market value of publically listed assets managed or advised by LTS. Fees on hedge fund investments are based on the latest month-end value reported by the fund manager as of the close of the billing quarter. Third party private equity investments are generally billed on the investment value last reported by the fund manager, except in the case of the LTS Access Program, which bases fees on total committed capital. If wealth and investment management clients invest in LTS Capital Partners investment vehicles, the Firm excludes the value of these investments from client portfolio values for wealth and investment management fee purposes. LTS does not encourage clients to use margin trading, although margin account balances may occur in some accounts, from time to time, because of cash flow timing issues, especially for investors in third-party private equity investments. To the extent that margin is employed, fees payable to LTS may be increased, since any margin debit will not be offset against the value of the assets on which asset management fees are charged, unless agreed otherwise between LTS and the client in advance.

Wealth and Investment Advisory Services Agreement

LTS clients enter into a written agreement which details the nature of the advisory relationship, the nature of discretionary investment authority, the fee basis and rate, and whether the client wishes to have fees deducted from one or more accounts, or invoiced separately, among other matters.

Negotiated Fees

LTS may waive all or part of its fees, in its discretion, and may make lower fee arrangements or otherwise negotiate different arrangements in certain circumstances. Advisory accounts of family members and employees are generally charged a lower fee or no fee.

Fee Components

The Firm's wealth and investment management fee, based on assets under management, covers wealth and investment management services specified in the Wealth and Investment Management Services Agreement. Other services, if requested, may be provided and charged separately. Underlying managers of portfolio funds, separate accounts, exchange traded funds, mutual funds, and private equity and hedge funds in which a client invests also charge management fees and in some cases also charge incentive allocations or performance fees. LTS does not charge performance fees for wealth and investment management services, although it has done so with certain clients in the Access Program. LTS does not benefit, directly or indirectly, from any such fees paid by clients to third party investment managers. Clients may also incur, directly or indirectly, brokerage costs, other transaction costs, custodian fees, and other fees and expenses, depending on the custodian selected, the investment type, portfolio structure and account activity.

Termination of Services

Clients may terminate their relationship at any time, subject to certain provisions in the Wealth and Investment Management Services Agreement. For agreement effective dates or termination dates falling on dates other than quarter end, fees will be prorated based on the actual number of days and average daily assets during the proration period. Any fees paid in advance exceeding the termination notice period for services yet to be rendered will be remitted on a pro-rata basis within five (5) weeks of termination.

Additional Compensation

With the exceptions discussed below, LTS is a fee-only investment advisor and is compensated exclusively by its clients. LTS and its employees do not accept any remuneration from third parties, including sales charges, service fees, 12b-1 fees, or soft dollar compensation in connection with the selection or recommendation of any investment managers, products or securities, except as disclosed below.

LTS receives organization and operating expense fees or reimbursements, management fees and performance-based compensation in its role as manager and advisor to LTS Capital Partners pooled investment vehicles (see below). LTS sometimes receives payments from target companies of its pooled equity vehicles, including Fallbrook Technologies and Bio2, to help defray organizational expenses. LTS receives certain software services from Charles Schwab & Co. which assist LTS in

complying with SEC regulations, which LTS would have to pay for if they were not supplied by Schwab. We do not believe the provision of these services increases fees paid by clients who custody their LTS-advised accounts at Schwab, nor is the provision of these services at no cost a factor in making best execution decisions.

Solicitor Referral Arrangements

LTS has entered into a solicitor referral arrangement with an unaffiliated third party. Under this arrangement, the solicitor is paid cash referral fees by LTS for referrals of prospective clients to LTS that result in new revenue to LTS. No additional amount is added to the fees charged by LTS to clients so referred and the solicitor is paid solely out of revenue received by LTS from the referred client(s). LTS complies with SEC disclosure and record keeping requirements in connection with solicitor referral arrangements.

LTS Capital Partners Pooled Investment Vehicles

LTS is the manager and investment adviser to the LTS Capital Partners series of proprietary private equity pooled investment vehicles. These proprietary investments offer access to direct equity and debt investments in privately held companies. Investors in LTS Capital Partners offerings must invest the minimum amount required by each offering, unless the minimum is waived by LTS, and usually must have a net worth excluding residence of at least \$2 million in accordance with the requirements of the Investment Advisers Act of 1940 (the Advisers Act).

The Firm provides administrative, advisory and management services to these entities as disclosed in the relevant offering documents, and receives fees and other compensation from the entities. The opportunity to invest in these investments may be made available to the Firm's clients and employees, as well as non-clients. There is no obligation for any client to purchase any interest in any LTS Capital Partners investment vehicle. Some, but not all, of the Firm's clients and employees have made investments in, and are limited partners and/or members of, these entities. Employees of the Firm who invest in LTS Capital Partners entities do so on the same terms and conditions as other investors, and receive no discount or other consideration for doing so.

In its capacity as advisor to LTS Capital Partners, the Firm charges each investment participant an annual management fee that is typically 1% of the total capital contribution committed, which may be more or less than similar private equity fee arrangements. In addition, clients pay either a flat percentage expense/administration fee or their pro rata share of organizational and operating expenses incurred by the Firm, and LTS pays operating expenses such as legal, accounting, filing, taxes and other out of pocket expenses on behalf of each pooled investment vehicle. These fees, reimbursements and expenses are detailed in the offering and subscription documents and are billed periodically. On liquidation, LTS is also entitled to receive from each private investment vehicle a participating distribution equal to a percentage of the remaining proceeds and/or net income attributable to any portfolio investment, after return of 100% of invested capital to investors (and in some cases previously paid fees and expenses), plus any preferred return specified in the offering and subscription documents.

LTS normally values LTS Capital Partners investments for reporting purposes on the basis of original contributed capital until liquidating distributions begin, or until other circumstances arise which indicate the need for a different value. In cases where the underlying investment is a security which

accrues interest, the reported value will be adjusted to reflect the accrual periodically. The Firm will review the value of LTS Capital Partners investment vehicles periodically and adjust reported values if the need for an adjustment is indicated, in accordance with its written valuation policies. Fund management fees charged are as are stated in the offering and subscription documents, and are generally based on the original investment, not on adjusted reporting values. No wealth management fees are charged by the Firm on LTS Capital Partners investments.

The Firm could receive a higher level of total compensation from client investments in LTS Capital Partners offerings than from third party investments due to its participating distribution, which could present a conflict of interest. Clients are advised of this potential conflict in LTS Capital Partners offering and subscription documents. Because the number and dollar amount of LTS Capital Partners offerings are limited, and the participating distributions are subordinated to return of capital and other preferences, the Firm does not consider this to be a significant conflict of interest that would lead it to recommend an LTS Capital Partners investment over a third party investment.

The Firm follows written policies and procedures to avoid and resolve conflicts of interest and ensure that all clients are treated fairly. Risks, including potential conflicts of interest, are more fully described in the relevant offering and subscription documents. Private equity and debt investments, especially investments in relatively early stage companies, are illiquid and can involve considerable risk including the risk of loss of the total investment, which investors in these vehicles should be prepared to bear.

Item 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

LTS does not normally receive performance-based fees in conjunction with its wealth and investment management service, although it may make a performance fee arrangement with certain qualified clients. LTS does receive performance-based fees in its role as manager and advisor to LTS Capital Partners pooled investment vehicles, as discussed in Item 5, above.

Pursuant to the Advisers Act, advisors have a fiduciary obligation to place client interests above their own, to treat all clients equitably and to disclose material facts, including conflicts of interests. LTS does not receive performance-based compensation for its investment management services, except as disclosed above, and prohibits its employees from engaging in trading practices which could create a conflict of interest.

Item 7 TYPES OF CLIENTS

Generally, we work with three distinct types of clients:

- Established wealth management clients, who have accumulated or inherited significant assets and are often close to, or enjoying, retirement. The emphasis in our work with these clients is on inflation-adjusted preservation of capital, and generation of adequate liquidity and cash flow to support their lifestyle and legacy objectives.
- Emerging wealth management clients, who are primarily younger and have limited or illiquid assets, but who have the prospect for realizing substantial assets from a liquidity event or

inheritance in the future. The emphasis in our work with emerging wealth clients is on planning for and growing wealth while providing sources of liquidity and risk mitigation in the interim.

- Access Program clients, who are not seeking comprehensive wealth management services, but who want to add carefully vetted and difficult-to-access proprietary and third party investments, which are made available through the LTS Access Program, to already-diversified portfolios.

Our clients include families, individuals, retirement plans, trusts, businesses and private foundations with substantial assets. We accept new clients selectively, working with those who seek, and can benefit from, the unique attributes of our firm, and only those with whom we can develop long term relationships.

LTS does not specify a minimum investment amount, but because of our portfolio design approach and the minimums of the underlying managers we select, our services are usually most suitable for clients who have, or expect to have, \$2 million or more of investable assets under management with LTS. The Firm may waive all or part of its fees in its discretion and may have lower fee arrangements with certain clients.

LTS Capital Partners pooled investment vehicles generally require a minimum investment of \$100,000 to \$250,000, and usually require that investors have a minimum net worth of \$2 million, exclusive of residence, to qualify as investors. Some investments may have higher requirements.

Item 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategy and Methods of Analysis

LTS employs a highly disciplined and goals-based approach to investing and portfolio construction that is driven by client goals and objectives and supported by extensive experience and in-depth research. Our approach is to build thoughtful portfolios in a way that provides downside protection and excellent risk-adjusted returns.

We believe that there is more to investing than merely constructing balanced portfolios from publically traded stocks and bonds. Investment risks have increased significantly over time, requiring that investment portfolios tactically manage risks and adopt intelligent diversification strategies. Asset allocation and careful selection of sub-assets and managers for each asset class is a critical element in mitigating investment risk. We therefore opportunistically seek out asset classes and managers that will reduce risk and increase returns in any given macroeconomic climate. Stocks or bonds may be a more preferred asset class at one point in the economic cycle; private equity, real estate and commodities may be over weighted at other times.

We therefore design our portfolios around a core of index-based investments which offer low-cost market participation, and seek to enhance performance and reduce risk by selectively adding additional categories of actively managed assets. The goal is to create portfolios that can participate

in broad market gains while limiting downside risk in periods of volatility and correction by having a moderate to low overall correlation with the broad equity and fixed income markets.

Supplementing index investments are actively managed investments including alpha enhancers, market neutral investments and private equity. Alpha enhancers, as the name implies, are investments that have a history of relatively high performance during up markets due to a combination of current income and growth potential. Market neutral investments are typically hedged investments that tend to yield steady returns regardless of what the broad market does, providing an element of downside protection together with upside participation. Private equity has the highest return history of all asset classes, but also can have higher associated risks, a longer timeframe and low liquidity, typically requiring a longer time horizon to realize their full value.

Not all client portfolios include all of these assets, nor do the asset allocations remain fixed over time, as each Portfolio is custom-tailored to the unique needs of each client and the prevailing economic climate. Portfolios are monitored constantly and adjustments to asset allocations and asset managers are made as client and market circumstances warrant.

The individual investments in each investment category are selected by our research process based on intensive due diligence on managers. In evaluating investment managers, we look at multiple factors including historical performance in varying market conditions, correlation with markets, stability of staff, risk adjusted returns and other factors. Our research team periodically meets with and updates manager data to assess quantitative and qualitative factors over time. We also employ outside investment research consultants and use research supplied by custodian firms to assist and augment our own research, analysis and due diligence.

The LTS Capital Advisors investment team is led by its Investment Committee, composed of senior management including our Chief Executive Officer, Chief Operating Officer, Chief Investment Officer and Portfolio Manager. The Investment Committee actively sets and reviews investment strategy, researches and select managers and investments, designs and monitors portfolios, and directs tactical shifts from strategic long-term allocations. The LTS Investment Committee meets weekly to review changing economic and conditions, sector allocations, and manager selection and performance, and holds multi-day quarterly meetings to perform detailed reviews of investment models, managers and client portfolios.

Our investment management clients receive investment advisory services for listed securities that are generally managed on a discretionary basis. This means that, after agreeing on goals, a strategy to achieve them, and the underlying asset managers, the client grants LTS limited authority to supervise, invest and trade assets in a manner consistent with the pre-established objectives spelled out in the Investment Policy Statement. Clients may also impose restrictions on investing in certain securities or types of securities, or provide guidance on investing to achieve social or environmental goals. Private investments, including hedge funds and private equity, are non-discretionary and must be individually approved by the client.

Risk of Loss

Investment in capital markets involves risk, which includes the possibility that a portfolio could decline in value. Risk varies according to investment type. Investment products or investment strategies are not guaranteed and may not adhere to any predefined level of performance. Although diversification may reduce investment risk, diversification itself does not prevent losses from occurring, nor does it

guarantee profitable results. The managers selected for client portfolios and their associated strategies present additional sources of risk which vary within and across market sectors and asset classes.

Some of the general risks associated with parts of our investment strategy include:

Domestic and International Equities

Investment Style Risk. The Firm's judgments about the attractiveness, value and potential appreciation of a particular asset class or manager in which a client invests may prove to be incorrect and there is a no guarantee that the Firm's judgment will always produce the intended results.

Market Risk. Securities traded on securities exchanges are subject to demand and supply conditions. Investors could receive less than the original investment amount when they sell a security if the demand for that security has fallen. Prices generally reflect investors' confidence in the economy, interest rates, and many other factors. Investors must be able to tolerate such price movements.

Inflation. Inflation is the loss of purchasing power that results from a general rise in prices. Portfolios may respond either positively or negatively to inflation, but the likelihood is that investors will experience a change in purchasing power that is less advantageous than suggested by nominal measures of return. For example, with inflation, a portfolio designed to distribute a 4% return as current income will experience a decline in purchasing power unless the portfolio strategy is adjusted to take inflation into account.

Price Fluctuation. Security prices do fluctuate (except for cash or cash equivalents) and clients must accept that risk associated with the fluctuations or change to a more appropriate investment portfolio in alignment with their risk tolerance.

Interest-rate Fluctuation. 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.

Currency Fluctuation. 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 of Dividends. We will reinvest interest, dividends and capital gains as appropriate to accumulate wealth based on factors such as ongoing cash needs and tax loss harvesting opportunities. This is an appropriate strategy for a portfolio designed for capital growth. However, the reinvested earnings could result in a lower or a higher rate of return than was initially projected.

Sector Risks. A client's portfolio may be over-weighted in certain market sectors; therefore, any negative development affecting those sectors will have a greater impact on the client's investments.

Income Risk. Dividends may be reduced at the discretions of the issuer.

Liquidity Risk. Liquidity risk exists when particular investments would be difficult to purchase or sell, possibly preventing clients from selling such securities at an advantageous time or price.

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 for the securities issued by such companies.

Mid-Cap and Small-Cap Risk. Stocks of mid-cap and small-cap companies can exhibit greater risk than stocks of larger companies. Many of these companies are young and have a limited track record. Their securities may trade less frequently and in more limited volume than those of more mature companies. Mid-cap and small-cap companies also may lack the managerial, financial, or other resources necessary to implement their business plans or succeed in the face of competition or economic turmoil.

Foreign Investing Risk. Foreign investing involves risks not typically associated with U.S. investments. These risks include, among others, adverse fluctuations in foreign currency values as well as adverse political, social, and economic developments affecting a foreign country. In addition, foreign investing involves less publicly-available information, and more volatile or less-liquid securities markets. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws, and potential difficulties in enforcing contractual obligations. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulations may be inadequate or irregular. Owning foreign securities could cause a client's portfolio performance to fluctuate more than if it held only U.S. securities.

Emerging Markets Risk. Countries with emerging markets may have relatively unstable governments, social and legal systems that do not protect shareholders, economies based on only a few industries, and securities markets that trade a small number of issues. In addition, emerging securities markets may have different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions.

Net Asset Value and Market Price Risk. The market value of ETF shares may differ from their net asset value. This difference in price may be due to supply and demand in the market for the ETF shares at any point in time not being identical to the supply and demand in the market for the underlying basket of securities. Accordingly, there may be times when an ETF share trades at a premium or discount to its net asset value, sometimes significantly so.

Tracking Error Risk. Index ETFs do not always replicate exactly the performance of the indices they track because the total return generated by the securities will be reduced by transaction costs incurred in adjusting the actual balance of the securities. In addition, the ETFs will incur expenses not incurred by their applicable indices. Certain securities comprising the indices tracked by index ETFs may, from time to time, temporarily be unavailable, which may further impede the ETF's ability to track their applicable indices.

Short-term purchases – While we generally advise clients to purchase securities with the intent to hold them for more than a year, we may on occasion determine to buy or sell securities in a client's account and hold them for less than a year. Some of the risks associated with short-term trading that could affect investment performance are increased commissions and transaction costs to the account and increased tax obligations on the gains in a security's value.

Mutual Funds with Foreign Asset Holdings – Any investments in mutual funds that make foreign investments that are not hedged to the U.S. Dollar are subject to uncertainty with changes in the foreign currency value. The client may bear more risk and may earn a substantially higher return or a substantially lower return than projected.

Margin Trading. In some cases, and generally only for short term financing considerations, clients may elect to assume a margin balance on their investment account. The client's custodian may require a percentage of assets under management to be pledged as collateral for the margin amount. Clients risk that in a falling market, the pledged collateral will be insufficient to cover a margin call by their custodian. Consequently, all margin decisions are left to the client.

Option Trading. Certain clients engage in option trading. An option is a contract that gives the investor the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date. Option securities are complex derivatives that incorporate certain leverage characteristics and as such carry an increased risk of investment loss. Options are very time sensitive investments and the buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur before the option expires.

REITS – Real Estate Investment Trusts ("REITs") are companies that own and operate income-producing real estate or related assets. Because most REITS are traded publicly, on national securities exchanges, they are subject to the same general risks as those of stock trading such as market risk and income risk. In addition, investments in REITS may involve: **Concentration risk** - the value of a REIT is derived from one or only a few properties; **Liquidity risk** - a REIT may be relatively less liquid compared to funds investing in financial securities such as stocks and bonds; **Leverage risk** - if a REIT uses debt to finance the acquisition of underlying properties, the assets of the REIT will be used to pay off debtors first; and **Refinancing risk** - higher refinancing costs or stricter underwriting standards when loans are due for renewal.

Fixed Income, including private debt, bonds and structured notes:

Interest Rate Risk. Security price and total return will vary in response to actual or anticipated changes in interest rates. If rates increase, the market value of bonds generally will decline, as will the value of your investment. Securities with longer maturities tend to produce higher yields, but are more sensitive to changes in interest rates and are subject to greater fluctuations in value.

Credit Risk. A bond issuer's credit rating may change, which can cause price volatility, and in the case of a credit rating downgrade, lower prices.

Inflation Risk. Inflation causes tomorrow's dollar to be worth less than today's; in other words, it reduces the purchasing power of a bond investor's future payments and principal. Inflation also leads to higher interest rates, which in turn leads to lower bond prices.

Bond Market Risk. The risk that the bond market as a whole would decline, bringing the value of individual securities down with it regardless of their fundamental characteristics.

Liquidity Risk. The risk that investors may have difficulty finding a buyer when they want to sell and may be forced to sell at a significant discount to market value. Liquidity risk is greater for thinly traded securities such as lower-rated bonds, bonds that were part of a small issue, bonds that have recently had their credit ratings downgraded or bonds that sold by an infrequent issuer. Bonds are generally the most liquid during the period right after issuance when the typical bond has the highest trading volume.

Default Risk. The possibility that a bond issuer will be unable to make interest or principal payments when they are due. If these payments are not made according to the agreements in the bond documentation, the issuer can default.

Reinvestment Risk. When interest rates are declining, investors may have to reinvest their interest income and any return of principal, whether scheduled or unscheduled, at lower prevailing rates.

Call Risk. Some corporate, municipal and agency bonds have a "call provision" entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor's principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. (See also Reinvestment risk.) If the bond is called at or close to a par value, as is usually the case, investors who paid a premium for their bond also risk a loss of principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called.

Prepayment Risk. For mortgage-backed securities, the risk that declining interest rates or a strong housing market will cause mortgage holders to refinance or otherwise repay their loans sooner than expected and thereby create an early return of principal to holders of the loans.

Government Risk. The U.S. government's guarantee of ultimate payment of principal and timely payment of interest on certain U.S. government securities does not imply that shares are guaranteed or that the price of the shares will not fluctuate. In addition, securities issued by Freddie Mac, Fannie Mae and Federal Home Loan Banks are not obligations of, or insured by, the U.S. government. If a U.S. government agency or instrumentality in which a client invests defaults and the U.S. government does not stand behind the obligation, the share price could fall.

Legislative Risk. The risk that a change in the tax code could affect the value of the taxable or tax-exempt interest income.

Alternative Investments

Illiquidity. Many alternative investments such as hedge funds are relatively illiquid, having "lock-up" periods or only set intervals in which client redemptions may be made which render the investments sometimes more difficult to trade. Consequently, such holdings may limit a client's ability to dispose of such investments in a timely manner and at an advantageous price. Furthermore, depending upon the asset itself and its holdings, there may be no readily available market value for the asset, potentially affecting the valuation at redemption.

Private Equities and Debt. We may recommend the inclusion of shares in non-publicly traded equity or debt securities through third party private equity funds or proprietary pooled investment vehicles for the accounts of qualified clients. These companies will generally have limited available information on their financial status, capital structure or revenues, resulting in increased risk of loss, including the possibility of total loss. In addition, these securities may be highly illiquid or may experience losses of liquidity, resulting in an inability to sell equities when desired, or sales prices that are substantially below the purchase or market price. Third party fund investments will be reported using the most recent performance reports received from the fund sponsors. LTS Capital Partners proprietary pooled investments will be carried at their original purchase price (except for accruals earned by debt securities) for reporting purposes, unless or until a liquidity or other event occurs that requires an adjustment of value pursuant to LTS Capital Partners valuation policies. Finally, we have clients who are executives of target firms or who have other financial relationships that may create potential conflicts of interest. Where such conflicts exist, the Firm will disclose these conflicts in its Brochure and/or offering and subscription documents prior to any transactions and restrict or prohibit trading in related public companies.

Item 9 DISCIPLINARY INFORMATION

Registered Investment Advisers must disclose all material facts about any legal or disciplinary events that would be material in an evaluation of the Firm or the integrity of the Firm's management personnel. LTS and its personnel have no reportable legal, financial or disciplinary history.

Item 10 OTHER FINANCIAL ACTIVITIES AND AFFILIATIONS

Certifications and Licenses

The principals of the firms hold the following certification and licenses:

Richard L. Intrater: SEC Series 5, 7 and 63 securities licenses; George B. Brewster: SEC Series 7, 22, 39 and 66 securities licenses as well as CRPC certification and CRE designation; Brandon Intrater: SEC Series 65 securities license; Neil Chakkerla: SEC Series 36 and 65 securities licenses as well as CFA Charter holder.

In addition, one principal of the Firm (George Brewster) holds a life insurance and annuity license. One Principal of the Firm (George Brewster) holds a real estate licenses in North Carolina and California.

No Principals of the Firm engage in revenue-generating activities from insurance sales or real estate brokerage on behalf of the Firm or independently. Neither LTS nor any of its employees are registered, or have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or as a representative of any of the foregoing.

LTS Proprietary Private Investment Vehicles

LTS is the manager and investment adviser to LTS Capital Partners, consisting of a series of private equity investment vehicles. These proprietary pooled investment vehicles offer access to direct equity and debt investments in privately-held companies with cutting-edge technologies at the venture or growth stages. Investors in LTS Capital Partners offerings must invest the minimum amount required by each offering, and usually must have a net worth excluding residence of at least \$2 million in accordance with the requirements of the Investment Advisers Act of 1940 (the Advisers Act).

The Firm provides administrative, advisory and management services to these entities as disclosed in the relevant offering documents, and receives fees and other compensation from the entities. The opportunity to invest in these investments may be made available to the Firm's clients and employees, as well non-clients. Investment offerings are allocated based on our subjective evaluation of suitability of the investment for a particular client's objectives, risk profile, portfolio composition and other factors. There is no obligation for any client to purchase any interest in an LTS Capital Partners investment vehicle. Some, but not all, of the Firm's clients and employees have made investments in, and are limited partners and/or members of, these entities.

Potential Conflicts of Interest

The Firm may recommend to certain clients investments originated and managed by affiliates of LTS, including LTS Capital Partners. The Firm receives management fees, expense fees and reimbursements and performance-based distributions from LTS Capital Partners pooled investment vehicles, which may potentially result in a higher level of compensation to LTS than it would receive if the client invested in a comparable investment with a third party investment manager, which could present a conflict of interest. We do not believe this is a significant issue, since LTS Capital Partners

offerings are very limited in size and availability. Clients are offered the choice of asset-based fees, transaction-based fees and consulting fees; one type of fee arrangement may be more remunerative to LTS than another in any given situation. Clients are advised of potential conflicts of interest in LTS Capital Partners offering and subscription documents, and the Firm follows written policies and procedures to avoid, disclose and resolve conflicts of interest to ensure that all clients are treated fairly and in accordance with our fiduciary duty.

In July, 2014, Richard L. Intrater, President, CEO and principal owner of LTS and Managing Member or General Partner of the LTS Capital Partners entities that have invested in Fallbrook Technologies, Inc. joined the Board of Directors of Fallbrook. Mr. Intrater was previously an observer to the board but now has full voting power. Mr. Intrater is also a member of the Board of Directors of Bio2, a medical device company. LTS Capital Partners has previously offered several pooled investment vehicle investments in Fallbrook Technologies and Bio2, and we believe that Mr. Intrater's participation in the governance of Fallbrook Technologies and Bio2 will result in benefits for the investors in regard to the monitoring and management of the investments in these vehicles. Because of these benefits, and the fact that any stock, warrants, options or other equity compensation received personally or by LTS for Mr. Intrater's service as a director on both boards will be contributed to the relevant LTS Capital Partners entities, pro rata, we do not believe his position as a voting director on the Fallbrook Technologies or Bio2 boards presents a conflict of interest.

Item 11 CODE OF ETHICS

We value the trust that our clients place in us, and we place our fiduciary responsibilities to our clients first and foremost in all aspects of our business. LTS has adopted a code of ethics which outlines our standards of business conduct and serves to establish a standard of professional and personal conduct for all LTS employees based upon the fundamental principles of openness, integrity, honesty and trust.

The LTS code of ethics includes provisions for maintaining the confidentiality of client information and client privacy, prohibitions on insider trading, restrictions on the acceptance of gifts, requirements to report certain political contributions, gifts and business entertainment, and restrictions on personal securities trading, among other items. A copy of the LTS code of ethics is available upon request.

As a part of its code of ethics, the Firm has implemented a personal securities transaction policy to review and monitor the personal securities transactions and holdings of all Firm employees and their immediate family members. Each quarter, all Firm employees must submit a record of their personal securities transactions to the Chief Compliance Officer for review. In addition, the LTS personal securities transaction policy requires that all employees provide the Chief Compliance Officer with a written report of, or access to, the holdings in their securities accounts within ten (10) days after becoming an employee and at least once each year thereafter.

In the event that demand for an LTS Capital Partners investment exceeds availability, client allocations will be filled first. To the extent that there is any remaining capacity, LTS employees are permitted to invest on the same terms, and with the same fees, as all other investors, provided they meet the minimum net worth and any other requirements stated in the offering documents.

The Firm endeavors to not recommend securities to clients or sell securities for client accounts at or about the same time that another client buys or sells the same securities, but the same security may be bought in one client account and sold in another client account at or about the same time for reasons including rebalancing, liquidity, or other legitimate reasons. It is the Firm's policy that if LTS or a related person invests in the same securities or related securities that LTS or a related person recommends to clients, client transactions must be processed first and/or on most favorable terms, and other steps be taken to avoid any potential conflict of interest.

Item 12 **BROKERAGE PRACTICES**

Best Execution

LTS, as a fiduciary to its advisory clients, endeavors to obtain best execution for client transactions, meaning not necessarily the lowest transaction cost, but the best overall qualitative execution. When determining best execution, the Firm's considerations include, but are not limited to, price/yield competitiveness, execution capability and quality, reasonableness of commission rates, market impact, financial responsibility, operational efficiency, responsiveness, knowledge of the relevant asset class/sector/specific security in which the firm is transacting business, availability of institutional share classes, and other factors deemed appropriate in providing the best overall service and value to our clients. Our execution practices are reviewed annually.

Research and Other Soft Dollar Benefits; Payment for Client Referrals

LTS does not engage in any soft dollar arrangements, nor does it compensate any broker/dealer, custodian, client or third party for client referrals. Some LTS employees participate in some of the fees generated by clients which they refer to the Firm, as additional compensation from the Firm.

Schwab, Pershing or other custodian/brokers provide LTS with access to institutional trading, custody, reporting and related services, many of which are not typically available to retail investors. Schwab and Pershing also make available to LTS various support services that may or may not directly benefit LTS Clients, and that help LTS manage or administer accounts or manage our business, including software or technology that facilitates access to client data, trade execution, pricing and market data, facilitates payment of fees, and assist with back-office functions, record keeping, reporting and compliance. These services generally are available to independent investment advisors on an unsolicited basis, at no charge.

Directed Brokerage

Although LTS does not generally accept directed brokerage arrangements, in which a client requires that transactions be effected through a specific broker-dealer/custodian, clients do have the right to direct brokerage if they wish. In instances where a client chooses to maintain a relationship with a specified broker-dealer/custodian, it is the client's responsibility to negotiate terms and arrangements with that custodian, with the understanding that the Firm may not be able to achieve best execution of transactions with the specified broker-dealer/custodian. Directing brokerage may cost more in term of higher commissions, other transaction costs or greater spreads, and clients may receive less favorable net prices on transactions than would otherwise be the case. LTS may or may not oversee

such outside broker relationships and may or may not make investment recommendations to the client, depending on specific client requirements. Outside accounts may or may not be included in the calculation of the Firm's wealth and investment management fee, depending on the level of the Firm's oversight and management in accordance with the terms of the agreement with the client.

Trading Practices

As a fiduciary, LTS endeavors to place our clients' interests first and foremost at all times. The Firm's trading policies and procedures prohibit unfair trading practices, seek to avoid any potential conflicts of interest, and endeavor to resolve conflicts or trade errors in the client's favor. The Firm follows written policies and procedures for trade documentation, reporting of trade order status, resolution of trade errors, trade allocation and trade aggregation. Internal trading (as opposed to trading done in a client's separately managed account) is done through the client's chosen custodian and is generally executed through the custodian's online trading platform.

Purchases and sales of securities for various client accounts are not normally aggregated, but if LTS does purchase the same security for more than one client on the same day, such transactions may be aggregated by the executing custodian/broker, in which case the actual prices applicable to the aggregated transactions may be averaged.

Item 13 REVIEW OF ACCOUNTS

In addition to daily monitoring, LTS periodically formally reviews client accounts and financial plans. For wealth and investment management clients, the Chief Investment Officer and Portfolio Manager review portfolios at least quarterly.

All clients are encouraged to review financial planning issues, investment objectives and account performance together with any personal or financial changes with LTS staff at least annually, but we are in touch with most clients on a much more frequent basis. The Firm may also conduct account reviews upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, marital status, changes in market corrections, investment fund management changes, and by client request.

The Firm provides written performance reports at least annually, in addition to the statements supplied by custodians, which reports include current holdings under our management (and in some cases holdings not under our management) as of the report date, which is normally the end of the calendar quarter, as well as historical performance of the client portfolio versus applicable benchmarks and LTS model portfolio benchmarks. In addition, year-end quarterly reports also include realized gain-loss, income, and expense reports for each account as applicable.

Clients are also provided monthly or quarterly statements directly from their custodians that summarize the beginning and ending values of the assets as well as all transaction activity during the reporting period. In addition to the custodial statements, clients receive trade confirmations from the custodian whenever trades are executed in their accounts. Clients should always compare the reports from LTS with the statements and confirmations received from their custodians.

Item 14 CLIENT REFERRALS AND OTHER COMPENSATION

LTS has entered into a solicitor referral arrangement with an unaffiliated third party. Under this arrangement, the solicitor is paid cash referral fees by LTS for referrals of prospective clients to LTS that result in new revenue to LTS. No additional amount is added to the fees charged by LTS to clients so referred and the solicitor will be paid solely out of revenue received by LTS from the referred client(s).

Some LTS employees participate in fee revenue generated by clients which they refer to the Firm as additional compensation from the firm.

LTS receives no economic benefit, including sales awards or prizes, from any person who is not a client for providing advisory services to clients.

Item 15 CUSTODY

Custodial Accounts

LTS does not accept custody of client assets, except as noted below. The Firm uses qualified institutional custodians to hold client assets. Clients receive account statements directly from their custodians, in addition to LTS quarterly performance reports, the latter which can include assets not managed by LTS.

The Firm meets the SEC's definition of having custody of some client accounts because of certain activities or services, including being the manager of and advisor to LTS Capital Partners, serving as a trustee of a client trust, or holding a broad power of attorney for a client account. In accordance with SEC rules, those accounts over which Firm is deemed to have custody are subject to an annual surprise custody test and audit, the results of which are filed with the SEC and made available to clients.

LTS maintains several custodial relationships, including Schwab Institutional, Pershing, Millennium Trust, PENSCO and First Republic Bank, which meet differing client needs and service levels. Clients enter into custodial/clearing agreements directly with their custodian(s) and may pay transaction and/or custodial fees to the custodian for brokerage or other services. Factors which LTS considers in recommending custodians include the historical relationship with the Firm, financial strength, reputation, execution capabilities, pricing, and quality of customer service.

LTS does not receive discounts or fees on any investment products or services provided by these custodians, other than custodial, brokerage and compliance services and related support and back office services. There is no commitment to any custodian to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products.

Item 16 INVESTMENT DISCRETION

Discretionary Account Management

Generally, client accounts are managed on a fully discretionary basis wherein the client grants the Firm the discretion and authority to supervise, invest and trade client assets placed under its management in a manner consistent with established client objectives and guidelines. Prior to the Firm assuming discretionary authority over a client's account, the client executes a Wealth and Investment Services Agreement, including a limited power of attorney in favor of the Firm, granting the Firm authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name in the discretionary account, subject to the guidelines and policies established in collaboration with the client. When engaged on a discretionary basis, LTS may alter the client-approved equity/fixed income ratio, sub-asset allocations and investment managers used in the client's account within prescribed limits for tactical purposes without prior client approval. Clients may impose limitations on discretionary authority, such as limiting the purchase of certain types of securities or securities from specified geographical areas. Private investments, including hedge funds and private equity funds or pooled investment vehicles, are not within our discretionary authority and must be approved by clients individually.

Non-discretionary Account Management

A client may also choose to have a non-discretionary account with LTS. With respect to non-discretionary wealth and investment management services, the Firm generally maintains ongoing responsibility to make recommendations, based upon the needs of the client. If such recommendations are accepted by the client, the Firm is responsible for arranging or effecting the purchase or sale. Under a non-discretionary arrangement, the client has the sole authority with regard to the acceptance or rejection of any recommendation or advice from the Firm. For non-discretionary clients, the Firm may not make any changes in the allocation of the client's assets under management without prior approval from the client, with the result that the risk of loss in non-discretionary accounts may increase at times when there is volatility in the markets and LTS cannot timely reach the client for trading authorization.

Item 17 VOTING of CLIENT SECURITIES

LTS does not accept authority to vote company proxies on behalf of clients. Clients retain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other events pertaining to the client's investments. Clients will receive proxies or other solicitations directly from the custodian. Clients may contact the Firm to discuss any questions about a particular proxy solicitation.

Item 18 FINANCIAL INFORMATION

Long-Term Solutions, LLC, DBA LTS Capital Advisors, does not have any financial condition that is reasonably likely to impair its ability to meet its contractual and fiduciary commitments to clients, and has never been the subject of a bankruptcy proceeding.

PRIVACY POLICY NOTICE

LTS CAPITAL ADVISORS (LTS) is committed to maintaining the confidentiality, integrity and security of current and prospective clients' nonpublic personal information through the use of computer safeguards and policies and procedures for safeguarding that information. As part of this commitment, we have adopted the following privacy policies concerning the collection, disclosure, maintenance and disposal of clients' nonpublic personal information. Federal law requires us to tell you how we collect, share, and protect your personal information and gives consumers the right to limit some, but not all, sharing of such information.

Collection of Information

As your investment adviser, LTS collects non-public information from you such as:

- Information we receive from you or in applications or other forms, correspondence, or conversations, including but not limited to your name, address, phone number, social security number, date of birth, annual income, assets, net worth, and investment history.
- Information about your transactions with us or others, including but not limited to your account numbers and balances, user names or passwords, payment history, parties to transactions, cost basis information, and other financial information.

Disclosure of Information

We will not disclose nonpublic information about you to anyone, except as necessary to carry out the services you have authorized in connection with our provision of services to you, as required by law, or with your express consent. You have the right to opt out of our disclosure of nonpublic information to non-affiliated third parties, although doing so may prevent us from providing some services to you.

We may disclose information about you to the following non-affiliated third parties:

- Authorized securities brokers, financial institutions and custodians;
- Third-party vendors and service providers who provide reporting, aggregation, email and other IT services in relation to your account;
- Persons acting in a fiduciary or representative capacity on your behalf;
- Attorneys, accountants and consultants to whom you have authorized us to release information;
- Law enforcement agencies or computer security providers for the purpose of protecting against fraud and unauthorized transactions, or in order to maintain the confidentiality of our records; and
- Government agencies, self-regulatory organizations, industry associations and similar bodies in order to fulfill legal requests, investigations, and other non-discretionary legal and regulatory requirements.

On all occasions when it is necessary for us to share your personal information with non-affiliated third parties, we will require that such information be used only for the limited purpose for which it is shared, and will require that such third parties not further share such information except to fulfill that limited purpose. We will never sell your personal or financial information to any outside third party.

If, at any time in the future, it is necessary to disclose any client personal information in a way that is inconsistent with this policy, LTS will give its clients advance notice of the proposed disclosure so that they will have the opportunity to either opt in or opt out of such disclosure, as required by applicable law. Certain reporting services we use to consolidate and report on investments, such as the Black Diamond platform, require clients to authorize the release of confidential account information to third party providers. We have satisfied ourselves that such third party providers are trustworthy and handle such information in accordance with the same standards as those set forth herein.

Protection and Disposal of Information

Our firm has security measures in place to protect you against the loss, misuse and alteration of the information under our control. We maintain physical, electronic, and procedural standards that comply with or exceed Federal standards to protect and restrict information access only to those employees providing client services, and to dispose of records in accordance with accepted industry practices. Certain states, such as Massachusetts, have imposed higher standards on data security for their citizens. LTS believes it has implemented data security measures that substantially meet the intent of Massachusetts Written Information Security Program requirements.

Inactive and Former Clients

If you decide to close your account with LTS we will continue to adhere to our privacy policy and related practices as described above with respect to your accounts.

Please direct all inquiries about this Brochure and LTS to:

LTS Capital Advisors
Attn: George B. Brewster
104 Tiburon Boulevard, Suite 200
Mill Valley, CA 94941
(415) 321-2950
www.LTSCapital.org



**BROCHURE SUPPLEMENT
PART 2B**

November 7, 2016

For:

**Richard I. Intrater
George B. Brewster, JD
Anil (Neil) G. Chakkerla, CFA
Brandon Intrater
Emily Intrater**

104 Tiburon Boulevard, Suite 200
Mill Valley, CA 94941
(415) 321-2950

www.LTSCapital.org

This Brochure Supplement provides information about advisory personnel Richard L. Intrater, George B. Brewster, Anil (Neil) G. Chakkerla, Brandon Intrater and Angela Berry. This information supplements the Long-Term Solutions, LLC ("LTS") Brochure.

Additional information about LTS advisory personnel is available on the SEC's website at www.adviserinfo.sec.gov

Please contact George B. Brewster, Managing Director and Chief Compliance Officer at 415-321-2950 or at George@LTSCapital.org if you did not receive the LTS Capital Advisors Part 2A Brochure or if you have any questions about the contents of the supplement.

Richard L. Intrater
President and Chief Executive Officer
Rick@LTSCapital.org
(415) 321-2950

Educational Background and Business Experience

- Born: 1949
- Education:
 - Bachelor of Arts in Finance, University of Arizona
 - Graduate work in International Studies, University of Missouri
- Positions held:
 - 2014-present - Member, Board of Directors, Fallbrook Technology, Inc.
 - 2011-present – Member, Board of Directors, Bio2 Technology, Inc.
 - 2005-present - President and Chief Executive Officer, LTS Capital Advisors, LLC
 - 2003-2005 - Board Member and Senior Managing Director, Sand Hill Advisors, Palo Alto, CA
 - 2002-2003 - Founder, Sutter Street Capital Management, San Francisco, CA
 - 1980-1993 - Senior Vice President, Lehman Brothers, New York, NY and San Francisco, CA

Disciplinary information

No information is applicable to this item for Richard L. Intrater.

Other Business Activities

LTS Capital Advisors acts as the advisor to LTS Capital Partners I, LP and Mr. Intrater is the General Partner of LTS Capital Partners I, LP and Managing Member of LTS Capital Partners II, LLC. Richard Intrater is the President, CEO and co-owner of LTS Capital Advisors. In that capacity, Mr. Intrater is involved in the administrative, advisory and management services for all of these companies. Potential conflicts of interest arising from these responsibilities are monitored by the Chief Compliance Officer. He is also a member of Victor Park Holdings, LLC, a family investment vehicle. His activities with this company are limited and do not detract from his day to day responsibilities at LTS. Mr. Intrater serves as a member of the Board of Directors of Fallbrook Technologies, Inc. and BIO2 Technologies, Inc., both of which companies received investment capital from LTS Capital Partners I and LTS Capital Partners II.

Philanthropic Endeavors

Richard Intrater is, or has been, involved in various philanthropic activities as volunteer, none of which present any conflicts of interest nor detract from his day to day responsibilities at LTS. Among those activities are:

- Founding Chairman of the Board of Directors, KIPP Bay Area Schools
- Past President, The Boys and Girls Clubs of San Francisco
- Former National Trustee, The Boys and Girls Clubs of America
- Former Board Member, Coyote Point Museum of Environmental Education
- Former Board Member, The Family Service Agency of San Mateo County

Additional Compensation

Registered investment advisers are required to disclose all material facts regarding additional compensation for providing advisory services received by the supervising person from someone who is not a client. For the performance of his investment advisory services, Mr. Intrater receives a salary and as a co-owner of Long-Term Solutions receives a share of the net profits of the Firm.

Supervision

Richard L. Intrater is the President and Chief Executive Officer of LTS and oversees the Chief Operating Officer, Chief Investment Officer, Chief Compliance Officer, the Portfolio Manager and the Director of Client Services and Operations, as well as support staff and administrative personnel. Mr. Intrater adheres to the Firm's Policies & Procedure Manual and Code of Ethics.

Link to FINRA Broker Check report:

http://www.adviserinfo.sec.gov/IAPD/IAPDIndvISummary.aspx?INDVL_PK=709118

George B. Brewster, JD

Managing Director, Chief Operating Officer and Chief Compliance Officer

George@LTSCapital.org

(415) 321-2950

Educational Background and Business Experience

- Born: 1948
- Education:
 - Certificate in Professional Dispute Resolution, Pepperdine University, 2005
 - Juris Doctor, Columbia University, New York, NY, 1973
 - Bachelor of Arts in Literature & History, Bard College, Annandale-on-Hudson, NY, 1970
- Positions held:
 - 2013-present - Managing Director, Chief Operating Officer and Chief Compliance Officer, LTS Capital Advisors, LLC
 - 2009-2013 - Financial Advisor and Chartered Retirement Planning Counselor, Merrill Lynch Global Wealth Management, San Francisco, CA
 - 2007-2009 – Wealth Advisor, UBS Wealth Management, San Francisco, CA
 - 2000-2004 -- President, JVA Properties, Cupertino, CA

Professional Designations

- Mr. Brewster is a Chartered Retirement Planning Counselor, or CRPC, professional. The College for Financial Planning awards the Chartered Retirement Planning Counselor or CRPC designation to individuals who successfully complete a course of study encompassing pre- and post-retirement needs, asset management, estate planning and the entire retirement planning process using models and techniques from real client situations. Individuals are required to pass an online, timed and proctored end of course examination with a 70% score or higher. The examination tests the individual's ability to relate complex concepts and apply theoretical concepts to real life situations. Authorization for the continued use of the credential must be renewed every two years by completing 16 hours of continuing education and reaffirming compliance with the College for Financial Planning's Standards of Professional Conduct and terms and conditions, among other things.
- Mr. Brewster is a Certified Divorce Financial Analyst, or CDFA, professional. The CDFA designation is awarded by the Institute for Divorce Financial Analysts (IDFA). To attain the right to use the CDFA certification, candidates must satisfactorily develop their theoretical and practical understanding and knowledge of the financial aspects of divorce by completing a comprehensive course of study approved by the IDFA; must pass a four part certification examination that tests their understanding and knowledge of the financial aspects of divorce; have a minimum two years in a financial or legal capacity; and agree to abide by a strict code of professional conduct and ethical responsibility. Every two years, certified individuals must complete a minimum of 20 hours of continuing education, 10 of which are specifically related to the field of divorce.
- Mr. Brewster has held the Counselor of Real Estate, or CRE, professional designation since 2005. The Counselors of Real Estate is a membership organization established exclusively for real estate advisors who provide unbiased and trusted advice for clients and employers with a commitment to integrity, competence, community, trust, and service and who must adhere

to a strict Code of Ethics and Standards of Professional Practice. The CRE credential is awarded only to those individuals who are invited by their peers into the membership of The Counselors of Real Estate, and declares individual professional achievement in real estate counseling.

Disciplinary information

No information is applicable to this item for George B. Brewster.

Philanthropic Endeavors

George Brewster is, or has been, involved in various philanthropic activities as volunteer, none of which present any conflicts of interest nor detracts from his day to day responsibilities at LTS. Among those activities are:

- Member of the Advisory Board of the Marin Open Space Trust
- Member of the Finance Committee of the San Francisco Yacht Club
- Member Emeritus, US EPA Environmental Financial Advisory Board (EFAB)
- Member Emeritus, FINRA Board of Arbitrators
- Mediator Emeritus, Marin Mediation Center

Additional Compensation

Mr. Brewster does not currently receive any economic benefit for providing advisory services from non-clients. For the performance of his investment advisory services to LTS clients, Mr. Brewster receives a salary, may receive a discretionary bonus, and normally receives a portion of client revenue generated by clients he has referred to the Firm.

Supervision

George Brewster is Managing Director, Chief Operating Officer and Chief Compliance Officer of LTS. In his role as Chief Compliance Officer, he does not directly supervise any LTS personnel, and acts as a compliance advisor to, and is supervised by, Richard L. Intrater, President & CEO of LTS. He is also a member of the LTS Investment Committee. All investments recommended by the firm are first reviewed and subject to an approval process by this Committee. Mr. Brewster adheres to the Firm's Policies & Procedure Manual and Code of Ethics.

Link to FINRA Broker Check report:

<http://brokercheck.finra.org/Report/Download/44725663>

Anil (Neil) G. Chakkera, CFA

Chief Investment Officer

Neil@LTSCapital.org

(415) 321-2950

Educational Background and Business Experience

- Born: 1964
- Education:
 - Indiana University, Master of Business Administration in Finance, 1995
 - Arizona State University, Master of Science in Industrial Engineering, 1989
 - University of Allahabad (India), Bachelor of Science in Mechanical Engineering, 1986
- Positions held:
 - 2007-present - Chief Investment Officer, LTS Capital Advisors, LLC
 - 2005-2007 - Chief Investment Officer, Inlign Wealth Management, Phoenix, AZ,
 - 2003-2005 - Director of Research & Senior Portfolio Manager, Sand Hill Advisors, Palo Alto, CA
 - 2000-2002 - Portfolio Manager, Glaze Capital Management, Inc., Los Altos, CA
 - 1996-2000 - Senior Financial Analyst/Asst. Vice President, Equity Analyst/Vice President, US Bancorp Piper Jaffray, Minneapolis, MN

Professional Designations

Mr. Chakkera is a Chartered Financial Analyst, or CFA, professional. To earn a CFA charter, one must have four years of qualified investment work experience, become a member of the CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six hour exam. Completing the Program takes most candidates between two and five years. The Program reflects a broad Candidate Body of Knowledge™ to ensure that charter holders possess knowledge grounded in the real world of today's global investment industry.

Disciplinary information

No information is applicable to this item for Neil Chakkera.

Other Business Activities

No information is applicable to this item for Neil Chakkera.

Additional Compensation

Mr. Chakkera does not receive any economic benefit for providing advisory services from non-clients. For the performance of his investment advisory and chief investment officer services to LTS clients, Mr. Chakkera receives a salary or hourly compensation, may receive a discretionary bonus, and is eligible to receive a portion of client revenue generated by clients he has referred to the Firm.

Supervision

Neil Chakkera is Chief Investment Officer of LTS and is supervised by Richard L. Intrater, President & CEO of LTS and heads the LTS Investment Committee. Any investments recommended by LTS are

first researched, reviewed and subject to an approval process by the Investment Committee. Mr. Chakkera oversees all major investment related matters including research, portfolio management and securities trading operations. He also supervises all investment related activities of other LTS employees as they relate to these activities. Mr. Chakkera adheres to the Firm's Compliance Policies & Procedure Manual and Code of Ethics.

Link to FINRA Broker Check report:

http://www.adviserinfo.sec.gov/IAPD/IAPDIndvISummary.aspx?INDVL_PK=2808289

Brandon Intrater
Managing Director and Portfolio Manager
Brandon@LTSCapital.org
(415) 321-2950

Educational Background and Business Experience

- Born: 1982
- Education:
 - University of Denver, Daniels College of Business, Bachelor of Science in Business Administration, 2005
 - Pepperdine University, Certificate in Financial Management for the Family Office
 - University of California at Berkeley, Graduate study in Finance
- Positions held:
 - 2006-present – Portfolio Manager, LTS Capital Advisors, LLC

Disciplinary information

No information is applicable to this item for Brandon Intrater.

Other Business Activities

No information is applicable to this item for Brandon Intrater.

Philanthropic Endeavors

Brandon Intrater is, or has been, involved in various philanthropic activities as volunteer, none of which present any conflicts of interest nor detract from his day to day responsibilities at LTS. Among those activities are:

- Former Member of the Investment and Finance Committees, KIPP Bay Area Charter Schools
- Former tutor at KIPP Bayview Academy

Additional Compensation

Mr. Intrater does not receive any economic benefit for providing advisory services from non-clients. For the performance of his investment advisory and portfolio management services to LTS clients, Mr. Intrater receives a salary, may receive a discretionary bonus, and normally receives a portion of client revenue generated by clients he has referred to the Firm. As a co-owner of Long-Term Solutions Mr. Intrater receives a share of the net profits of the Firm.

Supervision

Brandon Intrater is Portfolio Manager of LTS and is a member of the LTS Investment Committee. All investments recommended by the firm are first researched, reviewed and subject to an approval process by this Committee. Mr. Intrater is supervised by Neil Chakkera, LTS Chief Investment Officer, and Richard Intrater, CEO. On a weekly basis, Mr. Chakkera reviews the current status of securities and portfolio allocations, client requests, recommendations or other investment related issues with Mr. Intrater and other members of the Investment Committee. All client strategy decisions must be reviewed and approved by Richard Intrater before any implementation and delivery to the client. Mr. Intrater adheres to the Firm's Policies & Procedure Manual and Code of Ethics.

Link to FINRA Broker Check report:

http://www.adviserinfo.sec.gov/IAPD/IAPDIndvSummary.aspx?INDVL_PK=5633812

Emily Intrater
Client Services and Operations
Emily@LTSCapital.org
(415) 321-2950

Educational Background and Business Experience

- Born: 1984
- Education:
 - Syracuse University, Bachelor of Science in Education, 2006
 - San Francisco State University, Master of Arts in Special Education, 2009
- Positions held:
 - 2009–Present – Director of Client Services & Operations, LTS Capital Advisors, LLC
 - 2006-2014 – Special Education Elementary Teacher (full-time 2006-2009, part-time 2009-2014)

Disciplinary information

No information is applicable to this item for Emily Intrater.

Other Business Activities

No information is applicable to this item for Emily Intrater.

Philanthropic Endeavors

No information is applicable to this item for Emily Intrater.

Additional Compensation

For the performance of her administrative services to LTS clients, Ms. Intrater receives a salary, and may receive a discretionary bonus.

Supervision

Emily Intrater manages the Firm's Client Services and Operations and is supervised by George Brewster in his role as Chief Operating Officer. Ms. Intrater adheres to the Firm's Policies & Procedure Manual and Code of Ethics.

Other Information

A copy of the LTS Code of Ethics is available at the request of prospective and current clients.

LTS Capital Advisors

104 Tiburon Boulevard, Suite 200

Mill Valley, CA 94941

415.321.2950

www.LTSCapital.org