

**ITEM 1. COVER PAGE FOR PART 2A OF FORM ADV**  
**FIRM BROCHURE**  
**DATED: JULY 2014**

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**Mailing Address:**

4370 La Jolla Village Drive, Suite 670  
San Diego, CA 92122

Tel: (888) 653-5807

[www.hc-mgmt.com](http://www.hc-mgmt.com)

**Firm Contact:**

Kyle Harrington, Chief Compliance Officer

This brochure provides information about the qualifications and business practices of Harrington Capital Management, LLC. If you have any questions about the contents of this brochure, please contact by telephone at (888) 653-5807 or email at [kyle@hc-mgmt.com](mailto:kyle@hc-mgmt.com). 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 Harrington Capital Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note that the use of the term "registered investment adviser" and description of Harrington Capital Management, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firms' associates who advise you for more information on the qualifications of our firm and its employees.

## ITEM 2. MATERIAL CHANGES

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Harrington Capital Management, LLC is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

We do not have to provide this information to a client or prospective client who has not received a previous version of our brochure.

Last Annual Amendment filing date: **03/31/2014**

Since our last annual amendment, our firm no longer offers Asset Management services.

### ITEM 3. TABLE OF CONTENTS

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## **ITEM 4. ADVISORY BUSINESS**

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Harrington Capital Management, LLC is dedicated to providing individuals and other types of clients with a wide array of investment advisory services. We specialize in financial planning and consultations and referrals to third party money managers. Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2009 and is owned as follows:

Kyle Patrick Harrington – Fifty-percent owner

Catherine Nadine Harrington – Fifty-percent owner

### **Description of the Types of Advisory Services We Offer**

#### **Financial Planning and Consultations:**

We provide a variety of financial planning and consultation services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client.

#### **Referrals to Third Party Money Managers:**

We provide clients with a list of investment advisory services of third party professional portfolio management firms for the individual management of client accounts. As part of this process, we assist clients in identifying an appropriate third party money manager. We provide initial due diligence on third party money managers and ongoing reviews of their management of your account.

In order to assist clients in the selection of a third party money manager, we typically gather information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is

important to note that we do not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third party money managers to clients.

We periodically review third party money managers' reports provided to the client, but no less often than on an annual basis. Our associates contact the clients from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. The client will be expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The client may also directly contact the third party money manager managing the account or sponsoring the program.

Our firm may also refer clients to third party money managers and receive a portion of the advisory fee charged to the client by money managers within their programs. The amount of our firm's portion of the fee will be disclosed to clients at the time of the referral.

### **Tailoring of Advisory Services**

We offer general investment advice to clients utilizing our firm's Financial Planning and Consultations and Referrals to Third Party Money Managers.

We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account.

### **Participation in Wrap Fee Programs**

We do not offer wrap fee programs

### **Regulatory Assets Under Management**

Since we only offer Financial Planning and Consultations and Referrals to Third Party Money Managers, we manage \$0 on a discretionary basis and \$0 on a non-discretionary basis.

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## **ITEM 5. FEES AND COMPENSATION**

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We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are negotiable in certain circumstances.

### **How We Are Compensated for Our Advisory Services**

#### **Financial Planning and Consultations:**

We charge on an hourly or flat fee basis for financial planning and consultation services. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our hourly fees are \$250. Flat fees generally range from \$1,500 to \$5,000.

We require a retainer of fifty-percent (50%) of the ultimate financial planning or consultation fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

### **Referrals to Third Party Money Managers:**

We are paid by third party money managers when we refer you to them and you decide to open a managed account. Third party money managers pay us a portion of the investment advisory fee that they charge you for managing your account. Fees paid to us by third party money manager are generally ongoing. All fees we receive from third party money managers and the written separate disclosures made to you regarding these fees comply with relevant state statutes and rules. The separate written disclosures you need to be provided with include a copy of the third party money manager's Form ADV Part 2, all relevant Brochures, a Solicitation Disclosure Statement detailing the exact fees we are paid and a copy of the third party money manager's privacy policy. The third party money managers we recommend will not directly charge you a higher fee than they would have charged without us introducing you to them.

Third party money managers establish and maintain their own separate billing processes which we have no control over. In general, they will directly bill you and describe how this works in their separate written disclosure documents.

### **Other Types of Fees & Expenses**

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm trades are executed through. Also, clients will pay the following separately incurred expenses, of which we do not receive any part: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

### **Terminations and Refunds**

In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

### **Commissionable Securities Sales**

In order to sell securities for a commission, our supervised persons are registered representatives of National Securities Corporation, a member FINRA/SIPC. Our supervised persons may accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. You should be aware that the practice of accepting commissions for the sale of securities:

- 1) Presents a conflict of interest and gives our firm and/or our supervised persons an incentive to recommend investment products based on the compensation received, rather than on your needs. We generally address commissionable sales conflicts that arise:

- a) when explaining to clients that commissionable securities sales creates an incentive to recommend products based on the compensation we and/or our supervised persons may earn and may not necessarily be in the best interests of the client;
  - b) when recommending commissionable mutual funds, explaining that “no-load” funds are available through our firm if the client wishes to become an investment advisory client.
- 2) In no way prohibits you from purchasing investment products recommended by us through other brokers or agents which are not affiliated with us.
  - 3) Does not exceed more than 50% of our revenue.
  - 4) Does not reduce your advisory fees to offset the commissions our supervised persons receive.

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#### **ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

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We do not accept performance-based fees.

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#### **ITEM 7. TYPES OF CLIENTS**

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We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Corporations, Limited Liability Companies and/or Other Business Types.

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#### **ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

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We do not manage assets and our firm has nothing to disclose in this regard.

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#### **ITEM 9. DISCIPLINARY INFORMATION**

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There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

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#### **ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

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Kyle Harrington is a registered representative of National Securities Corporation, member FINRA/SIPC. He may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation advisor and/or our supervised persons may earn and may not necessarily achieve the best result for the client. In order

to mitigate any potential conflict of interest Mr. Harrington shall place the interest of his clients before his own or supervised persons.

Mr. Harrington is an investment adviser representative of National Asset Management, Inc., a registered investment adviser and an affiliate of National Securities Corporation. In such capacity, he may offer advisory services through National Asset Management, Inc., details of which are fully described in National Asset Management, Inc.'s Form ADV or relevant schedules. A conflict of interest may arise as he may recommend that a client open an advisory account with National Asset Management, Inc. in which he would receive compensation. Clients are under no obligation to use the services of another investment adviser.

As a licensed insurance agent, Mr. Harrington may recommend to his advisory clients a variety of insurance products, and he may offer commissionable insurance products to our firm's clients, for which he may receive compensation. Clients of our firm are never obligated, but may choose to engage us in these other services, as it may create a conflict of interest for our clients.

Mr. Harrington is also a real estate agent, in which he may provide clients with advice on things such as property listings, preparing forms, etc. Clients are never obligated to engage Mr. Harrington/our firm in providing these additional services, although clients may choose to do so.

The compensation paid to us by third party managers may vary, and thus, there may be a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Our firm's fees are not higher than they would have been had our client obtained services directly from the third party money manager. Prior to referring clients to third party advisors, we will ensure that third party advisors are licensed or notice filed with the respective authorities. A potential conflict of interest in utilizing third party advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict our firm will make our selections in the best interest of our clients.

## **ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

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We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading



and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

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## **ITEM 12. BROKERAGE PRACTICES**

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Since we only offer Financial Planning and Consultations and Third Party Money Management, our firm does not have custodial relationships with broker dealers.

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## **ITEM 13. REVIEW OF ACCOUNTS**

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Financial planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to Third Party Money Management.

Financial planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

## **ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION**

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### **Additional Compensation**

We receive no additional economic benefits from outside sources.

### **Referral Fees**

We may pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with relevant state statutes and rules. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to you. In this regard, we maintain Solicitors Agreements in compliance with relevant state statutes and rules and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

## **ITEM 15. CUSTODY**

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State Securities Bureaus, or their equivalents, generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities. As such, we have adopted the following safeguarding procedures:

1. Our clients must provide us with written authorization permitting direct payment to us of our advisory fees from their account(s) maintained by a custodian who is independent of our firm;
2. We must send a statement to our clients showing the amount of our fee, the value of your assets upon which our fee was based, and the specific manner in which our fee was calculated;
3. We must disclose to you that it is your responsibility to verify the accuracy of our fee calculation, and that the custodian will not determine whether the fee is properly calculated; and
4. Your account custodian must agree to send you a statement, at least quarterly, showing all disbursements from your account, including advisory fees.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

## **ITEM 16. INVESTMENT DISCRETION**

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We do not accept discretionary authority to manage securities accounts on behalf of clients.

## **ITEM 17. VOTING CLIENT SECURITIES**

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We do not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy vote or other solicitation.

## **ITEM 18. FINANCIAL INFORMATION**

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### **Inclusion of a Balance Sheet**

We do not require nor do we solicit prepayment of more than \$500 in fees per client, six months or more in advance, therefore we have not included a balance sheet for our most recent fiscal year.

### **Disclosure of Financial Condition**

We have nothing to disclose in this regard.

### **Bankruptcy Petition**

In June of 2009, Mr. Harrington filed a Petition for Re-organization of debt. Currently the case is pending.

## **ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

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### **Kyle P. Harrington**

***Year of Birth:*** 1970

#### ***Business Background***

02/08 – Present: Harrington Capital Management, LLC  
Managing Member and Chief Compliance Officer

08/12 – Present: National Asset Management, Inc.  
Investment Adviser Representative

06/12 – Present: National Securities Corp  
Registered Representative

02/12 – 06/12: Bannockburn Partners, LLC  
Registered Representative

12/09 – 11/11: Matrix Capital Group, Inc.  
Registered Representative

02/08 – 12/09: First Allied Securities, Inc.  
Registered Representative

10/07 – 11/07: Probabilities Fund Management, LLC  
Registered Representative

07/07 – 02/08: Robert B. Ausdal & Co., Inc.  
Registered Representative/Investment Adviser Representative

06/05 – 06/07: Deutsche Bank Securities, Inc.  
Managing Director

07/02 – 06/05: Wachovia Securities, LLC  
Financial Advisor

#### ***Educational Background***

1998: University of Pennsylvania, Wharton School of Business, M.B.A.

1992: Princeton University, B.A.

#### ***Exam(s) and Licenses***

2010 – Series 24

2002 – Series 65

1993 – Series 63

1993 – Series 7

CA Insurance Lic #0E62074

NY Insurance Lic #LB-1011566

CA Real Estate Lic #01455112

#### **Outside Business Activity**

Please see Item 10 of this Firm Brochure.

#### **Performance Based Fees**

We do not charge performance-based fees.

### **Disciplinary Information**

An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

For failing to disclose a personal bankruptcy petition on his Form U-4, Mr. Harrington was suspended from associating with any FINRA member in any capacity from January 22, 2013 to February 20, 2013.

In addition to any relationship or arrangement described in response to Item 10.C. of Part 2A, we must describe any relationship or arrangement that our firm or any of our management persons have with any issuer of securities that is not listed in Item 10.C. of Part 2A.

We have nothing to disclose in this regard.