

Madrone Hill Capital, LLC

Registered Investment Adviser
CRD # 328242

Madrone Hill Capital, LLC
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Form ADV Part 2A Firm Brochure

March 04, 2024

This brochure provides information about the qualifications and business practices of Madrone Hill Capital, LLC. Please contact H. Wu at hwu@mhillcap.com if you have any questions about the content of this brochure.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or any state securities administrator.

Additional information about Madrone Hill Capital, LLC is available on the SEC's website at www.adviserinfo.sec.gov. Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD ("CRD") number, which is 328242.

While the firm and its associates may be registered and/or licensed within a particular jurisdiction, that registration and/or licensing in itself does not imply an endorsement by any regulatory authority, nor does it imply a certain level of skill or training on the part of the firm or its associated personnel.

Item 2 - Material Changes

This section provides information involving material events that have occurred involving the firm's brochure since its last annual update.

The firm may at any time update this document and either send a copy of its updated brochure or provide a summary of material changes to its brochure and an offer to send an electronic or hard copy form of the updated brochure.

Clients are also able to download this brochure from the SEC's website at www.adviserinfo.sec.gov or may contact our firm at hwu@mhillcap.com to request a copy at any time.

As with all firm documents, clients and prospective clients are encouraged to review this brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

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Throughout this document, Madrone Hill Capital, LLC may be referred to as “the firm,” “firm,” “our,” “we” or “us.” The client or prospective client may be also referred to as “the client,” “client,” etc., and refers to a client engagement involving a single person as well as two or more persons and may refer to natural persons and legal entities. The term “advisor” and “adviser” are used interchangeably where accuracy in identification is necessary (i.e., internet address, etc.).

Our firm maintains a business continuity and succession plan that is integrated with the entirety of the organisation to ensure we appropriately respond to events that pose a significant disruption to its operations. A statement concerning our current plan is available upon request.

Item 4 - Advisory Business

Madrone Hill Capital, LLC is a California domiciled limited liability company formed in May of 2023 for general business purposes. We typically operate under the trade name Madrone Hill Capital. The firm provides financial planning services.

There are no subsidiaries nor is the firm controlled by another financial services industry entity. In addition to California, our firm and its associates may register, become licensed or meet certain exemptions to registration and/or licensing in other jurisdictions in which investment advisory business is conducted.

H. Wu is the firm’s Managing Member and Owner. Wu serves as Chief Compliance Officer (supervisor) and maintains controlling interest in the firm. Additional information about Ms. Wu and her professional experience may be found toward the end of this brochure.

Madrone Hill Capital, LLC does not manage or supervise client portfolios on an ongoing and continual basis, nor do we sponsor or serve as a portfolio manager in an investment program involving wrapped (bundled) fees.

In other words, we do not participate in wrap fee programs by providing portfolio management services. Likewise, due to the nature of our advisory business, we do not have reportable assets under management.

Madrone Hill Capital, LLC provides financial planning services. Financial planning is a collaborative process that helps maximise a client’s potential for meeting life goals through financial advice that integrates relevant elements of a client’s personal and financial circumstances.

An initial interview is conducted by a firm representative to discuss your current situation, goals and the scope of services that may be provided to you.

During or prior to this meeting you will be provided with the firm's Form ADV Part 2 brochure that includes a statement involving its privacy policy, as well as a brochure supplement about the representative assisting you.

Any material conflicts of interest will also be disclosed that could be reasonably expected to impair the rendering of unbiased and objective advice.

If you wish to engage the firm for its services, you must first execute the client agreement. Thereafter a deeper discussion and analysis will be made to determine your financial needs, goals, holdings, etc.

Depending on the scope of the engagement, you may be asked to provide copies of the following documents early in the process:

- Wills, codicils and trusts
- Credit card/bank statements
- Budgetary information
- Mortgage and/or student loan information
- Tax returns
- Divorce decree or separation agreement
- Current financial specifics including W-2s or 1099s
- Information on current retirement plans and benefits provided by your employer
- Statements reflecting current investments in retirement and non-retirement accounts
- Employment or other business agreements you may have in place
- Completed risk profile questionnaires or other forms provided by our firm

It is important that the firm is provided with an adequate level of information and supporting documentation throughout the term of the engagement including but not limited to: source of funds, income levels, and other information that may be necessary for our services.

The information and/or financial statements provided needs to be accurate. Madrone Hill Capital, LLC may, but is not obligated to, verify the information that you have provided which will then be used in the advisory process.

Your financial plan is customised; it may be as broad-based or narrowly focused as you desire. When these services focus only on areas of your interest, your overall situation or needs may not be fully addressed due to the limitations you have established.

We are available to guide you in the implementation of some or all of them per your decision, as well as offer you periodic reviews thereafter. In all instances, our clients retain full discretion over all implementation decisions and are free to accept or reject any recommendation made to them.

With your consent, we may work with other professionals, such as an accountant, attorney or insurance representative to assist with coordination and implementation of accepted strategies. You should be aware that these other entities will charge you separately for their services and these fees will be in addition to our own advisory fee.

Cash Flow Analysis

A review of your income and expenses will be conducted to determine your current surplus or deficit. Based upon the results, we will provide advice on prioritising how any surplus should be used, or how to reduce expenses if they exceed your income.

In addition, advice on the prioritisation of which debts to repay may be provided, based upon such factors as the debt's interest rate and any income tax ramifications.

Recommendations may also be made regarding the appropriate level of cash reserves for emergencies and other financial goals. These recommendations are based upon a review of cash accounts (such as money market funds) for such reserves and may include strategies to save desired reserve amounts.

Retirement Capital Needs

Retirement planning services typically include projections of your likelihood of achieving your financial goals, with financial independence usually the primary objective.

For situations where projections show less than the desired results, a recommendation may include showing you the impact on those projections by making changes in certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimise the likelihood of running out of money or having to adversely alter spending during your retirement years.

Education Funding

Advice involving college funding may include projecting the amount that will be needed to achieve post-secondary education funding goals, along with savings strategies and the “pros-and-cons” of various college savings vehicles that are available.

Estate Planning

Our review typically includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. We may assess ways to minimise or avoid future estate taxes by implementing appropriate estate planning and charitable giving strategies.

We are not a law firm, and we encourage you to consult with an experienced attorney when you initiate, update, or complete estate planning activities, and may provide you with contact information for attorneys who specialise in estate planning. We will participate in meetings or phone calls between you and your attorney with prior approval.

Investment Allocation Analysis

Investment allocation analysis involves providing information on the types of investment vehicles available, employee retirement plans and/or stock options, investment analysis, asset selection and portfolio design.

Regarding investments, past performance is not necessarily indicative of future results. The strategies and types of investments that may be recommended are further discussed in Item 8 of this brochure, and our level of investment authority is described in Item 16.

Item 5 - Fees and Compensation

The services being provided, term of service, etc., and will be stated in your engagement agreement with our firm. Payment requests for our fees will be preceded by our invoice. Fees are to be paid by check or draft from US-based financial institutions. With your prior authorisation, payment may be made through a qualified, unaffiliated PCI compliant third-party processor.

Our firm does not accept cash, money orders or similar forms of payment for its engagements, nor do we withdraw our fee from your investment account held at your custodian of record.

We assess a fixed fee of \$1,350 to \$3,600 to complete your financial plan. The fixed fee is determined by the complexity and scope of your financial plan. The total fee is due upon plan delivery.

Hourly financial planning is available to clients who request advice on one or more financial issues, but do not engage our firm to complete a comprehensive financial plan for a fixed fee.

The hourly financial planning services fee is \$450 an hour.

Madrone Hill Capital, LLC may negotiate lower fees with a client or waive fees at its discretion. We typically waive or discount our fee for associates of our advisory firm and their family members.

We strive to offer fees that are fair and reasonable in light of the experience of our firm and the services to be provided to you. We are obligated under California statute to inform you that similar services may be made available from others and potentially at a lesser fee.

In addition to financial planning services, Madrone Hill Capital, LLC provides free educational seminars and workshops. These are always free of charge. Topics include, but are not limited to, budgeting, education planning, and retirement planning.

These seminars and workshops are for general educational purposes only. They are not intended to be investment, legal, or accounting advice. Every person's financial situation is unique, which requires a thorough review and assessment before a financial adviser can make specific financial recommendations. These educational seminars and workshops are meant to help individuals identify and discuss potential financial goals.

Any transactional or service fees (sometimes termed brokerage fees), individual retirement account fees, qualified retirement plan fees, account termination fees, or wire transfer fees will be borne by the account holder and per the separate fee schedule of the custodian of record. Fees paid by our clients to our firm for its services are separate from any of these fees or other similar charges.

Advisory fees paid to our firm for its services are also separate from any internal fees or charges a client may pay involving mutual funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), or other similar investments. Additional information about our fees in relationship to our brokerage and business practices is noted in Item 12 of this document.

Our firm does not charge or receive a commission or a mark-up on securities transactions, nor will the firm or an associate be paid a commission on the purchase of a securities holding that is recommended to a client. We do not receive “trailer” or SEC Rule 12b-1 fees from an investment company that may be recommended to a client.

Fees charged by such issuers are detailed in prospectuses or product descriptions and interested investors are always encouraged to read these documents before investing. Our firm and its associates receive none of these described or similar fees or charges. Our clients retain the right to purchase recommended or similar investments through their service provider.

The Advisory Agreement contract between our firm and client(s) may be terminated immediately, at any time, by either party by giving to the other written notice of such termination.

Notice shall be effective upon receipt or upon the date specified in the notice, if any, if such specified date is later than receipt. Our firm will not be responsible for future advice or planning services upon receipt of a termination notice. We do not require an advance fee for our financial planning services.

If Madrone Hill Capital, LLC begins preparing or completing your financial plan and you then terminate the engagement, you will be invoiced and charged for the work completed to that point.

Such fees owed are determined based on the percentage of completion of your financial plan. For example, if you engaged the firm for a financial plan priced at a total of \$1,350 and then terminated the engagement after we had completed 50% of the plan, you would owe the firm \$675 for the work completed to that point.

If a client did not receive our Form ADV Part 2 brochure at least 48 hours prior to entering into our agreement, then that client will have the right to terminate the engagement without fee or penalty within five business days after entering into the agreement. If a client terminates our services after the five business day rescission period, we are not obligated to provide them with a plan, to include a partial plan.

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

Our firm’s advisory fees will not be based on a share of capital gains or capital appreciation (growth) of any portion of managed funds, also known as performance-based fees.

Our fees will also not be based on side-by-side management, which refers to a firm simultaneously managing accounts that do pay performance-based fees (such as a hedge fund) and those that do not.

Item 7 - Types of Clients

Madrone Hill Capital, LLC provides its services to individuals, high net worth individuals, and businesses. The business entities we serve include sole proprietorships, LLCs, partnerships, and corporations.

We do not require minimum income, minimum asset levels or other similar preconditions for our services. We reserve the right to decline services to any prospective client for any nondiscriminatory reason.

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

Methods of Analysis

We utilize what we believe to be an appropriate blend of fundamental, technical and cyclical analyses. For example, fundamental analysis may involve evaluating economic factors including interest rates, the current state of the economy, or the future growth of an industry sector.

Technical analysis (including the incorporation of cyclical analysis) involves studying the historical patterns and trends of securities, markets, or economies as a whole in an effort to determine potential future behaviors, the estimation of price movement, and an evaluation of a transaction before entry into the market in terms of risk and profit potential. Firm research is often drawn from sources such as financial periodicals.

Investment Strategy

Our passive investment strategy is focused on a diversified portfolio. We recommend investments (primarily ETFs) that are designed to provide the greatest return for any given level of risk. We seek to design portfolios to deliver market equivalent performance for a given level of risk. We do not recommend market timing or stock selection methods of investing but rather a long-term, buy-and-hold strategy with periodic rebalancing of accounts.

Risk of Loss

Our firm believes its strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk; however, there is no guarantee that a planning goal or investment objective will be achieved. Past performance is not a predictor of future results.

Investing in securities involves risk of loss that clients should be prepared to bear. While the following list is not exhaustive, we provide some examples of such risk in the following paragraphs, and we believe it is important that our clients review and consider each prior to investing.

Company Risk

When investing in securities, such as stocks, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. There is the risk that the company will perform poorly or that its value will be reduced based on factors specific to the company or its industry. This is also referred to as unsystematic risk and can be reduced or mitigated through diversification.

Cyclical Analysis

Cyclical analysis is a form of technical analysis. There is the risk that an economic cycle may not be as predictable as preferred. Many fluctuations may occur between long term expansions and contractions. The length of an economic cycle may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends. Consequently, the changing value of securities is affected.

Equity (Stock) Risk

Common stocks are susceptible to general stock market fluctuations and to volatile increases or decreases in value as market confidence in and perceptions of their issuers change. If an investor held common stock or common stock equivalents of any given issuer, they may be exposed to greater risk than if they held preferred stocks and debt obligations of the issuer.

Preferred stocks can be affected by interest rate and liquidity risks (described in adjacent paragraphs). Also note that their dividend payment is not guaranteed; some are subject to a call provision, meaning the issuer can redeem its preferred shares on demand, and usually when interest rates have fallen.

ETF Risks

The risk of owning ETFs (and mutual funds) reflect their underlying securities (e.g., stocks, bonds, derivatives, etc.). Certain ETFs have the potential to be affected by “active risk;” a deviation from its stated index (e.g., S&P 500).

We do not recommend leveraged or inverse ETFs due to their inherent heightened risk. These forms of securities typically carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees.

While many ETFs are known for their potential tax-efficiency and higher “qualified dividend income” (QDI) percentages, there are asset classes within these investment vehicles or holding periods that may not realise these benefits.

Shorter holding periods, as well as commodities and currencies (that may be a holding within an ETF), may be considered “non-qualified” under certain tax code provisions. A holding’s QDI will be considered when tax-efficiency is an important aspect of the client’s portfolio. We do not recommend leveraged or inverse ETFs due to their inherent risk.

Failure to Implement

Each client is free to accept or reject any or all of the recommendations made by our firm. While no advisory firm can guarantee future performance, no plan can succeed if it is not implemented. Clients who choose not to take the steps recommended in their financial plan may face an increased risk that their stated goals and objectives will not be achieved.

Financial Risk

Excessive borrowing to finance a business operation increases profitability risk 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.

Fixed Income Risks

Various forms of fixed income instruments, such as bonds, money market or bond funds may be affected by various forms of risk, including:

- Call Risk – Certain bonds provide an issuer with early redemption rights which, if exercised, would result in redemption prior to the bond’s maturity and a loss of future payments. It is common that an early call by the issuer occurs when it is to their advantage, and to the disadvantage of the investor.
- Credit Risk - The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted.

This may result in a negative impact on all forms of debt instruments, as well as funds or ETF share values that hold these issues. Bondholders are creditors of an issuer and

have priority to assets before equity holders (i.e., stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

- Interest Rate Risk - The risk that the value of the fixed income holding will decrease because of an increase in interest rates.
- Reinvestment Risk - With declining interest rates, investors may have to reinvest interest income or principal at a lower rate.

Fundamental Analysis

The challenge involving fundamental analysis is that information obtained may be incorrect; the analysis may not provide an accurate estimate of earnings, which may be the basis for a security's value. If a security's price adjusts rapidly to new information, a fundamental analysis may result in unfavorable performance.

Inflation

Also called purchasing power risk; the chance that the cash flows from an investment won't be worth as much in the future because of changes in purchasing power due to inflation.

Liquidity Risk

The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. For example, while certain types of fixed income instruments are generally liquid (e.g., bonds), there are risks which may occur such as when an issue trading in any given period does not readily support "buys and sells" at an efficient price. Conversely, when trading volume is high, there is also a risk of not being able to purchase a particular issue at the desired price.

Market Risk

This is also called systematic risk. In cases where markets are under extreme duress, many securities lose their ability to provide diversification benefits. This is called systemic risk.

Passive Investing

A portfolio that employs a passive, efficient markets approach has the potential risk at times to generate lower-than-expected returns for the broader allocation than might be the case for a more narrowly focused asset class, and the return on each type of asset may be a deviation from the average return for the asset class.

Political Risk

The risk of financial and market loss because of political decisions or disruptions in a particular country or region may also be known as "geopolitical risk."

Research Data

When research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, a firm is relying on the accuracy and validity of the information or capabilities provided by selected vendors, rating services, market data, and the issuers themselves.

While our firm makes every effort to determine the accuracy of the information received, we cannot predict the outcome of events or actions taken or not taken, or the validity of all information researched or provided which may or may not affect the advice on or investment management of an account.

Technical Analysis

The risk of investing based on technical analysis is that it may not consistently predict a future price movement; the current price of a security may reflect all known information. This may occur due to analyst bias or misinterpretation, a sector analysis error, late recognition of a trend, etc.

Item 9 - Disciplinary Information

Neither the firm nor its management has been involved in any criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organisation proceeding that would reflect poorly upon our offering advisory business or its integrity.

Item 10 - Other Financial Industry Activities and Affiliations

Madrone Hill Capital, LLC does not recommend or select other investment advisers for our clients.

Firm policies require associated persons to conduct business activities in a manner that avoids conflicts of interest between the firm and its clients, or that may be contrary to law.

We will provide disclosure to our clients prior to and throughout the term of an engagement regarding any conflicts of interest involving our business relationships that might reasonably compromise our impartiality or independence.

Our advisory firm and its management are not registered nor have an application pending to register as a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) member firm or associated person of such a firm, nor are we required to be registered with such entities.

Neither our firm nor its management is or has a material relationship with any of the following types of entities:

- Accountant or accounting firm
- Another investment adviser, to include financial planning firms, municipal advisers, sub-advisers or third-party investment managers; nor do we recommend, select or utilise their services
- Bank, credit union or thrift institution, or their separately identifiable departments or divisions
- Insurance company or insurance agency
- Lawyer or law firm
- Pension consultant
- Real estate broker, dealer or advisor
- Sponsor or syndicator of limited partnerships
- Trust company
- Issuer of a security, to include investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)

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

Our firm is a fiduciary. We will act in the utmost good faith, performing in a manner believed to be in the best interest of our clients. We believe that our business methodologies, ethics rules, and adopted policies are designed to eliminate or at least minimise material conflicts of interest, and to appropriately manage any material conflicts of interest that may remain.

Our firm will disclose to its advisory clients any material conflict of interest relating to the firm, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Code of Ethics

We have adopted a Code of Ethics that establishes policies for ethical conduct for our personnel. Our firm accepts the obligation not only to comply with all applicable laws

and regulations but also to act in an ethical and professionally responsible manner in all professional services and activities.

Firm policies include prohibitions against insider trading, circulation of industry rumors, and certain political contributions, among others. We periodically review and amend our Code of Ethics to ensure that they remain current, and we require firm personnel to annually attest to their understanding of and adherence to the firm's Code of Ethics. A copy of the firm's Code of Ethics is made available to any client or prospective client upon request.

Privacy Policy Statement

We respect the privacy of all clients and prospective clients (collectively termed "customers" per federal guidelines), both past and present. It is recognised that clients have entrusted our firm with nonpublic personal information and it is important that both access persons and customers are aware of firm policy concerning what may be done with that information.

The firm collects personal information about customers from the following sources:

- Information provided to us to complete their plan or investment recommendation;
- Information provided via engagement agreements and other documents completed in connection with the opening and maintenance of an account;
- Information customers provide verbally; and
- Information received from service providers, such as custodians, about client transactions.

The firm does not disclose nonpublic personal information about our customers to anyone, except in the following circumstances:

- When required to provide services our customers have requested;
- When our customers have specifically authorised us to do so;
- When required during a firm assessment (i.e., independent audit); or
- When permitted or required by law (i.e., periodic regulatory examination).

To ensure security and confidentiality, the firm maintains physical, electronic, and procedural safeguards to protect the privacy of customer information. Within the firm, access to customer information is restricted to personnel that need to know that information.

All access persons and service providers understand that everything handled in firm offices is confidential and they are instructed not to discuss customer information with someone else that may request information about an account unless they are specifically authorised in writing by the customer to do so. This includes providing information about a family member's account.

Our firm will provide its customers with its privacy policy on an annual basis and at any time, in advance, if firm privacy policies are expected to change.

Firm Recommendations and Conflicts of Interest

Neither the firm nor any associate is authorised to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a "related person" (e.g., associate, an immediate family member, etc.) has a material financial interest, such as in the capacity as a board member, underwriter or adviser to an issuer of securities, etc.

An associate is prohibited from borrowing from or lending to a client unless the client is an approved lending institution.

Our firm remains focused on ensuring that its offerings are based upon the needs of its clients, not resultant fees received for such services. We want to note that you have the right to reject a recommendation from our firm, and you have the right to complete a service or transaction through a service provider of your choice.

Madrone Hill Capital, LLC does not trade for its own account (e.g., proprietary trading). The firm's related persons may buy or sell securities that are the same as, similar to, or different from, those recommended to clients for their accounts, and this poses a conflict of interest. We mitigate this conflict by ensuring that we have policies and procedures in place to ensure that the firm or a related person will not receive preferential treatment over a client.

In order to reduce or eliminate certain conflicts of interest involving personal trading (e.g., trading ahead of client recommendations or trades, etc.), firm policy requires that we restrict or prohibit certain related parties' transactions. Any exceptions must be approved in writing by our Chief Compliance Officer, and personal trading accounts are reviewed on a quarterly or more frequent basis. Please refer to Item 6 of the accompanying Form ADV Part 2B for further details.

Item 12 - Brokerage Practices

Madrone Hill Capital, LLC will not take physical or constructive custody of assets. Your accounts are to be maintained by a qualified custodian of your choice, generally a broker/dealer, futures commission merchant, national bank or trust company. Our firm is not a custodian, there is not an affiliate that is a custodian, nor does a custodian supervise our firm, its activities or our associates.

We do not receive referrals from a custodian, nor would client referrals be a factor in a recommendation of a custodian. Our firm prohibits non-cash compensation and will not “pay up” to receive services from a service provider. All compensation paid to the firm is paid directly by our clients as noted in Item 5.

In light of the nature of our firm’s advisory services, it is believed “best execution” review obligations with regard to client transactions are not required under current industry guidelines.

Our firm does not require or engage in directed brokerage involving client accounts. Clients are free to use any particular service provider to execute their transactions and they are responsible for negotiating any terms or arrangements for their account.

Our firm will not be obligated to conduct due diligence of the client’s selected service provider, seek better execution services or prices from any provider, or aggregate client transactions for trade execution.

Since your transactions are completed at a service provider of your choice, you may potentially pay more for your transaction or experience wider price spreads. Our firm is not engaged for ongoing portfolio management nor do we serve an account on a discretionary basis.

We are therefore unable to aggregate (“batch”) trades on behalf of client accounts. Since transactions may be completed independently at a service provider of your choice, you may potentially pay more for your transaction or experience wider price spreads than those accounts where trades have been aggregated.

Item 13 - Review of Accounts

Periodic plan reviews are encouraged, and we recommend they occur on at least an annual basis. Scheduled reviews will be conducted by H. Wu. A copy of revised plans or asset allocation reports in printed or digital format will be provided to the client upon request.

You should contact our firm for additional reviews when you anticipate or have experienced changes in your financial situation (i.e., changes in employment, an inheritance, the birth of a new child, etc.), or if you prefer to make changes to your investment allocation. Non-periodic reviews are conducted by Ms. Wu. A copy of revised plans or asset allocation reports in printed or digital format will be provided to the client upon request.

You will receive account statements sent directly from mutual fund companies, transfer agents, custodians or brokerage companies where your investments are held. We urge you to carefully review these account statements for accuracy and clarity, and to ask questions when something is not clear.

Our firm provides portfolio allocation “snapshots” to our clients, but we do not provide written performance reports. Clients are urged to carefully review and compare account statements that they have received directly from their custodian of record with any performance report they may receive from any party.

Item 14 - Client Referrals and Other Compensation

We do not engage in solicitation activities. If we receive or offer an introduction to a client, we do not pay or earn referral fee, nor are there established quid pro quo arrangements. Each client retains the option to accept or deny such referral or subsequent services.

Item 15 - Custody

Your assets must be maintained by an unaffiliated, qualified custodian, such as a bank, broker/dealer, mutual fund company or transfer agent. Your assets are not held by our firm or any associate or our firm. In keeping with this policy involving our client funds or securities, we:

- Restrict the firm or an associate from serving as trustee or having general power of attorney over a client account;
- Prohibit any associate from having authority to directly withdraw securities or cash assets from a client account;
- Do not accept or forward client securities (i.e., stock certificates) erroneously delivered to our firm;
- Will not collect advance fees of \$500 or more for services that are to be performed six months or more into the future; and
- Will not authorise an associate to have knowledge of a client’s account access information (i.e., online 401(k), brokerage or bank accounts) if such access would allow physical control over account assets.

Your custodian will provide you with your investment transaction confirmations and account statements. Our firm will not create an account statement for a client nor serve as the sole recipient of a client account statement.

Clients are reminded to carefully review and compare their account statements that they have received directly from their custodian of record with any performance report they may receive from any source.

Item 16 - Investment Discretion

Madrone Hill Capital, LLC does not have discretionary authority. We require clients to execute trades on a self-directed basis.

Item 17 - Voting Client Securities

Our clients may periodically receive proxies or other similar solicitations sent directly from the custodian of record or transfer agent. If we receive a duplicate copy, note that we do not typically forward these or any correspondence relating to the voting of your securities, class action litigation, or other corporate actions.

Our firm does not vote proxies on behalf of an account. We do not offer guidance on how to vote proxies, nor will we offer guidance involving any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account.

That includes, without limitation, to file proofs of claim or other documents related to such proceedings, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets. We will answer limited questions with respect to what a proxy voting request or other corporate matter may be and how to reach the issuer or their legal representative.

The client maintains responsibility for directing the manner in which proxies solicited by issuers of securities that they beneficially own shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other legal matters or events pertaining to your holdings. You should consider contacting the issuer or your legal counsel involving specific questions you may have with respect to a particular proxy solicitation or corporate action.

Item 18 - Financial Information

Our advisory firm will not take custody of client assets. Engagements with our firm do not require that we collect advance fees from a client of \$500 or more for our advisory services that we have agreed to perform six months or more into the future.

Neither our firm nor its management serve as general partner for a partnership or trustee for a trust in The firm and its management do not have a financial condition likely to impair its ability to meet commitments to clients, nor has the firm and its management been the subject of a bankruptcy petition. Due to the nature of our firm's advisory services and operational practices, an audited balance sheet is not required nor included in this brochure.

Item 19 - Requirements for State-Registered Advisers

For further information involving firm principal executive and management personnel, their business activities as well as material conflicts of interest, please refer to areas previously disclosed in Items 6 and 9 through 11, as well as the accompanying Form ADV Part 2B brochure supplement that immediately follows this page. In consonance with Item 10 of this brochure, neither our firm nor a member of its management has a material relationship with the issuer of a security.

Form ADV Part 2B Brochure Supplement

Sept. 25, 2023

This brochure provides information about H. Wu that supplements Madrone Hill Capital, LLC Form ADV Part 2A firm brochure. You should have received a copy of that brochure.

Please contact Ms. Wu at hwu@mhilcap.com if you did not receive the full brochure or if you have any questions about the contents of this supplement. Additional information about Ms. Wu is available on the Securities and Exchange Commission's (SEC) website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

Regulatory guidance requires the firm to disclose relevant post-secondary education and professional training for each principal executive and associate of the firm, as well as their business experience for at least the most recent five years.

Principal Executive Officers and Management Persons

Managing Director | Chief Compliance Officer | Investment Adviser Representative

Legal Name: Heather Wu

Year of Birth: 1982

CRD Number: 7810662

Educational Background and Business Experience

Educational Background

Certificate in Financial Planning, 03/21
Bryant University, Smithfield, RI.

Certificate in Investment Management Theory & Practice, 06/20

Yale School of Management, New Haven, CT.

Master of Science in Taxation, 04/16

Cumulative GPA: 3.67. Golden Gate University, San Francisco, CA.

Bachelor of Arts in International Relations: World Economics, 06/06

Cumulative GPA: 3.97, with Honors. University of California, Davis, CA.

Associate of Arts in Social Sciences, 05/04

Cumulative GPA: 3.94, Highest Honors. American River College, Sacramento, CA.

Uniform Securities State Law Examination: NASAA Series 63

Investment Advisers Law Examination: NASAA Series 65

Business Experience

Chief Compliance Officer | Investment Adviser Representative | Managing Director

Madrone Hill Capital, LLC, 09/2023-present

San Francisco, CA

Executive Director | Financial Service

MyMoneyPlan™, a 501(c)(3) organisation, 09/2020-08/2023

Berkeley, CA

Analyst | Tax Adviser

Independent Consultant, 05/2016-08/2020

Berkeley, CA

Federal Tax Intern

KPMG, 01/2016-04/2016

Walnut Creek, CA

Taxation Master's Degree Student

Golden Gate University, 01/2015-04/2016

San Francisco, CA

Legal Services | Tax Adviser

Independent Consultant, 10/2007-12/2014

Redwood City and El Cerrito, CA

Financial Services

Independent Contractor, 02/2000-09/2007

Tempe, AZ and Sacramento, CA

Marketing Services
Independent Contractor, 09/1998-01/2000

Item 3 - Disciplinary Information

Registered investment advisers are required to disclose certain material facts about its associated personnel regarding any legal or disciplinary events, including criminal or civil action in a domestic, foreign or military court, or any proceeding before a state, federal or foreign regulatory agency, self-regulatory organisation, or suspension or sanction by a professional association for violation of its conduct rules material to your evaluation of each officer or a supervised person providing investment advice. H. Wu has not been the subject of any such event.

Item 4 - Other Business Activities

Investment adviser representatives are required to disclose outside business activities that account for a significant portion of their time or income, or that may present a conflict of interest with their advisory activities.

Neither H. Wu nor our firm has a material relationship with the issuer of a marketable security. Wu is not registered, nor has an application pending to register, as a registered representative of a FINRA or NFA broker/dealer or associated person of a futures commission merchant, commodity pool operator, or commodity trading adviser.

Wu does not receive commissions, bonuses or other compensation based on the sale of securities, including that as a registered representative of a broker/dealer or the distribution or service fees (“trails”) from the sale of mutual funds.

No one employed by the firm, including: the investment adviser, affiliates, and associated persons of the investment adviser, will receive commissions from the sale of insurance or real estate or will receive fees or other compensation from the sale of securities or other products or services recommended in the financial plan. Likewise, none of the above mentioned persons otherwise has a conflict of interest.

Clients are under no obligation to act on the investment adviser’s or associated person’s recommendation.

Madrone Hill Capital, LLC is not affiliated with any broker-dealer. Likewise, no firm investment adviser or associated person is employed as an agent with any broker-dealer. Additionally, the firm does not have discretionary authority to effect client transactions.

If a client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser or the associated person when such person is employed as an agent with a licensed broker-dealer or is licensed as a broker-dealer or through any associate or affiliate of such person.

Item 5 - Additional Compensation

Neither our advisory firm nor H. Wu is compensated for advisory services involving performance-based fees. Firm policy does not allow associated persons to accept or receive additional economic benefit, such as sales awards or other prizes, for providing advisory services to firm clients.

Item 6 - Supervision

H. Wu serves as our firm's Chief Compliance Officer. Because supervising one's self poses a conflict of interest, the firm has adopted policies and procedures to mitigate this conflict.

Questions relative to the firm, its services or this Form ADV Part 2 may be made to the attention of Ms. Wu at hwu@mhilcap.com. Additional information about the firm, other advisory firms, or an associated investment adviser representative is available via www.adviserinfo.sec.gov.

A search of this site for firms may be accomplished by firm name or a unique firm identifier, known as an IARD or CRD number. The IARD number for Madrone Hill Capital, LLC is 328242.

The business and disciplinary history, if any, of an investment advisory firm and its representatives may also be obtained by calling the California Department of Business Oversight Securities Regulation Division at (866) 275-2677.

Item 7 - Requirements for State-Registered Advisers

There have been neither awards nor sanctions or other matters where H. Wu or Madrone Hill Capital, LLC has been found liable in an arbitration, civil, self-regulatory or administrative proceeding. Neither Ms. Wu nor Madrone Hill Capital, LLC has been the subject of a bankruptcy petition.