

Item 1 Cover Page

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This brochure provides information about the qualifications and business practices of Hill Financial Group. If you have any questions about the contents of this brochure, please contact us at (216) 292-9288. 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 Hill Financial Group also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

This is a new brochure.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was: March 24, 2011.

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Item 4 Advisory Business

A. Describe your advisory firm, including how long it has been in business. Identify your principal owner(s).

Hill Financial Group is a registered investment advisor firm registered with both the SEC as of February 25, 2010 and the State of Ohio securities regulators as of July 29, 2003.

Hill Financial Group's majority owner is James ("Jim") R. Hill. Mr. Hill is the President/Advisor/Chief Compliance Officer for Hill Financial Group. The firm has an internal succession plan to support long-term continuity of the business and retain and attract key employees.

B. Describe the types of advisory services the firm offers. If the firm holds itself out as specializing in a particular type of advisory service, explain the nature of that service in detail. If the firm provides investment advice only with respect to limited types of investments, explain the type of investment advice firm offers and disclose that the advice is limited to those types of investments.

Hill Financial Group ("HFG" or "Advisor"). HFG provides financial planning, investment management and insurance services to individuals, and investment management to trusts, estates, charitable organizations, pension and profit sharing plans, as well as small businesses. The firm's primary focus is on individuals near and in retirement, who want a custom, personalized plan for life.

Hill Financial Group designs investment plans that help grow and protect our clients' wealth. By having discretionary authority over our clients' accounts, HFG can more effectively manage their investments based on the clients' individual risk tolerance and financial goals. By engaging in a comprehensive financial planning process, we are better positioned to implement investment strategies that serve our clients' long-term growth and spending needs. We believe in full transparency of transactions and investment holdings, and use individually managed accounts to provide flexibility and added security. By partnering with Fidelity, HFG is able to offer our clients a full menu of investment offerings with the added comfort of one of the most trusted custodians in the industry.

HFG manages investment accounts using one or more variations of our three (3) distinct global asset allocation strategies: (1) Systematic (Passive) re-balancing of low cost institutional index funds. (2) Moderate tactical using actively managed mutual fund shares. (3) Active tactical using either ETF's, or individual equities. These models are comprised of combinations of investment products which include: no-load open-end investment company shares ("mutual funds"), exchange traded funds ("ETF's"), fixed-income securities, and individual equities. Investments are selected based on past performance, manager tenure, portfolio turnover, fees, investment style, investment philosophy and objective, and a variety of investment related statistics including alpha, beta, standard deviation, and R-squared. Our active strategy selects investments based not only on the above criteria, but also uses price momentum, moving averages, and trading volume to identify security price trends.

HFG manages client investment accounts on a discretionary basis, and all investment decisions are guided by the stated objectives of each individual client. These objectives include capital preservation, income, growth with income, and growth.

Generally, HFG will hold an initial meeting with prospective clients to explain the firm's service offerings and related charges, and to collect detailed financial data regarding their personal financial situation. A modest one-time planning fee is then quoted based on expected staff preparation time. Upon agreement by the client, the necessary financial information is gathered and HFG performs a

comprehensive risk and cash flow analysis to develop a comprehensive financial plan used to assist us in selecting the appropriate asset allocation strategies. Factors include age, health, family circumstances, income, expenses, risk tolerance, taxes, and level of investment sophistication. This financial plan is developed over several meetings to help HFG explore the effects of our assumptions on their plan, and to incorporate their feedback. After receiving this plan, clients may choose to invest in one of HFG's investment strategies. However, clients are under no obligation to implement these strategies through HFG, and this professional relationship may be terminated at will by either party upon written or verbal notice.

Selection of securities for HFG's investment strategies is based on over forty (40) years of academic research that asset allocation is the primary driver of investment returns, not market timing or security selection. HFG believes that markets are primarily efficient, and for investing purposes, securities are fairly priced. Asset allocation, broad global diversification and an unemotional approach to strategic rebalancing ultimately reduce portfolio risk. The riskier the investment the greater the potential return. HFG also believes that all investments carry risk. For example returns on certificates of deposit may not be able to protect against inflation and taxes thus a loss in purchasing power occurs.

Once the appropriate investment strategy has been determined, the investment portfolio will be managed based on the model's goals rather than on each client's individual needs. Clients, nevertheless, will be permitted to impose reasonable restrictions on the management of their accounts. However, HFG will not take responsibility for making recommendations for the particular securities that the clients requested for their accounts. HFG reserves the right to reject any account for which unreasonable or overly restrictive conditions are requested. Each account is individually managed, and clients retain individual ownership of all securities held in their accounts.

Termination: A clients' advisory agreement may be canceled for any reason at any time by either party upon receiving 30 days' notice. Upon termination of an account's advisory agreement, any prepaid, unearned fees will be reimbursed, and any earned, unpaid fees will be due and payable. Additionally all trading activity will stop. The client has the sole right to terminate an advisory agreement, without penalty, within five business days.

C. Explain whether (and, if so, how) the firm tailors advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

HFG tailors its advisory services to a client's individual needs based upon their individual financial circumstances. By engaging our clients in a comprehensive financial planning process involving, periodic review meetings and continuous risk assessment, we are able to help our clients make continuous progress towards their financial goals. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements. However, HFG reserves the right to reject any account for which unreasonable or overly restrictive conditions are requested. It is our preference for clients to use a combination of our various investment models.

D. If the firm participates in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how the firm manages wrap fee accounts and how it manages other accounts, and (2) explain that the firm receives a portion of the wrap fee for its services.

HFG does not provide portfolio management services to wrap fee programs.

E. If the firm manages client assets, disclose the amount of client assets it manages on a discretionary basis and the amount of client assets on a non-discretionary basis. Disclose the date “as of” which it calculated the amounts.

HFG manages client assets and as of December 31, 2010 has the following assets under management:

| | |
|------------------------------------|--|
| Advisory Discretionary assets: | \$70,000,000 |
| Advisory Non discretionary assets: | \$11,000,000 |
| FINRA Regulated assets: | \$25,000,000 (as a registered securities principal with LPL Financial) |

Item 5 Fees and Compensation

A.&B. Describe how the firm is compensated for its advisory services. Provide the fee schedule. Disclose whether the fees are negotiable. Describe whether the firm deducts fees from clients’ assets or bills client for fees incurred. Explain how often firm bills clients or deducts its fee.

HFG charges an annual fee for portfolio management services. This fee is negotiable, and ranges from 0.50% to 2.50% of asset under management annually. This management fee includes access to a HFG Financial Advisor or Investment Advisory Representative, discretionary management, and periodic reviews of all investments under HFG’s guidance. The minimum household account size is \$400,000 and the minimum annual fee is \$4,000. HFG may waive these minimums at its sole discretion. Clients authorize HFG to deduct the advisory fee directly from their accounts under the “Discretionary Accounts Advisory Agreement” the related fee is disclosed in “Schedule A” under the “Discretionary Accounts Advisory Agreement.” Client accounts will be directly debited, as authorized, at the beginning of each calendar month or quarter, based upon the value of their account on the last business day of the previous month or quarter. The advisory fee is based on total asset under management, and is not charged as a percentage share of capital gains or capital appreciation of the clients’ account.

The advisory fee does not include custodial charges for account debit balances, related margin interest, transfer fees, SEC Fees, transaction charges, and/or expenses charged by mutual fund companies. The client is also responsible for fees associated with receiving duplicate statements and transaction confirmations, as well as any charges for electronic data feeds and reports. Accounts are set-up with fee structures that are minimal and fully transparent.

HFG charges a fee for initial financial planning services, including risk assessments and investment strategy advice. Investment management clients do not pay for future and ongoing planning. For this fee, prospective clients will receive a written financial plan. This plan will provide advice on the allocation of the clients’ financial assets, such as money market funds, individual corporate securities, certificates of deposit, municipal and government securities, mutual funds, unit investment trusts, annuities, life insurance, and other investment that clients may possess. The plan that HFG develops may address retirement planning, income tax planning, long-term care planning, and estate planning. HFG charges a fixed fee for financial planning services in the range of \$500 to \$6,000, depending on the complexity of a client’s financial situation. The entire fixed fee is not billed to the client in advance. Any client canceling during or within 15 business days after the planning stage will receive a full refund. Clients cancelling after that will have all unearned fees returned.

HFG and the client may agree to have a financial plan or a review prepared on an hourly basis. In this instance, a negotiable hourly rate of \$250.00 is paid after the initial consultation, but before plan delivery. This hourly rate may be negotiated based upon the complexity of the clients’ financial situation. Any

client canceling our planning agreement within five (5) business days will receive a full refund; clients canceling after this period will have all unearned fees returned. We prefer fixed fee planning engagements over open ended assignments, and break engagements into separate components with clear estimates of projected costs. We rarely engage in these types of hourly based assignments.

C. Describe any other types of fees or expenses clients may pay in connection with firm's advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

All fees paid to HFG for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders and the product sponsor in the case of variable insurance products. These fees and expenses are described in each fund's or variable product's prospectus. These fees will generally include management fees and other fund level expenses. Please also see the response to Item 5A&B above.

D. If the firm's clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

HFG's investment management fee is not payable in advance. Upon termination, if any fees were paid in advance they will be prorated to the date of termination and any excess fee will be refunded to client.

E. If the firm or any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact.

HFG may execute client transactions through custodian/broker dealers that receive 12b-1 fees. HFG may but does not currently receive compensation in the form of 12b-1 fees from their custodians/broker dealers, that if not collected would go to the custodian/broker dealer. This presents a potential conflict of interest by creating an incentive to recommend investment products based on the compensation received, rather than on a client's needs when these fees are received by the Advisory Firm. HFG will use such fees, if received, to reduce the advisory fees charged by HFG to its clients. This compensation is not HFG's primary compensation and currently represents 0% (zero) of its revenue.

A client may be able to invest in products recommended by the firm directly, without the services of HFG. In that case, the client would not receive the services provided by HFG which are designed, among other things, to assist the client in determining which products or services are most appropriate to each client's financial condition and objectives.

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

If the firm or any of its supervised persons accepts performance-based fees, that is, fees based on a share of capital gains on or capital appreciation of the assets of a client, disclose this fact. If the firm or any of its supervised persons manages both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or asset-based fee, disclose this fact.

HFG does not charge performance-based fees.

Item 7 Types of Clients

Describe the types of clients to who the firm generally provide investment advice, such as individuals, trusts, investment companies or pension plans. If the firm has any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

HFG provides financial planning, investment management and insurance services to individuals, trusts, estates, charitable organizations, pension and profit sharing plans, and small businesses.

HFG requires a minimum account size of \$400,000 for portfolio management clients. Related household account may be combined to reach this minimum. This minimum account size may be negotiated under certain circumstances, and HFG may waive this minimum at its sole discretion.

HFG focuses on attracting clients who are 50 to 70 years of age in order to ensure proper planning and investment practices are implemented and managed throughout the remainder of their retirement years.

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

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets.

See the response to Item 4B above.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

It is our focus to reduce market, individual security, interest rate, and inflation risk through the use of global asset allocation and broad diversification. By using equity and fixed income securities of large, medium, and small companies located in the U.S. and abroad (including emerging markets) serves to minimize market and individual security risks. We also believe that holding equity securities can also reduce inflation risk. Fixed income securities that are diverse in duration, quality, and geography not only help to minimize interest rate risk, but also serve as a means to reduce overall portfolio volatility.

The use of mutual funds and ETF's nearly reduce the impact of an individual security failing in a material way by having hundreds of holdings. Interest rate risks are dealt with by staying short in duration. And in the tactically managed approach, the flexibility of changing durations based on current yield curves and allocating into, and out of, various bond funds and other asset classes is critical in dealing with interest rate risk.

Inflation risk for our clients is measured by the preservation of purchasing power in US Dollars. The use of equities, hard assets and currencies via global ownership provides diverse tools and historical defenses in preserving our local fiat currency.

B. For each significant investment strategy or method of analysis the firm uses, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss the risks in detail. If the firm's primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

The methods of analysis and investment strategies followed by HFG are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as HFG is considering the client's portfolio, risk tolerance, tax impacts, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client could incur transaction costs. The vast majority of ETF's and funds we utilize have no transaction fees; those that do have transaction are between \$8 and \$25 for funds. Individual stocks are approximately \$13 per trade.

We carefully select investment strategies to fit into a client's overall tax strategy. For example, our active tactical is always well suited in a tax-deferred account such as an IRA, 401k, Roth or Tax-deferred Annuity. The more tactical a strategy is, then the more trades are required to adjust to changing market conditions. Therefore, our passive or systematic approaches have less tax consequences, and tend to be used in taxable accounts.

C. If the firm recommends primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

HFG does not primarily recommend a particular type of security.

Item 9 Disciplinary Information

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of the firm's advisory business or the integrity of the firm's management, disclose all material facts regarding those events.

Clients should be aware that neither HFG nor its management person(s) have had any legal or disciplinary events, currently or in the past.

Item 10 Other Financial Industry Activities and Affirmations

A. If the firm or any of its management person are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

HFG's President, Jim Hill, is a registered representative for LPL Financial, a FINRA registered broker dealer. When acting in the capacity of a registered representative, Mr. Hill may receive a normal and customary commission as a result of the purchase and sale of such securities. These activities represent less than 5% of the business activities for J.R. Hill and Associates.

B. If the firm or any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Neither HFG nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor.

C. Describe any relationship or arrangement that is material to the firm's advisory business or to your clients that the firm or any of its management persons have with any

related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

In addition to its Investment Advisory business, J.R. Hill and Associates is also a licensed insurance agency with the State of Ohio. J.R. Hill and Associates, and its agents, may offer insurance products and receive normal and customary commission for the sale of those products. This creates a conflict of interest. A conflict of interest exists because of the receipt of additional compensation by the firm. Clients are not obligated to use the firm for insurance products services. However, in such instances, there is no advisory fee associated with these insurance products. Currently this business represents 2% of J.R. Hill and Associates business activities.

D. If firm recommends or selects other investment advisers for its clients and receives compensation directly or indirectly from those advisers that creates a material conflict of interest, or if the firm has other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

HFG does not recommend or select other investment advisers for clients.

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

A. If the firm is an SEC-registered advisor, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.

HFG is registering with both the SEC and State of Ohio securities regulators and maintains a Code of Ethics pursuant to SEC rule 204A-1. HFG has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of HFG deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of HFG are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. HFG collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. HFG maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

B. If firm or its related persons recommends to clients, or buys or sells for client accounts, securities in which the firm or a related person has a material financial interest, describe the firm's practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Where acting in the capacity of a registered representative, investment advisory representatives of HFG may as broker or agent effect securities transactions for typical and customary compensation. This creates a conflict of interest. Clients are not obligated to use investment advisory representatives of the HFG to execute such securities transactions. If client elects to use the investment advisory representatives of HFG in this capacity, fees associated with these types of transactions will be disclosed to the client, in advance.

While HFG endeavors at all times to put the interests of its clients first as part of their fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of the individual making the recommendation.

C. If the firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that the firm or a related person recommends to clients, describe the firm's practice and discuss the conflicts of interest this presents and generally how the firm addresses the conflicts that arise in connection with personal trading.

Employees of HFG may own or place transactions of securities in their personal accounts that may coincide with recommendations HFG gives to its clients. In every situation, the clients' needs are considered first and foremost.

The Advisers Act imposes a strict fiduciary standard of duty on all investment advisers. As a fiduciary, HFG has the duty to act in utmost good faith, and solely in the best interest of our clients. Our clients entrust us with their investments and financial future, which in turn places a high standard on our conduct and integrity, a standard that HFG does not take lightly. This fiduciary duty is the core principle underlying HFG's Code of Ethics and Personal Trading Policy. A complete copy of HFG's Code of Ethics is available to any client or prospective client upon request.

INSIDER TRADING POLICY

HFG and its employees may, from time to time, come into possession of material non-public or other confidential information. This information, if disclosed, might affect an investor's decision to buy, sell, or hold a security. Under applicable law, HFG and its employees are prohibited from improperly disclosing or using such information for their personal benefit, or the benefit of any other person, regardless of whether such person is a HFG client. If such persons come into contact with material nonpublic or other confidential information with respect to any company, they are prohibited from communicating this information to, or using this information for the benefit of their clients, and have no obligation or responsibility to disclose this information to, nor the responsibility to use this information for the benefit of their clients when following the policies and procedures designed to comply with law.

Any employee who fails to observe the above referenced policy risks serious sanctions, including personal liability, termination of employment, and suspension or revocation of licenses.

D. If the firm or related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that the firm or related person buys or sells the same securities for your own account, describe the firm's practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

See the response to Item 11C above.

Item 12 Brokerage Practices

A. Describe the factors the firm considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).

HFG has discretionary authority to select the broker or dealer for custodial and execution services. HFG will choose the broker or dealer to be used based on execution and custodial services offered, cost, quality

of service and industry reputation. HFG will consider factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client.

1.a.-f. Research and Other Soft Dollar Benefits.

If the firm receives research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose the firm’s practices and discuss the conflicts of interest they create.

HFG uses certain custodian/broker dealers that provide institutional services. These custodian/broker dealers provide HFG with access to institutional trading and operational services not typically available to retail investors. These custodian/broker dealers may make available to HFG other products and services that benefit HFG, but may not benefit clients directly. Some of these products and services assist HFG in managing and administering clients’ accounts. Custodian/broker dealers may make available, arrange and/or pay for these types of services to HFG by independent third parties. They may discount or waive fees it would otherwise charge for some of these services, or pay all or part of the fees of a third-party providing these services to HFG. The availability of these products and services is not contingent upon HFG committing to any specific amount of business such as assets in custody or trading.

2. Brokerage for Client Referrals.

If the firm considers, in selecting or recommending broker-dealers, whether the firm or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.

HFG does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

3.a. Directed Brokerage.

If the firm routinely recommends, requests or requires that a client direct you to execute transactions through a specified broker-dealer, describe the firm’s practice or policy.

Pursuant to the “Discretionary Accounts Advisory Agreement” which clients execute at account opening, HFG is granted limited discretionary authority to place orders (“trades”) for client accounts through HFG’s custodian. Hill Financial Group does not maintain custody of client assets. HFG clients must establish brokerage accounts with HFG’s custodian, Fidelity Institutional Wealth Services (as cleared through National Financial Services LLC.) so that HFG can place securities transactions for their accounts. Through the use of Fidelity Institutional Wealth Services trading platform, HFG can execute “block trades” to ensure that all HFG clients receive the same pricing for securities purchased for their accounts.

3.b If the firm permits a client to direct brokerage, describe your practice.

We do not permit direct brokerage in the Investment Advisory practice, this would be done under LPL Financial, as a registered representative, of LPL.

See the response to Item 3.a. above.

B. Discuss whether and under what conditions the firm aggregates the purchase or sale of securities for various client accounts. If the firm does not aggregate orders when it has the

opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

HFG may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of HFG's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. HFG may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

Item 13 Review of Accounts

A. Indicate whether your firm periodically reviews client accounts or financial plans. If you do, describe the frequency and nature of the review and the titles of the supervised persons who conduct the review.

Accounts invested in HFG's various investment strategies are monitored on an on-going basis, and are rebalanced based on market or other conditions as warranted. All client accounts are reviewed by Jim Hill, President of Hill Financial Group. Securities for accounts are bought or sold by HFG subject to its limited discretionary authority. All HFG investment strategies, and securities held in accounts are monitored and reviewed at least quarterly by HFG's investment committee.

Financial Planning clients' brokerage accounts at LPL Financial are monitored periodically where consistent with HFG Financial Plan and client instructions.

At least annually, the Financial Advisor must have a conversation with the client to update their financial and personal information and to determine what changes, if any, are needed to meet the client's needs, and to assess suitability of current investment recommendations. Reviews may also be conducted at the clients' request and are encouraged and welcomed.

All HFG clients receive monthly statements and transaction confirmations for securities portfolios managed by HFG directly from their custodians. Additionally, HFG furnishes its clients with an online performance reporting program, providing the clients with access to numerous reports regarding the performance and transaction history of their accounts. For clients without internet access, HFG will provide these clients with these reports at their request and during client review meetings. These performance reports are prepared by an independent outside party called Albridge, a Bank of New York (BNY) holding. They receive all data directly from your accounts.

B. If the firm reviews client accounts on other than a periodic basis, describe the factors that trigger a review.

See response to Item 13A above.

C. Describe the content and indicate the frequency of regular reports the firm provides to clients regarding their accounts. State whether these reports are written.

See response to Item 13A above.

Item 14 Client Referrals and Other Compensation

A. If someone who is not a client provides an economic benefit to the firm for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how the firm addresses the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

HFG does not currently have any such arrangements.

B. If the firm or a related person directly or indirectly compensates any person who is not a supervised person for client referrals, describe the arrangement and the compensation.

HFG does not currently have any such arrangements.

Item 15 Custody

If the firm has custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements.

HFG does not have custody of client funds and securities, however, the client will receive written statements no less than monthly from the custodian. HFG encourages clients to carefully review their account statements for any inaccuracies. Any discrepancies should be immediately brought to the firm's attention.

Item 16 Investment Discretion

If the firm accepts discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Under the various investment strategies implemented by HFG, client provides HFG with limited discretionary authority to invest client assets into a diversified mix of asset classes and investment securities, modify and/or change the mix of asset classes and investment securities within the account, and the authority to rebalance the account periodically. This authority is granted pursuant to the "Discretionary Accounts Advisory Agreement."

Discretion to trade in a client account is critical to the timely execution of our various investment strategies. This discretion clearly differentiates our role of an advisor with a fiduciary responsibility to work in the client's best interest, from that of a broker who makes a recommendation that only has to be

suitable at the point of sale. Effective money management requires the ability to move quickly and decisively. Brokers must receive approval to buy or sell any investment within 24 hours of a trade under FINRA. Our relationship with clients is enhanced by overall long term growth of account assets. Any trading is done to protect and advance portfolio growth, as we receive no compensation on trade activity. Thus, no conflict of interest can exist as can in a traditional broker dealer agent relationship whose compensation comes from trading activity.

Item 17 Voting Client Securities

A. If the firm has, or will accept authority to vote client securities, briefly describe the voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6 and the applicable state securities rules.

Not Applicable to this Advisor.

B. If the firm does not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

As a matter of firm policy and practice, HFG does not accept the authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

Item 18 Financial Information

A. If the firm requires or solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

HFG does not require or solicit prepayment of any fees per client, six months or more in advance.

B. If firm has discretionary authority or custody of client funds or securities, or firm requires or solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

HFG has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If HFG does become aware of any such financial condition, this brochure will be updated and clients will be notified.

C. If firm has been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought and the current status.

The advisor has never filed for, or been the subject of a bankruptcy petition, ever.

Item 19 Requirements for State-Registered Advisers

A. Identify each of your principal executive officers and management persons, and describe their formal education and business background.

James (Jim) R. Hill was born in 1951, and is President/Advisor/Chief Compliance Officer for J.R. Hill and Associates, Inc. (D.B.A. Hill Financial Group) and has served in that role since founding the company in January 2000. Mr. Hill received his Bachelors of Science in Business Administration from Indiana University in 1975, and upon graduation held positions as financial analyst, public accountant, and internal auditor. He is fully licensed, possessing a FINRA Series 7,&24, NASAA Series 63, NASAA Series 65, and Ohio Insurance licenses. Mr. Hill is also a registered representative and principal with LPL Financial.

Dennis C. Coon was born in 1977, and is Financial Planner and Portfolio Manager for J.R. Hill and Associates, Inc. (D.B.A. Hill Financial Group) ("HFG") and has served in that role since joining the company in September 2010. Mr. Coon received his Bachelors of Science in Business Administration from the University of Missouri – St. Louis in 2003, and since graduation has held positions as financial consultant and financial advisor for AXA Advisors and UBS Wealth Management respectively. Before joining J.R. Hill and Associates, Mr. Coon spent a brief time at the law firm of Knox McLaughlin Gornall and Sennett as an Estate Planning Professional. Dennis is formally schooled and disciplined in financial planning, insurance, investments, and estate planning. Dennis brings more than 8 years of financial planning and investment experience, and provides clients with a diverse and deep background in financial planning, estate planning, and investment management. He is fully licensed, possessing a FINRA Series 7, NASAA Series 66, and Pennsylvania Insurance licenses.

B. Describe any business in which the firm is actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.

See response to Item 10C above.

C. In addition to the description of your fees in response to Item 5 of Part IIA, if you or a supervised person are compensated for advisory services with performance based fees, explain how these fees will be calculated. Disclose specifically that performance based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk to the client.

Not Applicable to this Advisor.

D. If you or a management person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. 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.**

Neither HFG nor its management persons have been involved in an arbitration claim therefore this question is not applicable.

2. 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.**

Neither HFG nor its management persons have been involved in a civil, self-regulatory organization or administrative proceeding therefore this question is not applicable.

E. In addition to any relationship or arrangement described in response to Item 10.C. of Part 2A, describe any relationship or arrangement that you or any of your *management persons* have with any issuer of securities that is not listed in Item 10.C. of Part 2A.

Not Applicable to HFG.

Item 1 Cover Page for Brochure Supplement

James R. Hill, President/Advisor/Chief Compliance Officer

J.R. Hill & Associates, Inc. dba Hill Financial Group
29225 Chagrin Blvd., Suite 100
Pepper Pike, OH 44122
(216) 292-9288

March 24, 2011

This brochure supplement provides information about James R. Hill that supplements the Hill Financial Group brochure. You should have received a copy of that brochure. Please contact James R. Hill, President/Advisor/Chief Compliance Officer if you did not receive Hill Financial Group's brochure or if you have any questions about the contents of this supplement.

Additional information about James R. Hill is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Disclose the *supervised person's* name, age (or year of birth), formal education after high school, and business background (including an identification of the specific positions held) for the preceding five years. If the *supervised person* has no high school education, no formal education after high school, or no business background, disclose this fact. You may list any professional designations held by the *supervised person*, but if you do so, you must provide a sufficient explanation of the minimum qualifications required for each designation to allow *clients* to understand the value of the designation.

James (Jim) R. Hill was born in 1951, and is President/Advisor/Chief Compliance Officer for J.R. Hill and Associates, Inc. (D.B.A. Hill Financial Group) and has served in that role since founding the company in January 2000. Mr. Hill received his Bachelors of Science in Business Administration from Indiana University in 1975, and upon graduation held positions as financial analyst, public accountant, and internal auditor. Jim is formally schooled and heavily disciplined in accounting, finance, and the employee benefit arena. As a past chairman of the Northeast Ohio Midwest Pension Conference, a Director of Benefits & Pension Finance at TRW, Inc. World Headquarters and a past V.P. and CFO for Willis Coroon, an actuarial employee benefits firm, Jim's 30 years of financial and investment experience provides clients with a diverse and deep background in financial planning. He is fully licensed, possessing a FINRA Series 7, 24, NASAA Series 63, NASAA Series 65, and Ohio Insurance licenses. Mr. Hill is also a registered representative and securities principal with LPL Financial.

Item 3 Disciplinary Information

If there are legal or disciplinary events material to a *client's* or prospective *client's* evaluation of the *supervised person*, disclose all material facts regarding those events.

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the *supervised person*

- 1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;**
- 2. is the named subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;**
- 3. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation; or**
- 4. was the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the *supervised person* from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*.**

Mr. Hill has not been the subject of a criminal or civil action in a domestic, foreign or military court, therefore this question is not applicable.

B. An administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which the *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or

2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority

(a) denying, suspending, or revoking the authorization of the *supervised person* to act in an *investment-related* business;

(b) barring or suspending the *supervised person's* association with an *investment-related* business;

(c) otherwise significantly limiting the *supervised person's investment-related* activities; or

(d) imposing a civil money penalty of more than \$2,500 on the *supervised person*.

Mr. Hill has not been the subject of any administrative proceeding therefore this question is not applicable.

C. A *self-regulatory organization (SRO) proceeding* in which the *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or

2. was *found* to have been *involved* in a violation of the *SRO's* rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than \$2,500.

Mr. Hill has not been the subject of a self-regulatory organization proceeding therefore this question is not applicable.

D. Any other *proceeding* in which a professional attainment, designation, or license of the *supervised person* was revoked or suspended because of a violation of rules relating to professional conduct. If the *supervised person* resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a *proceeding* (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

Mr. Hill has not been the subject of a proceeding in which a professional attainment, designation or license has been revoked or suspended therefore this question is not applicable.

Item 4 Other Business Activities

A. If the *supervised person* is actively engaged in any *investment-related* business or occupation, including if the *supervised person* is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated *person* of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

Jim Hill, President and investment advisor representative with HFG is also a licensed insurance agent with J.R. Hill and Associates a licensed insurance agency with the State of Ohio. J.R. Hill and Associates, and its agents, may offer insurance products and receive normal and customary commission for the sale of those products. This creates a conflict of interest. A conflict of interest exists because of the receipt of additional compensation by the firm. Clients are not obligated to use the firm for insurance products services. However, in such instances, there is no advisory fee associated with these insurance products. Currently this business represents 2% of J.R. Hill and Associates business activities.

Jim Hill is also a registered representative for LPL Financial, a FINRA registered broker dealer. When acting in the capacity of a registered representative, Mr. Hill may receive a normal and customary commission as a result of the purchase and sale of such securities. These activities represent less than 5% of the business activities for J.R. Hill and Associates.

1. If a relationship between the advisory business and the *supervised person*’s other financial industry activities creates a material conflict of interest with *clients*, describe the nature of the conflict and generally how you address it.

See response to Item 4A above.

2. If the *supervised person* receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service (“trail”) fees from the sale of mutual funds, disclose this fact. If this compensation is not cash, explain what type of compensation the *supervised person* receives. Explain that this practice gives the *supervised person* an incentive to recommend investment products based on the compensation received, rather than on the *client*’s needs.

See response to Item 4A above. Also, Jim Hill as an investment advisory representative with HFG may execute client transactions through custodian/broker dealers that receive 12b-1 fees. HFG may receive compensation in the form of 12b-1 fees, that if not collected would go to the custodian/broker dealer. These fees can be used to reduce the advisory fees charged by HFG to its clients.

B. If the *supervised person* is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the *supervised person*’s income or involve a substantial amount of the *supervised person*’s time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the *supervised person*’s time and income, you may presume that they are not substantial.

Not Applicable to Mr. Hill.

Item 5 Additional Compensation

If someone who is not a *client* provides an economic benefit to the *supervised person* for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the *supervised person's* regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

Not Applicable to Mr. Hill.

Item 6 Supervision

Explain how you *supervise* the *supervised person*, including how you monitor the advice the *supervised person* provides to *clients*. Provide the name, title and telephone number of the *person* responsible for supervising the *supervised person's* advisory activities on behalf of your firm.

Jim Hill, Chief Compliance Officer, monitors the investment advisory activities, personal investing activities, and adherence to the Advisor's compliance program and code of ethics of the HFG supervised persons on a continuous basis using various methods, including periodic inspection and review of client securities positions and transaction activity, obtaining certifications of compliance with company policies and procedures from those supervised, and obtaining and reviewing brokerage statements or transactions and holdings reports of the supervised persons. Jim Hill can be reached at (216) 292-9288.

Item 7 Requirements for State-Registered Advisers

A. In addition to the events listed in Item 3 of Part 2B, if the *supervised person* has been involved in one of the events listed below, disclose all material facts regarding the event.

1. 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.**

Mr. Hill has not been the subject of an arbitration claim, therefore this question is not applicable.

2. 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.**

Mr. Hill has not been the subject of a civil, self-regulatory organization or administration proceeding therefore this question is not applicable.

B. If the *supervised person* has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

Mr. Hill has not been subject to a bankruptcy petition, therefore this question is not applicable.

Item 1 Cover Page for Brochure Supplement

Dennis C. Coon, Financial Planner/Portfolio Manager/Advisor

J.R. Hill & Associates, Inc. dba Hill Financial Group
29225 Chagrin Blvd., Suite 100
Pepper Pike, OH 44122
(216) 292-9288

March 24, 2011

This brochure supplement provides information about Dennis C. Coon that supplements the Hill Financial Group brochure. You should have received a copy of that brochure. Please contact James R. Hill, President/Advisor/Chief Compliance Officer if you did not receive Hill Financial Group's brochure or if you have any questions about the contents of this supplement.

Additional information about Dennis C. Coon is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Disclose the *supervised person's* name, age (or year of birth), formal education after high school, and business background (including an identification of the specific positions held) for the preceding five years. If the *supervised person* has no high school education, no formal education after high school, or no business background, disclose this fact. You may list any professional designations held by the *supervised person*, but if you do so, you must provide a sufficient explanation of the minimum qualifications required for each designation to allow *clients* to understand the value of the designation.

Dennis C. Coon was born in 1977, and is Financial Planner and Portfolio Manager for J.R. Hill and Associates, Inc. (D.B.A. Hill Financial Group) ("HFG") and has served in that role since joining the company in September 2010. Mr. Coon received his Bachelors of Science in Business Administration from the University of Missouri – St. Louis in 2003, and since graduation has held positions as financial consultant and financial advisor for AXA Advisors and UBS Wealth Management respectively. Before joining J.R. Hill and Associates, Mr. Coon spent a brief time at the law firm of Knox McLaughlin Gornall and Sennett as an Estate Planning Professional. Dennis is formally schooled and disciplined in financial planning, insurance, investments, and estate planning. Dennis brings more than 8 years of financial planning and investment experience, and provides clients with a diverse and deep background in financial planning, estate planning, and investment management. He is fully licensed, possessing a FINRA Series 7, NASAA Series 66, and Pennsylvania Insurance licenses.

Item 3 Disciplinary Information

If there are legal or disciplinary events material to a *client's* or prospective *client's* evaluation of the *supervised person*, disclose all material facts regarding those events.

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the *supervised person*

- 1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;**
- 2. is the named subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;**
- 3. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation; or**
- 4. was the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the *supervised person* from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*.**

Mr. Coon has not been the subject of a criminal or civil action in a domestic, foreign or military court, therefore this question is not applicable.

B. An administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which the *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or

2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority

(a) denying, suspending, or revoking the authorization of the *supervised person* to act in an *investment-related* business;

(b) barring or suspending the *supervised person's* association with an *investment-related* business;

(c) otherwise significantly limiting the *supervised person's investment-related* activities; or

(d) imposing a civil money penalty of more than \$2,500 on the *supervised person*.

Mr. Coon has not been the subject of any administrative proceeding therefore this question is not applicable.

C. A *self-regulatory organization (SRO)* proceeding in which the *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or

2. was *found* to have been *involved* in a violation of the *SRO's* rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than \$2,500.

Mr. Coon has not been the subject of a self-regulatory organization proceeding, therefore this question is not applicable.

D. Any other *proceeding* in which a professional attainment, designation, or license of the *supervised person* was revoked or suspended because of a violation of rules relating to professional conduct. If the *supervised person* resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a *proceeding* (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

Mr. Coon has not been the subject of a proceeding in which a professional attainment, designation or license has been revoked or suspended therefore this question is not applicable.

Item 4 Other Business Activities

A. If the *supervised person* is actively engaged in any *investment-related* business or occupation, including if the *supervised person* is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated *person* of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

Dennis Coon, Financial Planner and Portfolio Manager is only active as an investment advisor representative with HFG.

Mr. Coon is also a registered administrator with LPL Financial, a FINRA registered broker dealer. Mr. Coon does not receive any commission as a result of the purchases and/or sales of securities while engaging in this role with LPL Financial. Commission based Broker Dealer activities represent less than 5% of the business activities for J.R. Hill and Associates.

1. If a relationship between the advisory business and the *supervised person’s* other financial industry activities creates a material conflict of interest with *clients*, describe the nature of the conflict and generally how you address it.

See response to Item 4A above.

2. If the *supervised person* receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service (“trail”) fees from the sale of mutual funds, disclose this fact. If this compensation is not cash, explain what type of compensation the *supervised person* receives. Explain that this practice gives the *supervised person* an incentive to recommend investment products based on the compensation received, rather than on the *client’s* needs.

See response to Item 4A above. Also, Mr. Coon, as an investment advisory representative with HFG may execute client transactions through custodian/broker dealers that receive 12b-1 fees. HFG may receive compensation in the form of 12b-1 fees, that if not collected would go to the custodian/broker dealer. These fees can be used to reduce the advisory fees charged by HFG to its clients.

B. If the *supervised person* is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the *supervised person’s* income or involve a substantial amount of the *supervised person’s* time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the *supervised person’s* time and income, you may presume that they are not substantial.

Not Applicable to Mr. Coon.

Item 5 Additional Compensation

If someone who is not a *client* provides an economic benefit to the *supervised person* for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the *supervised person's* regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

Not Applicable to Mr. Coon.

Item 6 Supervision

Explain how you *supervise* the *supervised person*, including how you monitor the advice the *supervised person* provides to *clients*. Provide the name, title and telephone number of the *person* responsible for supervising the *supervised person's* advisory activities on behalf of your firm.

Jim Hill, Chief Compliance Officer, monitors the investment advisory activities, personal investing activities, and adherence to the Advisor's compliance program and code of ethics of the HFG supervised persons on a continuous basis using various methods, including periodic inspection and review of client securities positions and transaction activity, obtaining certifications of compliance with company policies and procedures from those supervised, and obtaining and reviewing brokerage statements or transactions and holdings reports of the supervised persons. Jim Hill can be reached at (216) 292-9288.

Item 7 Requirements for State-Registered Advisers

A. In addition to the events listed in Item 3 of Part 2B, if the *supervised person* has been *involved* in one of the events listed below, disclose all material facts regarding the event.

1. 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.

Mr. Coon has not been the subject of an arbitration claim therefore this question is not applicable.

2. 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.

Mr. Coon has not been the subject of a civil, self-regulatory organization or administration proceeding therefore this question is not applicable.

B. If the *supervised person* has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

Mr. Coon has not been subject to a bankruptcy petition, therefore this question is not applicable.