

HKS Wealth Advisors, LLC

Form ADV Part 2A – Disclosure Brochure

Effective: June 12, 2012

This Disclosure Brochure provides information about the qualifications and business practices of HKS Wealth Advisors, LLC (“HKS”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (630) 824-3770 or by email at info@hksadvisors.com.

HKS is a Registered Investment Advisor with the U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about HKS to assist you in determining whether to retain the Advisor.

Additional information about HKS and its advisory persons are available on the SEC’s website at www.adviserinfo.sec.gov.

HKS Wealth Advisors, LLC
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Item 2 – Material Changes

On July 28, 2010, the U.S. Securities and Exchange Commission voted unanimously to adopt amendments to Part 2 of Form ADV and related rules under the Investment Advisers Act of 1940 (the “Advisers Act”). The amendments are designed to require a Registered Investment Advisor to provide Clients with a clearly written and meaningful disclosure, in plain English, about the advisor’s business practices, conflicts of interest and advisory personnel. The new Form ADV 2 is divided into two parts: *Part 2A and Part 2B*.

Part 2A (the “Disclosure Brochure”) provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. *Part 2B* (the “Brochure Supplement”) provides information about advisory personnel of HKS.

HKS believes that communication and transparency form the foundation of our relationships and we continually strive to provide our Clients with complete and accurate information at all times. We encourage all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us.

Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of HKS.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

To review the firm information for HKS:

- Click **Investment Advisor Search** in the left navigation menu.
- Select the option for **Investment Advisor Firm** and enter **159910** (our firm’s CRD number) in the field labeled “Firm IARD/CRD Number”.
- This will provide access to Form ADV Part 1 and Part 2.
- Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the Advisor.
- In the left navigation menu, Form ADV Part 2 is located near the bottom.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (630) 824-3770 or by email at info@hksadvisors.com.

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Item 4 – Advisory Services

A. Firm Information

HKS Wealth Advisors, LLC (“HKS” or the “Advisor”) is a Registered Investment Advisor with the U.S. Securities and Exchange Commission, which is organized as a Limited Liability Company (LLC) under the laws of the State of Delaware. HKS was founded in December 2011, and is owned and operated by HKS Capital Advisors, LLC. John A. Staab, Christopher L. Hughes and Timothy B. Keith are members of HKS Capital Advisors, LLC. HKS Capital Advisors, LLC also owns HK Capital Advisors and HK Capital Partners. The Advisor is under common control with HK Capital Advisors and HK Capital Partners. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by HKS.

B. Advisory Services Offered

HKS offers wealth management services to high net worth individuals, trusts, estates, and charitable organizations in Illinois and other states (each referred to as a “Client”).

Comprehensive Wealth Management

HKS provides customized wealth management solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and consulting services. HKS works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio allocation.

HKS is a client centric firm. Each individual, family, trust or other Client that we serve has their own unique set of life goals and circumstances. As a result, our investment philosophy is centered around capital preservation. We provide our clients with individual customized solutions designed to generate positive absolute returns through the risk mitigating allocation of their capital.

HKS will then construct a strategy for the given Client that includes portfolio investments, consisting of several investment types such as private equity, real estate, mutual funds, individual stocks and bonds and other assets to achieve the Client’s investment goals. The Advisor may also utilize options, limited partnerships, United States government bonds, municipal securities, futures, and insurance contracts to meet the needs of its Clients.

HKS’s investment strategy is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. HKS will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to the acceptance by the Advisor.

HKS evaluates and selects assets for inclusion in Client portfolios only after applying their internal due diligence process. HKS may recommend, on occasion, redistributing investment allocations to diversify the portfolio. HKS may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement, which may adversely affect the portfolio. HKS may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

Prior to rendering wealth management services, HKS will ascertain, in conjunction with the Client, the Client’s financial situation, risk tolerance, and investment objective[s].

HKS will provide wealth management services and portfolio management services and will not provide securities custodial or other administrative services. At no time will HKS accept or maintain custody of a Client’s funds or securities. All Client assets will be managed within their designated brokerage account or pension account, pursuant to the Client Wealth Management Agreement.

Selection of Other Unaffiliated Advisors

HKS may periodically recommend and refer Clients to unaffiliated money managers or investment advisors at HKS’s discretion or Client’s request. Through this arrangement, the Client will then enter into an advisory

agreement with that sub-advisor to which that sub-advisor will assist and advise the Client in establishing investment objectives and develop an investment strategy to meet those objectives by identifying appropriate investments and monitoring such investments. In consideration for such sub-advisor services, the sub-advisor will receive a wealth management fee, billed based on the fee schedule the Client establishes with the unaffiliated money manager[s] or investment advisor[s].

HKS is not compensated by the third-party advisors for these referrals and is solely compensated by the Client. HKS may also assist in the development of the initial policy recommendations and managing the ongoing Client relationship. The Client, prior to entering into an agreement with unaffiliated money manager[s] or investment advisor[s], will be provided with the advisor's Form ADV 2 (or a brochure that makes the appropriate disclosures).

Referral to Affiliated Advisor

After developing an investment strategy for the Client, HKS may recommend and refer Clients to HK Capital Partners, LLC. HK Capital Partners, LLC is an affiliated entity under common control with HKS. HK Capital Partners, LLC is the general partner of HK Investment Partners I, LP and HK Investment Partners QP I, LP and HK Capital Advisors, LLC.

Through this arrangement, the Client will execute the private placement memorandum and other offering documents with HK Capital Partners, LLC. HKS does not receive a Wealth Management Fee on assets invested with HK Capital Partners, LLC. See Item 10 – Other Financial Industry Activities and Affiliations.

C. Client Account Management

Prior to engaging HKS to provide wealth management services, each Client is required to enter into a Wealth Management Agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Policy Statement – HKS, in connection with the Client, may develop a statement that summarizes the Client's investment goals and objectives along with the broad strategy[ies] to be employed to meet the objectives. An Investment Policy Statement generally includes specific information on the Client's stated goals, time horizon for achieving the goals, investment strategies, Client risk tolerance and any restrictions imposed by the Client.
- Asset Allocation – HKS will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – HKS will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – HKS will provide investment management and ongoing oversight of the Client's portfolio and overall account.

D. Wrap Fee Programs

HKS does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by HKS.

E. Assets Under Management

HKS is a newly established advisor. Assets under management shall be reported following the Advisor's December 31, 2012 fiscal year end. Clients may request more current information at any time by contacting the Advisor.

Item 5 – Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for investment management. Each Client shall sign a Wealth Management Agreement that details the responsibilities of HKS and the Client.

A. Fees for Advisory Services

Wealth Management

Wealth Management Fees are paid quarterly in advance pursuant to the terms of the Wealth Management Agreement. Wealth Management Fees are based on the market value of the Clients net worth at the time the contract is executed for the first year. Each year thereafter, the fees are based upon the net worth of the Client at the beginning of the calendar year.

Wealth Management Fees are generally 0.50% per annum depending on the size and complexity of the Client relationship. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

Wealth Management Fees in the first quarter of service are prorated to the inception date of the account to the end of the first quarter. Fees may be negotiable at the discretion of the Advisor. A designated Custodian or Appraiser will independently value all securities held in accounts managed by HKS. HKS will not have the authority or responsibility to value portfolio securities or other assets.

Selection of Other Advisors

For Clients referred to an unaffiliated investment advisor, the Client's fee will be deducted from the Client's account[s] with the respective manager.

B. Fee Billing

Wealth Management

Wealth Management Fees may be automatically deducted from the Client Account by the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client Account at the respective quarter end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to agreed upon net worth of the Client at the contract date, or beginning of the new calendar year. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the Wealth Management Fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting HKS to be paid directly from their accounts held by the Custodian as part of the Wealth Management Agreement and separate account forms provided by the Custodian.

In some instances, Clients may pay the Wealth Management Fees directly to HKS. In these cases, HKS will send an invoice directly to the Client which includes the fee amount and calculation methodology.

C. Other Fees and Expenses

Clients may incur certain fees or charges imposed by third-parties, other than HKS, in connection with investment made on behalf of the Client's account[s]. The Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Wealth Management Fee charged by HKS is separate and distinct from these custodian and execution fees.

In addition, all fees paid to HKS for wealth management services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of HKS, but would not receive the services provided by HKS which are designed, among other things, to assist the Client in determining which products or services are most appropriate to each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by HKS to fully understand the total fees to be paid.

D. Advance Payment of Fees and Termination

Wealth Management

HKS is compensated for its services in advance of the quarter in which wealth management services are rendered. Clients may request to terminate their Wealth Management Agreement with HKS, in whole or in part, by providing advance written notice. The Client shall be responsible for Wealth Management Fees up to and including the effective date of termination. Upon termination, the Advisor will refund any unearned, prepaid Wealth Management Fees from the effective date of termination to the end of the quarter. The Client's Wealth Management Agreement with the Advisor is non-transferable without Client's written approval.

Unaffiliated Money Management

In the event that a Client should wish to terminate their relationship with an unaffiliated investment advisor, the terms for termination will be set forth in the respective agreements between the Client and those third parties. HKS will assist the Client with the termination and transition as appropriate.

E. Compensation for Sales of Securities

HKS does not buy or sell securities and does not receive any compensation for securities transactions in any Client account, other than the Wealth Management Fees noted above.

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

HKS does not charge performance-based fees for its wealth management services. The fees charged by HKS are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

HKS does not directly manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund). The principals of the firm are also beneficial owners of HK Capital Advisors, LLC and HK Capital Partners, which are the general partner and investment manager of the HK Investment Partners I LP, HK Investment Partners QP I, LP, and a series of co-investment vehicles.

The Advisor may have a financial incentive to recommend this particular investment option to its Clients due to the affiliation. See Item 10 for more information.

Item 7 – Types of Clients

HKS provides wealth management services to the following types of Clients:

- Individuals, Personal Trusts and Estates – private investors, investing their personal assets
- Foundation and Endowments – non-profit organizations that manage a pool of assets, and distribute funds according to a mandate or mission

The relative percentage each type of Client is available on HKS's Form ADV Part 1. These percentages will change over time. HKS generally does not impose a minimum account size for establishing a relationship.

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

A. Methods of Analysis

HKS primarily employs fundamental, technical and macro-based analysis methods in developing investment strategies for its Clients. Research and analysis from HKS is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

As noted above, HKS generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. HKS will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, HKS may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

B. Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. HKS will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process is included in Item 13.

Technical Analysis is used to analyze various economic and market trends. These trends, both short- and long-term, are used for determining specific trade entry and exit points and broad economic analysis. These trends may include put/call ratios, pricing trends, moving averages, volume, changes in volume, among many others. Indicators used by HKS do not speak to the financial health of a particular issuer. Rather, indicators are used to gauge market sentiment regarding a given issue. Technical Analysis will be used primarily for the timing of a particular trade, and not security selection.

The advisor also performs macroeconomic analysis using third-party research. Some factors that are reviewed include general economic growth, unemployment and other economic statistics. This analysis provides a broader view of the market and is used in conjunction with fundamental and technical analysis.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process.

HKS may use margin in Client accounts for to manage the timing of purchases and sales, as appropriate. HKS may employ options strategies to hedge or gain additional exposure to a particular asset class or sector. HKS's investment strategy encompasses active trading in concentrated portfolios. Following are some of the risks associated with certain transactions:

Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

Margin Borrowings

The use of short-term margin borrowings may result in certain additional risks to a Client. For example, if securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value.

Alternative Investments (Limited Partnerships)

The performance of alternative investments (limited partnerships) can be volatile and may have limited liquidity. An investor could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Client should only have a portion of their assets in these investments.

Concentrated Portfolios

Concentrated portfolios are an aggressive and highly volatile approach to trading and investing and should be viewed as complementary to a stable, highly predictable investment approach. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic price swings. In addition, the rise or drop in price of any given holding in the portfolio is likely to have a larger impact on portfolio performance, than a more broadly diversified portfolio.

Frequent Trading

Frequent trading in securities can result in higher transaction costs in the Client's account[s]. For taxable accounts, frequent trading can also result in taxable transactions each year that would not be present in a buy-and-hold strategy. There are no guarantees that a frequent trading strategy will correctly time purchases and sales of any particular security.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor. For more information on our investment management services, please contact us at (630) 824-3770 or via email at info@hksadvisors.com.

Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving HKS or any of its employees. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider in which you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. To review the firm information contained in ADV Part 1, select the option for Investment Adviser Firm and enter **159910** in the field labeled "Firm IARD/CRD Number". This will provide access to Form ADV Parts 1 and 2. Item 11 of the ADV Part 1 lists legal and disciplinary questions.

You may also research the background by each owner by selecting the Investment Adviser Representative and entering each owner Individual CRD# in the field labeled "Individual CRD Number" – each is listed in the table below.

Principal Owner	CRD #
John A. Staab	2038015
Christopher L. Hughes	3088559
Timothy B. Keith	4633856

Item 10 – Other Financial Industry Activities and Affiliations

Private Fund Affiliation

Mr. Staab, Mr. Hughes, and Mr. Keith are beneficial owners of HK Capital Advisors, LLC and HK Capital Partners, which are the general partner and investment manager of the HK Investment Partners I LP, HK Investment Partners QP I, LP, and a series of co-investment vehicles. Both HK Capital Partners, LLC and HK Capital Advisors, LLC is currently exempt from registration with the SEC. As a best practice, HK Capital Advisors, LLC performs its business activities in accordance with the requirements of the Adviser's Act of 1940.

The Funds generally invest in various rounds of equity financings of companies. This will range from early rounds (i.e.: first and second) to final rounds before a recapitalization event that provides potential profits and liquidity to the Funds. The Funds will pursue opportunities at both ends of the capital raise spectrum and implement two basic strategies.

The "Name-Plate Strategy" is designed to align the Funds with marquee venture capital and private equity funds ("Name-Plate Firms") by investing in target companies that have previously attracted Name-Plate attention and capital. These companies generally have completed several rounds of capital raises and implemented their business plan to a point where commercial production or full-scale operations is imminent. These target companies are generally seeking implementation, operating or growth capital in advance of an expected IPO within a short time frame (less than 3 years). The Funds will source investment opportunities through investment banks and/or broker dealers that have been hired by target companies to raise capital from private investors. Nameplate Firms have participated in previous rounds and usually are participating in the same round of capital being raised by a target company as the Funds.

The "Direct Strategy" will target newer and smaller companies that have very large growth and value creation potential. In these cases, the Funds will make investments that represent a larger proportion of a target company and seek to obtain various levels of influence and structural downside protection. These target companies will have smaller desired amounts of capital, greater return potential, less certainty related to success of their business plan, and the need for additional capital to be raised to complete their business plan.

The Funds will generally target investments in companies with the following characteristics:

- Renewable energy, clean or computing technology companies
- Companies in other industries where a product or technology has the potential to be disruptive or revolutionary
- Targeted investments will present high growth potential through unique or superior technology, product or service with potential for significant market share.
- Experienced management teams with demonstrated ability to execute the growth plan for the company
- Capital arbitrage opportunity with re-capitalization expected in the near term
- Ownership of intellectual property with broad appeal
- Alignment between management and shareholders
- Clean balance sheets without existing debt or with low ratios of existing debt
- Opportunity for returns to be in excess of 2.75 times invested capital in 3 to 5 years

Investors of HKS may also invest in the Funds. HKS will only recommend the Funds to the extent the Funds are a suitable investment and meet the objectives of that Client. Investors in the Funds pay HK Capital Advisors, LLC a management fee. Investors also pay a performance fee to the general partner HK Capital Partners, LLC in accordance with the private placement memorandum. HKS does not receive management fees on assets invested in the Funds, or any additional compensation for recommending or investing Client assets into the Funds. The affiliated relationship between the Funds and HKS is described to HKS Wealth Clients prior to recommending the Funds.

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For more information on the Funds please refer to the private placement memorandum and other offering documents.

Insurance Agency Affiliations

Mr. Staab, Founder of HKS, is also licensed to sell insurance. While Mr. Staab is licensed to sell insurance, he does not currently sell insurance to active Clients. Generally, the Advisor refers Clients to specialists who focus primarily on insurance sales. Mr. Staab will oversee this process and assist the Client in making the decision, but does not receive any compensation in addition to the advisory fees.

Other Third Party Service Providers

The Advisor may also refer Clients to attorneys, accountants, and other service providers as necessary to assist Clients with various servicing needs. HKS and its employees are not compensated for such referrals, which enable HKS to provide recommendations that are in the best interest of the Client.

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

A. Code of Ethics

HKS has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with HKS. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. HKS and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of HKS associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include; general ethical principles, reporting personal securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. HKS has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact us at (630) 824-3770 or via email at info@hksadvisors.com.

B. Personal Trading with Material Interest

HKS allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. HKS does not act as principal in any transactions. In addition, the Advisor has an affiliate entity that does act as the general partner of private funds. HKS employees may have a material interest in these private funds. Please see Item 10 – Other Financial Industry Activities and Affiliations for more information.

C. Personal Trading in Same Securities as Clients

HKS allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

In addition the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, Employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

D. Personal Trading at Same Time as Client

While HKS allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, these trades do not occur at the same time. HKS will place trades only after Client orders have been placed and filled.

At no time, will HKS or any associated person of HKS, transact in any security to the detriment of any Client.

Item 12 – Brokerage Practices

A. Recommendation of Custodian[s]

HKS does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services or the administrator for defined contribution accounts. The Client will select the broker-dealer or custodian (herein the "custodian") to safeguard Client assets and authorize HKS to direct trades to this custodian as agreed in the Wealth Management Agreement. Further, HKS does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where HKS does not exercise discretion over the selection of the custodian, it may recommend the custodian[s] to Clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian and will not incur any extra fee or cost associated with using a broker not recommended by HKS. HKS may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and location of the custodian's offices. HKS does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the Client paying higher commissions than those obtainable through other brokers.

Following are additional details regarding the brokerage practices of the Advisor:

1. **Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. **HKS does not participate in soft dollar programs sponsored or offered by any broker-dealer.**
2. **Brokerage Referrals** - HKS does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.
3. **Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where HKS will place trades within the established account[s] at the custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). In selecting the custodian, HKS will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated custodian.

B. Aggregating and Allocating Trades

HKS manages assets for only a limited number of Clients at various custodians – as such there are limited opportunities for the Advisor to aggregate trades. The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker.

HKS will execute its transactions through an unaffiliated broker-dealer selected by the Client. HKS may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts.

Item 13 – Review of Accounts

A. Frequency of Reviews

Accounts are monitored on a regular and continuous basis by Mr. Staab, Member of HKS. Formal reviews are generally conducted at least quarterly, annually or more or less frequently depending on the needs of the Client.

B. Causes for Reviews

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account. The Client is encouraged to notify HKS if changes occur in his/her personal financial situation that might adversely affect his/her investment plan. Additional reviews may be triggered by material market, economic or political events.

C. Review Reports

The Client will receive brokerage statements no less than quarterly from the trustee or custodian. These brokerage statements are sent directly from the custodian to the Client. The Client may also establish electronic access to the custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

Item 14 - Client Referrals and Other Compensation

A. Compensation Received by HKS

Private Fund Affiliation

Mr. Staab, Mr. Hughes, and Mr. Keith are beneficial owners of HK Capital Advisors, LLC and HK Capital Partners, which are the general partner and investment manager of the HK Investment Partners I LP, HK Investment Partners QP I, LP, and a series of co-investment vehicles. Investors of HKS may also invest in the Funds. For more information please see the description in **Item 10 – Other Financial Industry Activities and Affiliations** above.

Insurance Agency Affiliations

Mr. Staab, Founder of HKS, is also licensed to sell insurance. Currently, Mr. Staab does not sell any insurance to Clients and does not receive any commissions or other compensation.

Other Third Party Service Providers

The Advisor may also refer Clients to attorneys, accountants, and other service providers as necessary to assist Clients with various servicing needs. HKS and its employees are not compensated for such referrals, which enable HKS to provide recommendations that are in the best interest of the Client.

B. Client Referrals from Solicitors

HKS does not engage paid solicitors for Client referrals.

Item 15 – Custody

HKS does not accept or maintain custody of any Client accounts. All Clients must place their assets with a qualified custodian. Clients are required to select their own custodian to retain their funds and securities and direct HKS to utilize that custodian for the Client's security transactions. HKS encourages Clients to review statements provided by account custodian. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

Item 16 – Investment Discretion

HKS provides comprehensive wealth management for Clients that include both discretionary and non-discretionary asset management. In some instances, the Advisor has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by HKS. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of a Wealth Management Agreement containing all applicable limitations to such authority. All discretionary trades made by HKS will be in accordance with each Client's investment objectives and goals. In instances where the Advisor does not have discretionary authority, HKS will obtain approval from the Client to placing any transactions on behalf of the Client.

Item 17 – Voting Client Securities

HKS does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

Item 18 – Financial Information

Neither HKS, nor its management has any adverse financial situations that would reasonably impair the ability of HKS to meet all obligations to its Clients. Neither HKS, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. HKS is not required to deliver a balance sheet along with this Brochure as the firm does not collect advance fees for services to be performed six months or more in advance.

Privacy Policy

Effective: June 12, 2012

Our Commitment to You

HKS Wealth Advisors, LLC ("HKS") is committed to safeguarding the use of your personal information that we have as your Investment Advisor. HKS (referred to as "we", "our" and "us" throughout this notice) protects the security and confidentiality of the personal information we have and make efforts to ensure that such information is used for proper business purposes in connection with the management or servicing of your account. Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything we can to maintain that trust.

We do not sell your non-public personal information to anyone. Nor does HKS provide such information to others except for discrete and proper business purposes in connection with the servicing and management of your account as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this privacy policy.

The Information We Collect About You

You typically provide personal information when you complete the paperwork required to become our Client. This information may include your:

• Name and address	• Assets
• E-mail address	• Income
• Phone number	• Account balance
• Social security or taxpayer identification number	• Investment activity
	• Accounts at other institutions

In addition, we may collect non-public information about you from the following sources:

- Information we receive on Brokerage Agreements, Managed Account Agreements and other Subscription and Account Opening Documents;
- Information we receive in the course of establishing a customer relationship including, but not limited to, applications, forms, and questionnaires;
- Information about your transactions with us or others

Information About You That HKS Shares

HKS works to provide products and services that benefit our customers. We may share non-public personal information with non-affiliated third parties (such as brokers and custodians) as necessary for us to provide agreed services and products to you consistent with applicable law. We may also disclose non-public personal information to other financial institutions with whom we have joint business arrangements for proper business purposes in connection with the management or servicing of your account. In addition, your non-public personal information may also be disclosed to you, persons we believe to be your authorized agent or representative, regulators in order to satisfy HKS's regulatory obligations, and is otherwise required or permitted by law. Lastly, we may disclose your non-public personal information to companies we hire to help administrate our business. Companies we hire to provide services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. We limit their use of your personal information to the performance of the specific service we have requested.

To repeat, we do not sell your non-public personal information to anyone.

Information About Former Clients

HKS does not disclose, and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our clients.

Confidentiality and Security

Our employees are advised about the firm's need to respect the confidentiality of our customers' non-public personal information. Additionally, we maintain physical, procedural and electronic safeguards in an effort to

protect the information from access by unauthorized parties.

We'll Keep You Informed

We will send you notice of our privacy policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise our privacy policy, and will provide you with a revised policy if the changes materially alter the previous privacy policy. We will not, however, revise our privacy policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing. You may obtain a copy of our current privacy policy by contacting us at (630) 824-3770 or via email at info@hksadvisors.com.