

**Brochure**

**Form ADV Part 2A**

**Item 1 - Cover Page**

**HawsGoodwin Financial**

**CRD# 165771**

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This brochure provides information about the qualifications and business practices of HawsGoodwin Investment Management, LLC (DBA HawsGoodwin Financial). If you have any questions about the contents of this brochure, please contact us at (615) 771-1012 or [ahaws@hawsgoodwin.com](mailto:ahaws@hawsgoodwin.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

HawsGoodwin Financial is an investment advisory firm registered with the appropriate regulatory authority. Registration does not imply a certain level of skill or training. Additional information about HawsGoodwin Financial also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

**Item 2 - Material Changes**

This Brochure is prepared in the revised format required beginning in 2011. Registered Investment Advisers are required to use this format to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The Brochure requirements include providing a Summary of Material Changes (the "Summary") reflecting any material changes to our policies, practices, or conflicts of interest made since our last required "annual update" filing. In the event of any material changes, such Summary is provided to all clients within 120 days of our fiscal year-end. Our last annual update was filed on March 31, 2014. Of course the complete Brochure is available to clients at any time upon request.

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#### ***Item 4 - Advisory Business***

HawsGoodwin Investment Management, LLC (DBA HawsGoodwin Financial) ("HGF") provides financial planning, consulting and investment management services. Prior to engaging HGF to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with HGF setting forth the terms and conditions under which HGF renders its services (collectively the "*Agreement*").

HGF began conducting advisory services in November 2012. The firm is owned by C. Arthur Haws and W. Cameron Goodwin. As of December 31, 2014, HGF managed \$126,255,090 on a discretionary basis, and \$36,328,868 of assets on a non-discretionary basis.

This Disclosure Brochure describes the business of HGF. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of HGF's officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees or any other person who provides investment advice on HGF's behalf and is subject to HGF's supervision or control.

##### **Financial Planning and Consulting Services**

HGF may provide its clients with a broad range of comprehensive financial planning and consulting services. These services include retirement planning, estate planning, education, business planning, insurance and tax and cash flow needs of the client.

In performing its services, HGF is not required to verify any information received from the client or from the client's other professionals (i.e., attorney, accountant, etc.) and is expressly authorized to rely on such information. HGF may recommend the services of itself, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if HGF recommends its own services. The client is under no obligation to act upon any of the recommendations made by HGF under a financial planning or consulting engagement or to engage the services of any such recommended professional, including HGF itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of HGF's recommendations. Clients are advised that it remains their responsibility to promptly notify HGF if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising HGF's previous recommendations and/or services.

##### **Investment Management Services**

Clients can engage HGF to manage all or a portion of their assets on a discretionary or non-discretionary basis. As a discretionary investment adviser, HGF will have the authority to supervise and direct the portfolio without prior consultation with the client. Under a non-discretionary arrangement, clients must be contacted prior to the execution of any trade in the account(s) under management. This may result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio.

Notwithstanding the foregoing, clients may impose certain written restrictions on HGF in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the

account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of HGF.

The firm primarily allocates clients' investment management assets among mutual funds, exchange-traded funds ("ETFs") and individual debt and equity securities in accordance with the investment objectives of the client. HGF also provides advice about any type of investment held in clients' portfolios. HGF tailors its advisory services to the individual needs of clients. HGF consults with clients initially and on an ongoing basis to determine risk tolerance, time horizon and other factors that may impact the clients' investment needs.

Clients are advised to promptly notify HGF if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon HGF's management services. Clients may impose reasonable restrictions or mandates on the management of their account (i.e., require that a portion of their assets be invested in socially responsible funds) if, in HGF's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

#### Retirement Plan Consulting Services

Establishing a sound fiduciary governance process is vital to good decision-making and to ensuring that prudent procedural steps are followed in making investment decisions. HGF will provide Retirement Plan consulting services to Plans and Plan Fiduciaries as described below. The particular services provided will be detailed in the consulting agreement. The appropriate Plan Fiduciary(ies) designated in the Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of the recommendations that we may provide. The Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Plan. Retirement Plan consulting services may be offered individually or as part of a comprehensive suite of services.

The Employee Retirement Income Security Act of 1974 ("ERISA") sets forth rules under which Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, HGF will be considered a fiduciary under ERISA. For example, HGF will act as a fiduciary when providing non-discretionary investment advice to the Plan Fiduciaries by recommending a suite of investments as choices among which Plan Participants may select. Also, to the extent that the Plan Fiduciaries retain HGF to act as an investment manager within the meaning of ERISA § 3(38), HGF will provide discretionary investment management services to the Plan.

#### *Fiduciary Consulting Services*

*Investment Policy Statement.* HGF will consult with the Plan Sponsor to determine the Plan's objectives, investment parameters, risk tolerance, policies and constraints, and assist in drafting an appropriate Investment Policy Statement ("IPS") or revising an existing IPS.

*Investment Consulting.* HGF will assess, review and monitor the investment options made available through the Plan and make recommendations about the Plan's investment strategy and asset allocation, based upon the Plan's IPS or other stated guidelines.

*Plan Benchmarking.* HGF will prepare comparative benchmarks for the Plan, including relative measures for fees, performance and plan design. HGF will prepare reports illustrating these comparisons, based upon information provided by the client, the Plan provider, and/or other independent third parties.

#### *Non-Fiduciary Consulting Services*

*Service Provider Analysis.* HGF will assist in evaluating the Plan's current service providers, including their services, fees and performance, and conduct due diligence on alternative providers

*Participant Enrollment Assistance and Educational Events.* HGF will provide assistance with enrolling participants during open enrollment periods, and to new employees hired between open enrollment periods, if needed. HGF will also host educational events covering relevant topics.

#### *\*Discretionary Fiduciary Management Services*

*Discretionary Management Services.* When retained as an investment manager within the meaning of ERISA § 3(38), HGF will provide continuous and ongoing supervision over the designated retirement plan assets. HGF will actively monitor the retirement plan assets and provide ongoing discretionary management.

*Discretionary Investment Selection Services.* HGF will monitor the investment options of the Plan and add or remove investment options for the Plan without prior consultation with the Plan Fiduciaries. HGF will have discretionary authority to make and implement all decisions regarding the investment options that are available to Plan Participants.

*Investment Management via Model Portfolios.* HGF will provide discretionary management of Model Portfolios among which the participants may choose to invest as Plan options. Plan participants will also have the option of investing in one or more of the mutual fund options made available in the Plan, and choose not to invest in the Model Portfolios at all.

*\*Discretionary Fiduciary Management Services are provided in conjunction with non-discretionary Retirement Plan Consulting Services for a separate and additional fee.*

### ***Item 5 - Fees and Compensation***

#### **General Fee Information**

HGF offers its services on a fee basis, which may include hourly fees, as well as fees based upon assets under management or advisement. Additionally, certain of HGF's *Supervised Persons*, in their individual capacities, may offer securities brokerage and insurance services under a commission arrangement.

Clients may incur certain charges imposed by the *Financial Institutions* and other third parties such as custodial fees, charges imposed directly by a mutual fund or ETFs in the account, which are

disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, and other fees and expenses assessed to brokerage accounts. Additionally, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to HGF's fee.

#### Financial Planning and Consulting Fees

HGF may charge an hourly fee for financial planning and consulting services. These fees are negotiable, but generally range from \$100 to \$300 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or consulting services. If the client engages HGF for additional investment advisory services, HGF may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

Prior to engaging HGF to provide financial planning and/or consulting services, the client is required to enter into a written agreement with HGF setting forth the terms and conditions of the engagement. Generally, HGF requires one-half of the estimated financial planning/consulting fee payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services.

#### Investment Management Fees

HGF provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by HGF. HGF's annual fee is exclusive of, and in addition to, brokerage commissions, transaction fees and other related costs and expenses which are incurred by the client. HGF does not, however, receive any portion of these commissions, fees and costs.

HGF's annual tiered fee schedule is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by HGF on the last day of the previous quarter. The annual fee varies depending upon the market value of the assets under management, as follows:

<u>Portfolio Value</u>	<u>Annual Fee</u>
*\$250,000 to \$1,000,000	1.00%
Next \$2,000,000	0.65%
Next \$2,000,000	0.55%
Over \$5,000,000	0.45%

\*Relationships below \$250,000 will be charged a flat 1.50% per year.

HGF, in its sole discretion, may negotiate to charge a lower management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.).

#### *Fees for Management During Partial Quarters of Service*

HGF's Agreement may authorize HGF to debit the client's brokerage account for the amount of HGF's fee and to directly remit that management fee to HGF. The client's account custodian will send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to HGF. In addition, HGF will also deliver a report around the time it submits its fee invoice to the custodian, which also includes an itemization of the fees debited. HGF's clients may also elect to have HGF send an invoice for payment.

For the initial period of investment management services, the fees are calculated *pro rata* based on the date that the account is funded and/or management commences.

The *Agreement* between HGF and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. HGF's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time. Additions may be in cash or securities provided that HGF reserves the right in some instances to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to HGF, subject to the usual and customary securities settlement procedures. However, HGF designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. HGF may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a quarter that exceed \$250,000, the fee payable with respect to such assets will be prorated based on the number of days remaining in the quarter.

#### Retirement Plan Consulting Services Fees

HGF provides *non-discretionary corporate retirement plan consulting services* for an annual flat percentage fee schedule based upon a percentage of the market value of the assets under advisement by HGF.

<u>Portfolio Value</u>	<u>Annual Fee</u>
0 to \$1,000,000	0.65%
\$1,000,001 to \$2,500,000	0.40%
\$2,500,001 to \$5,000,000	0.35%
\$5,000,001 to \$10,000,000	0.25%
Greater than \$10,000,000	0.20%

Plan Fiduciaries wishing to retain HGF to provide *discretionary investment management services* in conjunction with selected non-discretionary retirement consulting services will pay a separate and additional percentage fee of up to 0.25% per year based on assets under management.

Fees are assessed either monthly or quarterly in arrears, based on the *Agreement* executed with each client. For the initial period of retirement plan services, the fees are calculated *pro rata* based on the date that the account is funded and/or services commence. HGF, in its sole discretion, may negotiate to charge a lower fee.

The *Agreement* between HGF and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. HGF's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

In either arrangement, the Plan and/or Participants are also subject to the fees and expenses charged by the underlying mutual funds and other third-parties (see *General Fee Information*

above). Plan Fiduciaries are responsible for determining whether the combination of fees described above are reasonable in light of the services received from each party.

#### Commissions or Sales Charges for Recommendations of Securities

Certain of HGF's employees are licensed insurance agents and Registered Representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), a FINRA and SIPC member, and registered broker/dealer. As such, they are entitled to receive commissions or other remuneration on the sale of insurance and other products. To protect client interests, HGF's policy is to fully disclose all forms of compensation before any such transaction is executed. Clients will not pay both a commission to these individuals and also pay an advisory fee to HGF on assets held in the same account. These fees are exclusive of each other.

As a result of this relationship, PKS may have access to certain confidential information (e.g., financial information, investment objectives, transactions, and holdings) about HGF clients, even if the client does not establish any account through PKS. If you would like a copy of the PKS privacy notice, please contact Arthur Haws, Chief Compliance Officer.

#### Private Investment Funds

As appropriate and when consistent with a client's investment objective(s) and risk tolerance, clients may be solicited to invest in private investment funds available through Claritas Capital, LLC and its affiliated entities (collectively, "Claritas"). Clients must meet certain eligibility requirements in order to invest in these products, and must complete subscription documents required by the investments. These documents must be reviewed carefully to determine what fees and expenses are applicable. There may be advisory or management fees, profit participations and other expenses charged to investors. An HGF representative will explain in detail any fees associated with the investment, including how HGF is compensated. For monitoring the client's investment in the private fund(s), HGF will share in a percentage portion of Claritas' asset based management fee. HGF will not assess a separate and additional management fee. The percentage fee HGF receives in these instances may be higher than HGF's investment management fee schedule set forth above. This may create a conflict of interest for HGF when recommending an investment in Claritas' private funds. HGF will not share in any performance fee arrangements applicable to a private fund.

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

HGF does not have any performance-based fee arrangements. "Side by Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because HGF has no performance-based fee accounts, it has no side-by-side management.

#### ***Item 7 - Types of Clients***

HGF serves individuals, pension and profit-sharing plans, corporations, trusts, estates and charitable organizations.

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

##### **Methods of Analysis**

HGF's primary methods of analysis are fundamental and technical.



*Fundamental analysis* involves the fundamental financial condition and competitive position of a company. HGF will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that HGF will be able to accurately predict such a reoccurrence.

### **Investment Strategies**

HGF utilizes a core/tactical strategy as a means by which the firm seeks to manage overall portfolio risk while taking advantage of opportunities to potentially enhance returns. The tactical aspect causes the overall portfolio to be in a more offensive or defensive position, based upon the firm's views of market conditions.

The core strategy is a traditional asset allocation based upon long-term economic and market views and asset class performance (stocks, bonds, cash, etc.).

The tactical strategy is applied to a smaller portion of the portfolio managed toward shorter term trends and economic views. Traditional asset classes, as well as alternatives such as currencies and commodities, can be utilized. In limited instances, HGF may recommend an investment in a private investment fund.

### **Risks of Loss**

While HGF seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While HGF manages client investment portfolios based on HGF's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that HGF allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that HGF's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, HGF may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment

funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* HGF will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* HGF may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* HGF may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

*Private Funds Risks.* Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike other liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

#### ***Item 9 - Disciplinary Information***

HGF is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. HGF does not have any required disclosures to this Item.

## ***Item 10 - Other Financial Industry Activities and Affiliations***

HGF is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. HGF has described such relationships and arrangements below.

### Receipt of Referral Compensation

HGF has entered into a referral arrangement with a private investment fund, Claritas Capital, LLC and its affiliated entities (collectively, "Claritas"). From time to time and when appropriate in light of the client's investment objectives and risk tolerance, HGF may recommend an investment in Claritas. When a client invests with Claritas, HGF will share in a portion of the asset based management fee that Claritas earns on the client's investment. (HGF will not share in any performance-based fees.) To mitigate any conflicts of interest that may arise from this arrangement, clients will be provided a detailed offering memorandum explaining any conflicts of interest and providing extensive information about the opportunity. HGF does not assess an advisory fee on any client balances invested with Claritas.

### Registered Representatives of Broker Dealer

As discussed above in Item 5, certain of HGF's *Supervised Persons* are registered representatives of PKS.

### Receipt of Insurance Commission

Certain of HGF's *Supervised Persons*, in their individual capacities, are also licensed insurance agents, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain variable and indexed insurance products. While HGF does not sell variable and indexed insurance products to its investment advisory clients, HGF does permit its *Supervised Persons*, in their individual capacities as licensed insurance agents, to sell such insurance products to its investment advisory clients. A conflict of interest exists to the extent that HGF recommends the purchase of insurance products where HGF's *Supervised Persons* receive insurance commissions or other additional compensation.

### HawsGoodwin Insurance, LLC DBA HawsGoodwin Financial

HawsGoodwin Investment Management, LLC and HawsGoodwin Insurance, LLC collectively do business as HawsGoodwin Financial. HawsGoodwin Insurance, LLC ("HawsGoodwin Insurance") is a licensed insurance agency wholly owned by HawsGoodwin Investment Management, LLC ("HawsGoodwin Investment") and provides group and individual life and health insurance services.

When associated persons of HawsGoodwin Investment determine that clients are in need of group and/or individual life or health insurance products, clients may be referred to HawsGoodwin Insurance. In addition, if a Haws Goodwin Insurance client is in need of financial planning or other advisory services, the client may be referred to HawsGoodwin Investment. Employees from both firms may earn compensation for referring clients to the other firm.

Because HawsGoodwin Investment and HawsGoodwin Insurance are under common ownership, there is a benefit for the two firms to share clients. Clients are not obligated to use the services of HawsGoodwin Insurance.

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

HGF and persons associated with HGF ("Associated Persons") are permitted to buy or sell securities

that it also recommends to clients consistent with HGF's policies and procedures.

HGF has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). HGF's *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by HGF or any of its associated persons. The *Code of Ethics* also requires that certain of HGF's personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

When HGF is engaging in or considering a transaction in any security on behalf of a client, no *Access Person* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Access Person is completed as part of a batch trade (as defined below in Item 12) with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

This *Code of Ethics* has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by *Access Persons* to be completed without any appreciable impact on the markets of such securities. Therefore, under certain limited circumstances, exceptions may be made to the policies stated above.

Clients and prospective clients may contact HGF to request a copy of its *Code of Ethics*.

## ***Item 12 - Brokerage Practices***

### **Best Execution and Benefits of Brokerage Selection**

When given discretion to select the brokerage firm that will execute orders in client accounts, HGF seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, HGF may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of HGF's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

HGF may recommend that clients establish brokerage accounts with Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of clients' assets. HGF may also effect trades for client accounts at Schwab, or may in some instances, consistent with HGF's duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although HGF may recommend that clients establish accounts at

Schwab, it is ultimately the client's decision to custody assets with Schwab. HGF is independently owned and operated and is not affiliated with Schwab.

Schwab Advisor Services provides HGF with access to its institutional trading, custody, reporting and related services, which are typically not available to Schwab retail investors. Schwab also makes available various support services. Some of those services help HGF manage or administer our clients' accounts while others help HGF manage and grow our business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by Schwab. Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For HGF client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Advisor Services also makes available to HGF other products and services that benefit HGF but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of HGF accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist HGF in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of HGF's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help HGF manage and further develop its business enterprise. These services may include: (i) technology compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to HGF. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to HGF. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of HGF personnel. In evaluating whether to recommend that clients custody their assets at Schwab, HGF may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

#### Directed Brokerage

The client may direct HGF in writing to use a particular financial institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that financial institution, and HGF will not seek better execution services or prices from other financial institutions or be able to "batch" client transactions for execution through other financial institutions with orders for other accounts managed by HGF (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or

receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, HGF may decline a client's request to direct brokerage if, in HGF's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

#### Aggregated Trade Policy

HGF may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This method permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. It allows HGF to execute trades in a timely, equitable manner, and may reduce overall costs to clients.

HGF will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients, and is consistent with the terms of HGF's Investment Advisory Agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all HGF's transactions in a given security on a given business day. Transaction costs for participating accounts will be assessed at the custodian's commission rate applicable to each account; therefore, transaction costs may vary among accounts. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.

HGF will prepare, before entering an aggregated order, a written statement ("Allocation Statement") specifying the participating client accounts and how it intends to allocate the order among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement. If the order is partially filled, it will generally be allocated pro-rata, based on the Allocation Statement, or randomly in certain circumstances. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by an appropriate individual/officer of HGF. HGF's books and records will separately reflect, for each client account included in a block trade, the securities held by and bought and sold for that account. Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement, and HGF will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

#### ***Item 13 - Review of Accounts***

For those clients to whom HGF provides investment management services, HGF monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom HGF provides financial planning and/or consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of HGF's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with HGF and to keep HGF informed of any changes thereto. HGF contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom HGF provides investment advisory services will also receive a report from HGF that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance as clients may request from time to time. Clients should compare the account statements they receive from their custodian with those they receive from HGF.

Those clients to whom HGF provides financial planning and/or consulting services will receive reports from HGF summarizing its analysis and conclusions as requested by the client or as otherwise agreed to in writing by HGF.

#### ***Item 14 - Client Referrals and Other Compensation***

As noted above, HGF may receive an economic benefit from Schwab in the form of support products and services it makes available to HGF and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit our firm, and the related conflicts of interest are described in ***Item 12 - Brokerage Practices***. The availability of Schwab's products and services to HGF is based solely on our participation in the programs and not in the provision of any particular investment advice. Neither Schwab nor any other third-party is paid to refer clients to HGF.

#### ***Item 15 - Custody***

Schwab is the custodian of nearly all client accounts at HGF. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify HGF of any questions or concerns. Clients are also asked to promptly notify HGF if the custodian fails to provide statements on each account held.

From time to time and in accordance with HGF's agreement with clients, HGF will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades or other similar issues.

#### ***Item 16 - Investment Discretion***

As described in ***Item 4 - Advisory Business***, HGF will accept clients on either a discretionary or non-discretionary basis. For *discretionary accounts*, a Limited Power of Attorney ("LPOA") is executed by the client, giving HGF the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. HGF then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with HGF and the requirements of the client's custodian.

For *non-discretionary accounts*, the client also generally executes an LPOA, which allows HGF to carry out trade recommendations and approved actions in the portfolio. However, in accordance with the investment advisory agreement between HGF and the client, HGF does not implement trading recommendations or other actions in the account unless and until the client has approved

the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to HGF's agreement with the client and the requirements of the client's custodian.

### ***Item 17 - Voting Client Securities***

HGF may vote client securities (proxies) on behalf of its clients. When HGF accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in HGF's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in HGF's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact HGF to request information about how HGF voted proxies for that client's securities or to get a copy of HGF's Proxy Voting Policies and Procedures. A brief summary of HGF's Proxy Voting Policies and Procedures is as follows:

- HGF has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will generally vote proxies according to HGF's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, HGF devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct HGF's vote on a particular solicitation but can revoke HGF's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that HGF maintains with persons having an interest in the outcome of certain votes, HGF takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

### ***Item 18 - Financial Information***

HGF is not required to disclose any financial information pursuant to this Item due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.



Set forth below is the Summary of Material Changes for HawsGoodwin Financial:

Date of Change	Description of Item
January 2015	HawsGoodwin Financial added information to <b><i>Item 5 – Fees and Compensation</i></b> and <b><i>Item 10 – Other Financial Industry Activities and Affiliations</i></b> regarding its referral arrangement with Claritas Capital, LLC and its affiliated entities. When a client invests with Claritas, HGF will share in a portion of the asset based management fee that Claritas earns on the client’s investment. (HGF will <u>not</u> share in any performance-based fees.) To mitigate any conflicts of interest that may arise from this arrangement, clients will be provided a detailed offering memorandum explaining any conflicts of interest and providing extensive information about the opportunity. HGF does not assess an advisory fee on any client balances invested with Claritas. The percentage fee HGF receives in these instances may be higher than HGF’s regular investment management fee schedule.
January 2015	HawsGoodwin Financial added information to <b><i>Item 4 – Advisory Business</i></b> and <b><i>Item 5 – Fees and Compensation</i></b> to further describe its Retirement Plan Consulting Services and applicable fees. In conjunction with its non-discretionary retirement plan consulting services, HawsGoodwin Financial now provides discretionary investment management services to retirement plan accounts for a separate and additional fee. When retained as an investment manager within the meaning of ERISA § 3(38), HGF will provide continuous and ongoing supervision over the designated retirement plan assets.

# **Exhibit A**

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**C. Arthur Haws, Sr., CFP®**

**CRD# 2051664**

**of**

**HawsGoodwin Financial**

5000 Meridian Boulevard, Suite 530  
Franklin, TN 37067

(615) 771-1012

[www.hawsgoodwin.com](http://www.hawsgoodwin.com)

**February 11, 2015**

This brochure supplement provides information about Arthur Haws, and supplements the HawsGoodwin Financial ("HGF") brochure. You should have received a copy of that brochure. Please contact HGF at (615) 771-1012 if you did not receive HGF's brochure, or if you have any questions about the contents of this supplement.

Additional information about Arthur is available on the SEC's website at  
[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

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***Item 2 - Educational Background and Business Experience***

C. Arthur Haws, Sr. (year of birth 1966) and Cameron Goodwin are the Principal owners of HGF. Arthur is the firm's Chief Executive Officer and has also served as a Registered Representative of Purshe Kaplan Sterling Investments, Inc. since 2012. Prior to forming HGF, Arthur was a Financial Advisor for Wells Fargo Financial Network, LLC (2008-2012), and a Financial Advisor at Merrill Lynch (2003 to 2008).

Arthur graduated from Murray State University in 1988 with a BS in Business Administration and received his MBA in Finance from Vanderbilt University Owen Graduate School of Management in 1994. He also holds the professional designation of \*CERTIFIED FINANCIAL PLANNER™.

\* The CFP® certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational, examination and experience requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP® Certification Examination. The Examination tests the candidate's ability to apply financial planning knowledge to client situations. The 10-hour exam is divided into three separate sessions over a 2-day period. At least 3 years of qualifying full-time work experience are required for certification. Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process.

### ***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however Arthur has no such disciplinary information to report.

### ***Item 4 - Other Business Activities***

Arthur is a Registered Representative of Purshe Kaplan Sterling Investments, Inc. ("PKS"), an SEC registered broker/dealer and member of FINRA and SIPC. As Registered Representative, he is entitled to receive commissions or other remuneration on the sale of insurance and other products. In order to protect client interests, HGF's policy is to fully disclose all forms of compensation before any such transaction is executed. Normally, clients will not pay both a commission to Arthur and also pay an advisory fee to HGF on assets held in the same account. These fees are normally exclusive of each other.

Arthur Haws is also a licensed insurance agent and in such capacity may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. A conflict of interest exists to the extent that HGF recommends the purchase of insurance products where C. Arthur Haws receives insurance commissions or other additional compensation. HGF has procedures in place to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.

Arthur is a principal owner of HawsGoodwin Investment Management, LLC and HawsGoodwin Insurance, LLC which collectively do business as HawsGoodwin Financial. HawsGoodwin Insurance, LLC ("HawsGoodwin Insurance") is a licensed insurance agency wholly owned by HawsGoodwin Investment Management, LLC ("HawsGoodwin Investment") and provides group and individual life and health insurance services.

When associated persons of HawsGoodwin Investment determine that clients are in need of group and/or individual life or health insurance products, clients may be referred to HawsGoodwin Insurance. In addition, if a Haws Goodwin Insurance client is in need of financial planning or other advisory services, the client may be referred to HawsGoodwin Investment. Employees from both companies may earn compensation for making referrals to the other company.

Clients are not obligated to use the services of HawsGoodwin Insurance. While HawsGoodwin Investment does not provide compensation for referrals from HawsGoodwin Insurance, HawsGoodwin Investment and HawsGoodwin Insurance are under common ownership and there is a benefit for the two firms to share clients.

***Item 5 - Additional Compensation***

Other than the sale of insurance and other products, Arthur is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

***Item 6 - Supervision***

Arthur Haws, CEO, and Cameron Goodwin, COO, are Managing Members and co-owners of HGF. Arthur also serves as Chief Compliance Officer. Both are Portfolio Managers and serve on the investment committee.

Overall investment decisions are made as a team by the investment committee, and portfolio activity based on these decisions will be carried out by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer, Arthur is responsible for providing supervisory oversight to the staff. He also participates as a team member in the investment and trading processes, and may be contacted at (615) 771-1012.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**W. Cameron Goodwin, CFP®**

**CRD# 4927506**

**of**

**HawsGoodwin Financial**

5000 Meridian Boulevard, Suite 530  
Franklin, TN 37067

(615) 771-1012

[www.hawsgoodwin.com](http://www.hawsgoodwin.com)

**February 11, 2015**

This brochure supplement provides information about Cameron Goodwin, and supplements the HawsGoodwin Financial ("HGF") brochure. You should have received a copy of that brochure. Please contact HGF at (615) 771-1012 if you did not receive HGF's brochure, or if you have any questions about the contents of this supplement.

Additional information about Cameron is available on the SEC's website at  
[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

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***Item 2 - Educational Background and Business Experience***

W. Cameron Goodwin (year of birth 1978) and Arthur Haws are the Principal owners of HGF. Cameron is the firm's Chief Operating Officer and was also a Registered Representative of Purshe Kaplan Sterling Investments, Inc. from 2012 to 2014. Prior to forming HGF, Cameron was a Financial Advisor for Wells Fargo Financial Network, LLC (2008-2012), and a Financial Advisor at Merrill Lynch (2004 to 2008).

Cameron graduated from the University of Mississippi in 2001 with a BS in Finance. He also holds the professional designation of \*CERTIFIED FINANCIAL PLANNER™.

\* The CFP® certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational,

examination and experience requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP® Certification Examination. The Examination tests the candidate's ability to apply financial planning knowledge to client situations. The 10-hour exam is divided into three separate sessions over a 2-day period. At least 3 years of qualifying full-time work experience are required for certification. Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process.

### ***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, Cameron has no such disciplinary information to report.

### ***Item 4 - Other Business Activities***

Cameron is also a licensed insurance agent and in such capacity may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. A conflict of interest exists to the extent that HGF recommends the purchase of insurance products where W. Cameron Goodwin receives insurance commissions or other additional compensation. HGF has procedures in place to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.

Cameron is a principal owner of HawsGoodwin Investment Management, LLC and HawsGoodwin Insurance, LLC which collectively do business as HawsGoodwin Financial. HawsGoodwin Insurance, LLC ("HawsGoodwin Insurance") is a licensed insurance agency wholly owned by HawsGoodwin Investment Management, LLC ("HawsGoodwin Investment") and provides group and individual life and health insurance services.

When associated persons of HawsGoodwin Investment determine that clients are in need of group and/or individual life or health insurance products, clients may be referred to HawsGoodwin Insurance. In addition, if a Haws Goodwin Insurance client is in need of financial planning or other advisory services, the client may be referred to HawsGoodwin Investment. Employees from both companies may earn compensation for making referrals to the other company.

Clients are not obligated to use the services of HawsGoodwin Insurance. While HawsGoodwin Investment does not provide compensation for referrals from HawsGoodwin Insurance, HawsGoodwin Investment and HawsGoodwin Insurance are under common ownership and there is a benefit for the two firms to share clients.

### ***Item 5 - Additional Compensation***

Other than the sale of insurance, Cameron is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

### ***Item 6 - Supervision***

Cameron Goodwin, COO, and Arthur Haws, CEO, are Managing Members and co-owners of HGF. Arthur also serves as Chief Compliance Officer. Both are Portfolio Managers and serve on the investment committee.

Overall investment decisions are made as a team by the investment committee, and portfolio activity based on these decisions will be carried out by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer, Arthur is responsible for providing supervisory oversight to the staff. He also participates as a team member in the investment and trading processes, and may be contacted at (615) 771-1012.