



HEWINS FINANCIAL ADVISORS, LLC

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Firm Brochure (Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Hewins Financial Advisors, LLC ("Hewins"). If you have any questions about the contents of this brochure, please contact us at (888) 520-3040 or gbekasov@hewinsfinancial.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. SEC registration does not carry with it requirements regarding skill or training. Additional information about Hewins Financial Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: MATERIAL CHANGES

These summaries are intended only as notices to changes in this brochure that Hewins Financial Advisors, LLC (“Hewins” or “we”) believes its clients will find material. If the information in the full text of this brochure is different from the summaries, the full text in the brochure should be relied upon.

Our operations or services have experienced the following material changes since the last annual update of this brochure dated October 24, 2016:

- We added a new service offering called Business Exit Planning (“BEP”). BEP is a service offered to owners of closely-held businesses to help them for a successful transition. Detailed description of BEP and fees associated with it can be found under Item 4: Advisory Business / Other Services, and Item 5: Fees and Compensation / Other Services, respectively.
- Under Item 10: Other Financial Activities and Affiliations we added a description of our strategic partnership with non-affiliated CPA firms and certain of their associates.

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Item 4: ADVISORY BUSINESS

Hewins Financial Advisors, LLC ("Hewins" or "we") is a limited liability company formed in 1999 in the state of Delaware and registered as an SEC Investment Advisor in that same year. Hewins is wholly owned by Wipfli Financial, LLC, which in turn is owned by Wipfli LLP, Roger Hewins and 20 senior members of the firm. For additional information about Hewins' ownership structure please refer to Schedule A of our Form ADV Part 1A which is available at no cost either online at www.sec.gov, or from us.

As discussed below, we offer investment advisory and financial planning services to our clients (including individuals and couples, families, business entities, pension and profit sharing plans, trusts, estates and charitable organizations), or to CPA firms and other investment advisers through our OnCue Wealth Management Solutions™ brand. Clients may choose one service without any obligation to engage us for any other. We reserve the right to refuse any engagement we deem to not be a good fit for our services.

INVESTMENT ADVISORY SERVICES

We have three service lines for investment advisory services: our standard investment advisory services, Key Access Services® and Retirement Plan Services. Additionally, our Family Office Services and/or Private Client Services may include one or more of our investment advisory service lines within the scope of a broader suite of services. Each investment advisory service line is described below, and fees for each service line are discussed in Item 5.

Standard Investment Advisory Services

Our standard investment advisory services are available to individuals, couples, families, trusts and estates, business entities and charitable organizations. Clients can engage us to provide ongoing investment advisory services on a discretionary or a non-discretionary basis in accordance with the client's investment objectives. Our services and all conditions to our services are fully described in the written Investment Advisory Agreement, provided to and signed by each client. Once determined, the client's investment objectives are then set forth in a written Investment Policy Statement ("IPS") prepared by us and signed by the client. We do not have a minimum account size (i.e., a required minimum amount of assets under our management ("AUM")) for standard investment advisory services, but we do require a minimum of \$5,000 in annual fees. Clients with immediate family members who are also our clients may aggregate the total fees of each client-member of the family to meet our \$5,000 annual minimum fee requirement on a family-wide basis. Our fees are discussed more fully in Item 5.

We provide investment advisory services specific to the needs of each client. These services are provided to the client by a dedicated Hewins Investment Advisor Representative ("IAR"). The IAR ascertains, in consultation with the client, the client's financial situation, risk tolerance, and investment objectives as well as other pertinent information. From this information, the IAR prepares a written IPS for the client's approval. The IPS may be modified at any time. We generally recommend that clients allocate their investment assets among various mutual funds; however, depending on the client's specific financial situation, objectives and risk tolerances, we may recommend our Tax-Smart Indexing™ services, Independent Managers or Private Investment Funds

where appropriate and as described below. All recommendations are made in accordance with the investment profile of the client and investment strategies set forth in the IPS. In certain circumstances, clients may impose reasonable restrictions regarding their investments.

As part of our investment advisory services, we make certain investment benefits available to our clients that may not otherwise be available to retail investors. Such benefits include:

- Access to professionally-developed and monitored model portfolios suitable for investors with a wide range of risk tolerances;
- Access to institutional share classes (i.e., lower-cost share classes) of certain fund families;
- Access to certain fund families whose substantial minimums would normally preclude retail client investment;
- Access to certain low-cost fund families made available only to a select group of registered investment advisers; and
- Access to sophisticated investment research not available to the public.

As described in Item 8 of this brochure, portfolio rebalancing and tax loss harvesting are part of the standard investment advisory services we provide for clients.

Although clients can engage us for financial planning services alone (as more fully discussed below), we provide financial planning services in conjunction with our standard investment advisory services. We make use of an interactive planning tool to develop a thorough understanding of our clients and their financial lives. The use of this tool provides clients with immediate visual feedback of the financial results stemming from different assumptions and choices. This information is then used to help the client establish investment objectives and risk tolerances.

In general, our clients' accounts are implemented via the custody platform at Schwab Advisor Services, a division of Charles Schwab & Co., Inc. (hereinafter referred to as "Schwab"), or at TD Ameritrade Institutional (hereinafter referred to as "TD Ameritrade"). To receive our services, clients enter into written account agreements with the applicable custodian. For fees associated with custodial services, please refer to Item 5.

Tax-Smart Indexing ("TSI")[™]

Tax-Smart Indexing[™] is an add-on discretionary service that we provide for an additional fee for clients who are seeking an indexing solution that incorporates the benefits of tax-loss harvesting. Clients who engage us for TSI[™] services are provided with a separate account in which equity securities are purchased and sold to track the S&P 500 or another index by utilizing our portfolio management processes with indexing software. TSI[™] accounts are monitored for ongoing tax-loss harvesting opportunities and, when appropriate, tax-loss harvesting is conducted in the account. Tax-loss harvesting strategies are discussed in detail in Item 8 of this brochure.

To receive Tax-Smart Indexing[™] services, clients must place a minimum of \$500,000 of assets into our management, of which at least \$125,000 must be placed into an account specifically intended

to receive TSI™ services. A written and signed addendum to the investment advisory agreement is required for the Client to obtain TSI™ services. Fees for TSI™ services are discussed in item 5.

Independent Managers

To address a client's designated investment objectives, we may recommend that the client allocate a portion of his or her investment assets to one or more unaffiliated independent investment managers. Factors that we consider before recommending an independent manager include, but are not limited to, the client's investment objectives, the independent manager's management style, investment team, performance history, reputation, financial strength, pricing, and investment process. Some of these independent managers may not be available to the general public. To hire an independent manager, the client will enter into a separate agreement with the independent manager. The independent manager shall have day-to-day responsibility for the discretionary management of the allocated assets, and we will continue to render investment advisory services regarding the assets placed with the independent manager, including the ongoing monitoring and review of account performance and compliance with the client's investment objectives. If a client chooses to invest with independent managers, he or she will incur a separate fee from the independent manager for those services, and the value of the client's assets invested with independent managers will be included in the calculation of our investment advisory fees. We do not receive any referral fees for recommending any Independent Manager.

Private Investment Funds

We may provide investment advice regarding Private Investment Funds. Our role relative to Private Investment Funds shall be limited to initial and ongoing due diligence and investment monitoring services. If a client chooses to become a private fund investor, the client will enter into a separate agreement with the Private Investment Fund and will incur separate fees that vary based upon the specifics of the Private Investment Fund(s). Assets invested in the private fund(s) will be included in the calculation of our investment advisory fees. We do not receive any referral fee for recommending any investment with a Private Investment Fund.

Substantial Risk of Private Investment Funds: Each prospective client investor will be required to complete a Subscription Agreement and other subscription documentation that will establish that the client is qualified for investment in the fund and acknowledges and accepts in writing the various risk factors that are associated with such an investment, including but not limited to:

- **Liquidity:** 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 by the fund to each client, in advance, for review and consideration. Unlike other liquid investments that a client may maintain, Private Investment Funds may have long lock-up periods and generally do not allow for withdrawals or termination without delays, financial penalties or both; in other words, they generally are known as illiquid investments.
- **Valuation:** Private Investment Funds generally do not provide daily pricing. If we reference Private Investment Funds owned by the client on any account reports that we prepare, the values for all Private Investment Funds will reflect either the initial purchase or the most recent valuation provided by the fund sponsor. If the valuation reflects the initial purchase

price or a value as of a previous date, the current values could be significantly more or less than the original purchase price.

Key Access Services® - Investment Advisory Services for the Emerging Investor

We are pleased to offer Key Access Services® (sometimes referred to as “Emerging Investor Services”), discretionary investment advisory services designed for individuals, couples and families who want to work with an investment adviser but who wish to do so without the minimum \$5,000 annual fee we typically charge for standard investment advisory services.

Key Access Services® clients receive services similar to our standard investment advisory services, including:

- The services are specific to the needs of each client. These services are provided to the client by a Hewins Investment Advisor Representative (“IAR”). The IAR ascertains, in consultation with the client, the client’s financial situation, risk tolerance, and investment objectives as well as other pertinent information. From this information, the IAR prepares a written IPS for the client’s approval.
- Clients participating in Key Access Services® are able to select from among Hewins’ diversified model portfolios, comprised of mutual funds we select. We have complete discretion over which model portfolios are available to Key Access Services® clients, and we strive to offer an assortment of model portfolios capable of meeting various risk tolerances and investment objectives;
- Key Access Services® clients will receive the rebalancing and tax loss harvesting services described in Item 8;
- Key Access Services® clients will receive our standard reporting services;
- Through the model portfolios, we make certain investment benefits available to Key Access Services® clients that may not otherwise be available to retail investors. Such benefits may include:
 - Access to professionally-developed and monitored model portfolios suitable for investors with a wide range of risk tolerances;
 - Access to institutional share classes (i.e. lower-cost share classes) of certain fund families;
 - Access to certain fund families whose substantial minimums would normally preclude retail client investment;
 - Access to certain low-cost fund families made available only to a select group of registered investment advisers; and
 - Access to sophisticated investment research not available to the public.

Key Access Services® differ from our standard investment advisory services in the following ways:

- As more fully set forth in Item 5 below, there are no minimum fees charged to Key Access Services® clients, and the fee schedule for Key Access Services® varies from the fee schedule for standard investment advisory services;
- We will invest a Key Access Services® client's assets in the Hewins-designed model selected by the client; we do not recommend independent investment managers or private investment funds to Key Access Services® clients; and TSI™ services are not available to Key Access Services® clients;
- Key Access Services® include one in-person meeting with our IARs per year as part of the standard Key Access Services® pricing. Any additional meetings are generally billed hourly as more fully set forth in Item 5. Key Access Services® clients are encouraged to communicate changes in financial circumstances with their IAR via telephone, email or other medium at no additional charge; and
- Additional services or meetings, including financial planning services, will require additional agreements and fees. The fees for these services are more fully set forth in Item 5 below.

In general, Key Access Services® clients' accounts are implemented via the custody platform at Schwab or at TD Ameritrade. To receive Key Access Services®, clients enter into written account agreements with the applicable custodian. For fees associated with custodial services, please refer to Item 5 below.

Retirement Plan Services - Investment Advisory Services for Employee Benefit Plans

We provide investment advisory services to employee benefit plans, including but not limited to 401(k) plans, profit sharing plans and pension plans, through our Retirement Plan Services business line. Each employee benefit plan client (a "Plan") that engages us for Retirement Plan Services can generally do so on either an Employee Retirement Income Security Act ("ERISA") Section 3(38) fiduciary basis or on an ERISA Section 3(21) fiduciary basis.

We do not require a Plan to have a minimum account size in order to receive Retirement Plan Services; however, we often recommend that a Plan utilize one of three particular types of our Retirement Plan Services based upon the Plan's amount of assets under our management, plan design needs or its number of participants. Notwithstanding our recommendations below, a Plan may engage us for any one of the following types of Retirement Plan Services. Based upon the type of Retirement Plan Services for which we are engaged, the exact scope of our services may vary depending on whether we are engaged on an ERISA 3(38) fiduciary basis or an ERISA 3(21) fiduciary basis. We reserve the right to refuse to be engaged on an ERISA 3(21) basis or an ERISA 3(38) basis, or for any particular type of Retirement Plan Services, in any particular engagement.

First Step Retirement Plan Services

For a Plan that would engage us to manage less than \$800,000 in Plan assets, we encourage the Plan to utilize our First Step Retirement Plan Services. As part of our First Step Retirement Plan Services, we provide the following services to the Plan regardless of whether we are engaged on an ERISA 3(38) basis or an ERISA 3(21) basis:

- We review the Plan's purpose and investment policies and guidelines with the Plan's sponsor;
- We work with the Plan sponsor to develop an IPS for the Plan;
- In accordance with the investment strategies in the Plan's IPS, we help design, implement and monitor investment options for the Plan's participants;
- We report to and meet with the Plan's sponsor(s) on a regular basis to review performance of the Plan's investment options and participant participation;
- Depending upon the scope of the arrangement with the Plan, we provide periodic on-site enrollment meetings with the Plan's participants; and
- We provide education, remotely as well as periodically on-site, to the Plan's participants regarding the benefits of participating in the Plan, and answer participants' questions regarding the Plan's investment options.

Typically, a Plan that engages us on an ERISA 3(38) basis for First Step Retirement Plan Services does so on a discretionary basis, while a Plan that engages us on an ERISA 3(21) basis does so on a non-discretionary basis.

For Plans utilizing our First Step Retirement Plan Services, we require the Plan to use the Payroll Company as the Plan's Record-keeper and Third Party Administrator ("TPA"). The Payroll Company is an unaffiliated third party from whom we receive no compensation for referrals. Use of the Payroll Company as Record-keeper and TPA results in efficient plan services but provides limited options for plan customization; as such, our First Step Retirement Plan Services are appropriate for Plans that are simpler in structure and service needs. Plans using our First Step Retirement Plan Services must make all plan transactions through the Record-keeper's website. Plans will pay fees in addition to our own for third-party services, including those of the Payroll Company. Details regarding our fees are discussed in Item 5.

Core Retirement Plan Services

As part of our Core Retirement Plan Services, we provide the following services to the Plan regardless of whether we are engaged on an ERISA 3(38) basis or an ERISA 3(21) basis:

- We review the Plan's investment policies and guidelines with the Plan's sponsor;
- We work with the Plan sponsor to develop an IPS for the Plan;
- In accordance with the investment strategies in the Plan's IPS, we help design, implement and monitor investment options for the Plan's participants;
- We report to and meet with the Plan's sponsor(s) on a regular basis to review performance of the Plan's investment options and participant participation;
- Depending upon the scope of the arrangement with the Plan, we provide periodic on-site enrollment meetings with the Plan's participants; and
- We provide education, remotely as well as periodically on-site, to the Plan's participants regarding the benefits of participating in the Plan, and answer participants' questions regarding the Plan's investment options.

Typically, a Plan that engages us on an ERISA 3(38) basis for Core Retirement Plan Services does so on a discretionary basis, while a Plan that engages us on an ERISA 3(21) basis does so on a non-discretionary basis. For our Core Retirement Plan Services, we recommend the appointment of our CPA-firm affiliate Wipfli LLP as the Plan's Third-Party Administrator ("TPA") and the Plan's Record-keeper. We do not receive any portion of the fees charged by Wipfli LLP for shared or referred clients. Although we will provide Retirement Plan Services to Plans that wish to utilize TPAs and/or Record-keepers other than Wipfli LLP, the inability of a TPA's or Record-Keeper's system to work with our own may limit our ability to provide Retirement Plan Services to certain Plans unless the Plan changes the TPA or Record-keeper as applicable.

We typically recommend our Core Retirement Plan Services for any Plan that has greater than \$800,000 but less than \$25 Million in assets, and fewer than 1,000 participants.

Large Plans

Our Large Plan Retirement Plan Services are for Plans that have more than \$25 Million in assets or more than 1,000 participants. The services we offer Plans utilizing our Large Plan Retirement Services irrespective of whether we are engaged on an ERISA 3(38) or 3(21) basis include:

- We review the Plan's purpose and investment policies and guidelines with the Plan's sponsor;
- We work with the Plan sponsor to develop an IPS for the Plan;
- In accordance with the investment strategies in the Plan's IPS, we help design, implement and monitor investment options for the Plan's participants;
- We report to and meet with the Plan's sponsor(s) on a regular basis to review performance of the Plan's investment options and participant participation; and
- We provide written educational materials to the Plan's participants regarding the benefits of participating in the Plan and/or about the Plan's investment options.

Typically, a Plan that engages us on an ERISA 3(38) basis for Large Plan Retirement Plan Services does so on a discretionary basis, while a Plan that engages us on an ERISA 3(21) basis does so on a non-discretionary basis. For our Large Plan Retirement Plan Services, we may work with a variety of providers that specialize in large plan solutions, including but not limited to Vanguard, Fidelity, Charles Schwab or Great West. We are unaffiliated with any of these providers and are not compensated by the providers for any referrals we make to them. For Plans that utilize these providers' TPA and Record-keeping services, the Plan will pay fees to the TPA and Record-keeper as well as our fee for investment advisory services, discussed in Item 5.

OTHER SERVICES

Financial Planning and Consulting Services

Clients who do not have an investment advisory relationship with us may elect to receive financial planning services pursuant to the terms of a Financial Planning Agreement. The financial planning agreement describes the scope of the services to be provided and the fees to be charged.

On a stand-alone, separate fee basis, we can provide consulting services on various non-investment

financial issues. For these consulting services the client will sign a separate agreement describing the scope of the services and the fees to be charged. We may in our sole discretion waive any or all fees for consulting services.

Neither we nor any of our employees serve our clients as an accountant or attorney, and no portion of our services should be viewed as a substitute for such services.

Business Exit Planning Services

Hewins offers Business Exit Planning (“BEP”) services to closely-held business owners. The creation of a Business Exit Plan is intended to help business owners build a plan for the successful transition of their business. BEP is a separate and distinct service from our investment advisory or financial planning services, and clients may engage us for this service under a separate written agreement. Hewins may charge a fee for the creation of a Business Exit Plan as well as a separate fee to manage the implementation of the delivered plan. These fees are separate from other services we provide and are described in details in Item 5 (Fees and Compensation) of this brochure. Our fees do not include fees charged by other advisors who may participate in the execution of recommendations made during the planning process. Hewins will not act as a business broker or an investment banker in the process of creation or implementation of a Business Exit Plan.

Family Office/Private Client/Other Services

Clients may negotiate for and receive other services from us, such as organizing and conducting family meetings, working with client’s children to provide them with financial education or other family financial planning coordination. Additionally, working with our affiliate Wipfli LLP, we can arrange for other financial services for our clients, including the maintenance of partnership books, preparation of financial statements, income and gift tax return preparation, and bill paying services. All additional services and the fees for these services are rendered pursuant to a written agreement describing the scope of services to be rendered and the fees to be charged, and must be signed by the parties. These services may be offered under the names Family Office Services, Private Client Services, or other names, and are provided based on the needs of the client.

OnCue Wealth Management Solutions™/Sub-Advisory Services

Our OnCue Wealth Management Solutions (“OnCue”) help CPA firms begin and develop their own wealth management practice, and support independent registered investment advisors (“RIAs”) in the provision of advisory services to their clients. Such assistance is provided pursuant to signed written agreements which detail the terms, conditions and fees of each OnCue/sub-advisory relationship.

The sub-advisory services provided by Hewins can be customized depending on the needs of the individual firm and may include:

- Portfolio design, including model portfolios to offer clients;
- Access to institutional and other low-cost funds not generally available to retail investors or smaller advisory firms;
- Portfolio management services;
- Capital markets and individual fund/manager research;
- Billing services;

- Asset Allocation Analysis;
- Portfolio accounting;
- Access to client portal;
- Reporting services;
- Access to the insights and recommendations of the Hewins Investment Committee; and
- Assistance with business development, client service, marketing and strategic planning.

For such services, we generally receive either a percentage of the fees that the OnCue Client charges its clients or a percentage of the OnCue Client's clients' assets. The fee(s) will vary depending on the number and complexity of the services performed.

Depending on the nature of the services requested, we may require that the OnCue Client provide proof that its clients have consented to us to render the services on behalf of the OnCue Client. Additionally, we may have access to nonpublic personal information of the OnCue Client's clients. We maintain all such nonpublic personal information pursuant to our privacy and security policies and procedures.

Third-Party Professionals / Wipfli LLP

To the extent requested by a client, we may recommend the services of other professionals for certain non-investment purposes (e.g., attorneys, accountants, insurance agents, etc.). The recommendations can include suggesting the use of representatives of Wipfli LLP, a certified public accounting firm that is an owner of Hewins, in their separate licensed capacities as discussed below (see Item 10). The client retains absolute discretion over the use of such professionals and is free to accept or reject any recommendation. We receive no fee or other benefit for these referrals, including referrals to Wipfli LLP.

Certain of our clients, who are also tax clients of Wipfli LLP, may receive a fee credit from us which is applied as an allowance on their tax preparation invoice from Wipfli LLP. Such credit and its amount are always discretionary to Hewins and Wipfli LLP's professionals who work with the specific client and must be approved by Hewins' Chief Financial Officer.

Hewins has formed a strategic partnership, in the states of Florida and New York, with a non-affiliated accounting firm The Fuoco Group ("TFG"). TFG is not affiliated with Hewins or Wipfli LLP. Mr. Paul Wieseneck ("Wieseneck") is a director at TFG, and is also a registered investment representative of Hewins. For the purposes of marketing those investment advisory services performed by Wieseneck as an individual investment advisory representative of record, Hewins has filed a fictitious business name (DBA name) with the state of Florida for the name "TFG Hewins". Absent the typical and ordinary compensation that Wieseneck receives pursuant to his independent contractor agreement with Hewins, he and TFG do not receive any additional compensation from us. For more information about Wieseneck, please refer to Item 10 of this Firm Brochure and his Supplemental Form ADV Part 2B, which clients are strongly encouraged to review.

In the state of California, Hewins has formed a similar strategic alliance with another non-affiliated accounting firm DZH Phillips ("DZHP"). DZHP is not affiliated with Hewins or Wipfli LLP. Mr. Lawrence Wood ("Wood") is a shareholder / managing partner at DZHP, and is also a registered investment representative of Hewins. For the purposes of marketing those investment advisory

services performed by Wood as an individual investment advisory representative of record, Hewins has filed a fictitious business name (DBA name) with the state of California for the name “DZH Phillips Wealth Management”. Absent the typical and ordinary compensation that Wood receives pursuant to his independent contractor agreement with Hewins, he and DZHP do not receive any additional compensation from us. For more information about Wood, please refer to Item 10 of this Firm Brochure and his Supplemental Form ADV Part 2B, which clients are strongly encouraged to review.

ADDITIONAL OBLIGATIONS AND DISCLOSURES REGARDING OUR SERVICES

Client Obligations and Responsibilities

We offer our clients a selection of services. Clients who engage us for one of the services we provide are under no obligation to engage us for any of the other services.

We are not required to verify any information we receive from the client or from the client’s other professionals, and the Investment Advisory Agreement expressly authorizes us to rely on information provided to us.

It remains the client’s responsibility to promptly notify us if there is ever any change in the client’s financial situation or investment objectives so that our recommendations continue to be appropriate for the client’s needs.

Disclosure Statement

New clients will receive a copy of this Form ADV Part 2A Brochure and a Brochure Supplement known as Part 2B. Part 2B Brochure Supplements describe the background and experience of each employee who serves on the Investment Committee or provides clients with direct investment advice. If there are material changes, by September of each year all clients will receive either: (1) an updated Brochure that includes a summary of material changes; (2) an updated Brochure that is accompanied by a summary of material changes; or (3) a summary of material changes that includes an offer to provide a copy of the updated Brochure and information on how to obtain that updated Brochure. Interim amendments to the Brochure will not be distributed to clients unless the amendment relates to disciplinary information found in Item 9. Clients will also receive an updated Brochure Supplement if there is a material change to the disciplinary history for the individual. For those clients who have consented to the electronic delivery of documents, the Brochures may be delivered electronically.

Courtesy (Non-Managed) Accounts

As an accommodation for clients and others, from time to time we may allow clients to establish an account (“Courtesy Account”) under our courtesy Master Account at Schwab or at TD Ameritrade. Before we agree to allow a client to establish a Courtesy Account, the account holder must sign a written Courtesy Account Agreement which sets forth the terms and conditions under which the Courtesy Account must operate. These conditions include but are not limited to the following:

- (i) We will not have any responsibility with respect to assets held in any Courtesy Account;
- (ii) We have no responsibility to monitor, trade, or report on assets held in the Courtesy Account; and
- (iii) Assets held in the Courtesy Account will not be included in our fee calculations.

Wrap Fee Program

We do not participate in a wrap fee program.

Assets Under Management

As of June 30, 2016, we had \$2,351,573,288 in assets under management on a discretionary basis and \$1,553,259,895 in assets under management on a non-discretionary basis.

Item 5: FEES AND COMPENSATION

INVESTMENT ADVISORY SERVICES

Our fees for all three of our investment advisory service lines (Standard Investment Advisory Services, Key Access Services® and Retirement Plan Services) are set forth immediately below. In each instance, our annual fees for investment advisory services are paid quarterly in advance, based upon the market value of the assets under management on the last business day of the previous quarter. The initial quarterly fee is based on funding dates or the date(s) assets are transferred. Generally, clients elect to have our advisory fees deducted from their custodial accounts. The custodial agreement signed by the client typically authorizes the custodian to debit the account for the amount of our fees and to directly remit the fees to us in compliance with procedures accepted by the SEC. In those circumstances in which the client has requested to be billed directly, payment is due upon receipt of our invoice.

Our Investment Advisory Agreements with our clients continue in effect until terminated by either us or the client by written notice. In accordance with the terms of the Investment Advisory Agreement, after termination we will provide a prorated refund on any unearned portion of the advisory fee that was paid in advance. Any refund due will be paid within five weeks of notice of termination.

Standard Investment Advisory Services

Our annual fee for standard investment advisory services is tiered, based upon a percentage (%) of the market value of the assets under our management as follows:

<u>ASSET BREAKPOINTS</u>	<u>ANNUAL FEE</u>
First \$2,000,000	1.00%
Next \$3,000,000	0.85%
Next \$5,000,000	0.40%
Above \$10,000,000	0.30%

There is a minimum quarterly fee of \$1,250 or seventy-five basis points (0.75%) of the Assets, whichever is less. In our sole discretion, we may reduce our investment advisory fee, or waive or reduce our quarterly fee minimum. Such reductions will be based upon certain criteria (e.g. anticipated future additional assets, amount of assets to be managed, related accounts, account composition, negotiations with client, etc.) (see Items 7 and 14 below). The fees above are for standard investment advisory services as detailed in each applicable Investment Advisory

Agreement and include basic financial planning services. If a client requires specific consulting services, those services require a separate agreement and incur a separate fee.

Tax-Smart Indexing ("TSI")™

The additional fee for TSI™ services is tiered, based upon a percentage (%) of the market value of the assets receiving TSI™ services as follows:

<u>ASSET BREAKPOINTS</u>	<u>ANNUAL FEE</u>
First \$500,000	0.35%
Above \$500,000	0.25%

An addendum to the Investment Advisory Agreement for TSI™ services outlining the services and the fees must be signed by the client to receive TSI™ services.

Independent Managers and Private Investment Funds

Independent manager and private investment fund fees are in addition to and separate from the advisory fees we charge. Fees charged will vary among the independent managers and private investment funds.

The independent manager's fee will be outlined in a separate agreement between the independent manager and the client. The fee for private investment funds will be outlined in the offering documents provided by the fund.

Key Access Services®

For Key Access Services® the annual investment advisory fee is tiered and based upon a percentage (%) of the market value of the assets under management as follows:

<u>ASSET BREAKPOINTS</u>	<u>ANNUAL FEE</u>
First \$500,000	1.25%
Next \$1,500,000	1.00%
Next \$3,000,000	0.85%
Next \$5,000,000	0.40%
Above \$10,000,000	0.30%

Other Key Access Services® Fees

Key Access Services® do not have minimum quarterly fees. Key Access Services® clients may be charged hourly fees for in-person meetings with our IARs if the client requests more than one in-person meeting a year. The hourly fee for additional in-person meetings is generally \$200 an hour but depends on the billing rate of the particular IAR. We retain the discretion to waive or reduce any hourly fees.

Retirement Plan Services

First Step Retirement Plan Services

The annual fee for First Step Retirement Plan Clients, regardless of whether we are engaged as an ERISA 3(38) fiduciary or 3(21) fiduciary, is tiered and based on a percentage (%) of the market value of the assets of the Plan under management as follows:

<u>ASSET BREAKPOINTS</u>	<u>ANNUAL FEE</u>
First \$500,000	0.75%
Next \$1,500,000	0.50%
Next \$3,000,000	0.40%
Next \$5,000,000	0.25%
Next \$5,000,000	0.20%
Above \$15,000,000	0.10%

There are no minimum fees for services provided to First Step Retirement Plan clients.

Core Retirement Plan Services and Large Plans

The annual fee for Core Retirement Plan Services and for Large Plans, regardless of whether we are engaged as an ERISA 3(38) fiduciary or 3(21) fiduciary, is tiered and based on a percentage (%) of the market value of the assets of the Plan under management as follows:

<u>ASSET BREAKPOINTS</u>	<u>ANNUAL FEE</u>
First \$500,000	0.75%
Next \$1,500,000	0.50%
Next \$3,000,000	0.40%
Next \$5,000,000	0.25%
Next \$5,000,000	0.20%
Above \$15,000,000	0.10

There is a minimum quarterly fee of \$500 or seventy-five basis points (0.75%) of the market value of the assets, whichever is less. In our sole discretion, we may reduce our investment advisory fee or waive or reduce our quarterly fee minimum.

OTHER SERVICES

Financial Planning and Consulting Services

Our Financial Planning and consulting fees are negotiable and dependent upon the level and scope of the services required as well as the IAR(s) rendering the services. Fees typically range from \$1,000 to \$5,000 on a fixed fee basis or \$150 to \$300 per hour. Fees for financial planning and consulting services are typically billed at the end of the project, except in cases of projects of extended length, where interim billing may take place. These fees are not deducted from client accounts; instead they are paid directly by the client. We may request an initial deposit.

Business Exit Planning Services

Our Business Exit Planning fees are negotiable and dependent upon the level and scope of the services provided as well as personnel involved in rendering the services. Fees typically range from \$10,000 to \$100,000 per engagement. These fees are not deducted from client accounts, should the client have an investment account with Hewins; instead they are billed and paid directly by the client, typically in several installments throughout the planning process as determined in the customized engagement agreement. We may request an initial deposit, and we may charge an ongoing maintenance fee. All terms of a Business Exit Planning engagement, including fees, installments, initial deposits and any maintenance fees, are always spelled out clearly in a separate written agreement.

Family Office/Private Client/Other Services

Fees for Family Office/Private Client or other services are typically negotiated and will vary depending on the extent and complexity of the services to be rendered. Where applicable, we will pay appropriate third parties any share of these fees that may have been earned in conjunction with rendering other services to our clients. We will not receive any financial benefit from these third parties as a result of the performance of these services.

OnCue Wealth Management Solutions™/Sub-Advisory Services

OnCue Wealth Management Solutions fees vary based upon the service types requested and the complexity of the services to be performed. We generally receive either a percentage of the fees that the OnCue Client charges its clients or a percentage of the OnCue Client's clients' assets, but may charge additional fees as negotiated or necessary for the performance of the services, including technology fees or technology licensing fees, implementation fees, retainer fees, or other fees as warranted by the services being provided.

OTHER FEES

Below is a description of some, but possibly not all, of the fees clients may expect to pay to third parties in addition to our fees but in relation to the services we perform.

Custodial Fees

We generally recommend that Schwab or TD Ameritrade serve as the custodian for our client's advisory assets. Fees charged by the custodian are separate from and in addition to the fees clients pay to us. Custodian fees may include transaction fees for effecting certain securities transactions, asset-based pricing fees or other fees. Asset based pricing fees are assessed on the value of the portfolio rather than on individual transactions, which with appropriate accounts may result in lower custodial expenses. The fees charged by the custodian may be higher or lower than those charged by other custodians. Schwab, TD Ameritrade and/or other custodians are responsible for setting their custodial, transactional and similar fees, which may be subject to change and are outside of our control.

For clients using other custodians, fees will vary according to the custodian selected. For further information on our custody/brokerage practices, see Item 12.

Mutual Fund Fees

Mutual Fund fees are in addition to and separate from the advisory fee we charge. Fees charged will vary among the Mutual Funds purchased by the client. Generally, we recommend “no-load” mutual funds.

The custodian will provide each client with a fund prospectus for each Mutual Fund in which the client invests. We do not provide the prospectus. The prospectus discloses the mutual fund’s management and fee structure.

FEE CONFLICTS

Compensation for the Sale of Securities or Other Investment Products

As described in Item 10 below, certain of our principals and IARs are also registered representatives of broker-dealers (affiliate and third party) and are licensed to sell certain insurance and securities products. Our principals and IARs who sell such products earn commissions on each sale they broker. Although our employees and principals who earn commissions are obligated to assign their commissions to our affiliate Hewins Brokerage Services, LLC, certain principals and IARs of the firm are eligible to earn discretionary incentive compensation based on the sale of certain insurance products. The receipt of commissions or other incentive compensation by our principals and IARs from the sale of a product can create a compensatory incentive to sell products not in the best interests of our client, and thus create a conflict of interest between us and our client. In order to mitigate this conflict of interest, all prospective clients for commission-based products are presented with a Disclosure and Authorization form prior to engaging Hewins or purchasing any products or services. This document describes the potential for conflicts of interest as well as outlines the fees that Hewins or its affiliates may receive.

Our clients have the option to purchase securities and insurance products from any broker or registered representative of their choice, whether affiliated with us or not.

Item 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Neither Hewins nor any of our employees accept performance-based fees, and as a result we do not engage in side-by-side management.

Item 7: TYPES OF CLIENTS

Our clients include individuals, couples, families, business entities, pension and profit sharing plans, trusts, estates and charitable organizations located throughout the United States, as well as CPA firms or other investment advisors as part of our OnCue Wealth Management Solutions services. Our minimum fee for standard investment advisory services generally is \$5,000 regardless of the value of the assets. However, our Key Access Services® does not have any requisite minimum annual fee or minimum asset level, and Retirement Plan Services have varying minimum fees. Fees for other services are set forth in Item 5 above.

Basic Strategy

We use a long-term investment strategy based on helping our client determine an appropriate asset allocation given the client's objectives and risk tolerance, then implementing that allocation in a broadly diversified portfolio using mutual funds, separate accounts and other vehicles as appropriate. Interim fluctuations in market value and rates of return may be experienced in order to achieve long-term objectives. We employ no tactical or market timing element within our overall strategy. However, individual funds and managers we recommended or that are used by the client may employ different strategies with different associated risks.

Investment Strategy Relationship

To augment our base of financial and investment-related information and for the purposes of additional sophisticated analysis, we have engaged Callan Associates Inc. ("Callan"). We are a member of the Callan Independent Adviser Group ("IAG"), an organization of approximately 31 Registered Investment Advisor firms. Callan is one of the largest investment consulting firms in the country and provides research, education, decision support and advice to a broad array of institutional investors. Through our membership in Callan's IAG, we have access to resources normally only available to the largest investors, including:

- Capital Markets Projections related to risk, return and correlations of Asset Classes;
- Asset allocation software;
- A select list of recommended investment management organizations and products (in the form of mutual fund and separate account vehicles) based on in-depth qualitative and quantitative due diligence. Many of these money managers provide their services to IAG member clients at reduced minimums and discounted fees;
- A comprehensive database of mutual funds and separate account managers;
- Research on various investment topics.

Capital Market Expectations

In determining an appropriate asset allocation for a client, we perform an asset allocation analysis based on forward-looking capital markets expectations and correlations among the various asset classes. These expectations are by nature imprecise; it is not possible to predict future performance. There can be no assurance that future returns will approximate the long-term rates of return experienced for each asset class, that future performance of an asset mix will fall within the simulated range of returns or that any modeled return will be achieved.

Rebalancing and Tax Loss Harvesting

Based upon the client's prior written agreement to do so, we have, without further approval, the authorization to rebalance the client's portfolio and/or perform tax loss harvesting in accordance with the client's approved asset allocation.

Over time, the value of different asset and sub-asset classes of a client's portfolio may rise or fall so that their percentages fall outside the asset allocation range defined in the client's Investment Policy Statement. We periodically review client accounts to determine if rebalancing is advisable

and, if so, reallocate the account in accordance with the client-approved strategic asset allocations. Cash inflows/outflows are deployed in a manner consistent with a client's strategic asset allocation.

Tax loss harvesting is the process of selling selected securities at a loss to help offset capital gains tax liabilities. To take advantage of such tax losses, our Investment Advisory Agreements state that we may, without further client approval, sell investments and replace those investments with other investments within the same asset class. In general, after the required time lapse, we will return the client's investments back to the original investments, if it is advisable from a tax perspective.

Investment Risk

Different types of investments involve varying degrees of risk, and no client should assume that future performance of any specific investment or investment strategy (including the investments and/or investment strategies we recommend or undertake) will be profitable or equal any specific performance levels. All investments represent some level of risk, and an investor should understand that losses can and do occur. Significant losses of invested capital are possible.

Except as noted above with Private Investment Funds (Item 4), our methods of analysis and investment strategies do not present any atypical investment risk(s). Diversification does not protect a portfolio from loss, and it should not be assumed that the broad diversification that is part of our investment strategy will produce profitable results. Individual funds that comprise clients' portfolios may employ different strategies with different associated risks.

If a client's account has a margin feature, we may use margin for the limited purposes of either raising cash for an immediate disbursement or to facilitate investment changes so that the client remains invested in the market. Occasionally the client may also make use of the margin feature if more funds are withdrawn than there is cash available. The custodian charges interest on the margined amount at a varying rate based upon the amount borrowed. The margin feature is generally not available unless the margined securities have been held in the account for at least 30 days.

Item 9: DISCIPLINARY INFORMATION

We have not been the subject of any disciplinary actions.

Item 10: OTHER FINANCIAL ACTIVITIES AND AFFILIATIONS

We are an investment advisor registered with the U.S. Securities and Exchange Commission ("SEC").

Our affiliated company, Hewins Brokerage Services, LLC ("HBS"), is registered with the SEC as a broker-dealer and is a member of the Financial Industry Regulatory Authority ("FINRA"). Certain of our employees (including management persons) are registered principals and / or representatives of HBS.

Certain of our employees are registered representatives of a non-affiliated broker-dealer ValMark Securities, Inc. as discussed below.

Neither we nor our representatives are registered or have applications pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or as representatives of the foregoing.

Affiliated CPA Firm: Wipfli LLP (by and through its subsidiary Wipfli Financial, LLC)

Wipfli LLP, a certified public accounting firm headquartered in Milwaukee, Wisconsin, is a Member of Wipfli Financial, LLC, which in turn wholly owns Hewins Financial Advisors.

Our clients may also be clients of Wipfli LLP. We do not receive any portion of the fees charged by Wipfli LLP for shared or referred clients. However, as one of our indirect owners, Wipfli LLP receives a share of Hewins profits. Certain of our clients, who are also tax clients of Wipfli LLP, may receive a fee credit from us which is described in more details in Item 4 of this Firm Brochure under “Other Services”.

To the extent that our clients specifically request accounting, tax preparation, retirement plan third-party administration, bill paying or other services offered by Wipfli LLP, we may recommend the services of Wipfli LLP (see Item 4). Generally, these services will be rendered pursuant to a separate agreement between the client and Wipfli LLP, and will require separate fees.

The share of our profits that Wipfli LLP receives may provide an incentive to partners of Wipfli LLP to refer investment advisory or financial planning work to us. Further, many of our employees are personally familiar with some of Wipfli LLP’s employees as well as with the quality of the services performed by Wipfli LLP, and will have a natural predisposition to recommend Wipfli LLP for tax, accounting or other services. Our recommendation that a client engage Wipfli LLP for services could present a potential conflict of interest although we receive no fees for referrals to Wipfli LLP.

No client is under any obligation to engage the services of Wipfli LLP or any other individual or entity we recommend. For any of our referrals to Wipfli LLP, generally clients will pay the standard fees for the services charged by each firm.

Non-Affiliated CPA Firms: Investment Adviser Representatives’ Outside Business Activities

As further described in Item 4 above, Mr. Paul Wieseneck (“Wieseneck”), who is registered with Hewins as an investment adviser representative, is a CPA affiliated with The Fuoco Group. In this capacity, Wieseneck spends approximately 90% of his time servicing his CPA clients. Moreover, it is probable that in many cases, Wieseneck recommends Hewins advisory services to his CPA clients through a DBA name “TFG Hewins”. This represents a conflict of interest, because Wieseneck is unable to devote his full time and attention to clients of Hewins. Moreover, there may be other investment advisers that may offer the same or similar advisory services at a more affordable cost, which clients should be aware of. Consequently, Wieseneck is influenced by his compensation arrangement and affiliation with us to recommend our services to his CPA clients.

As further described in Item 4 above, Mr. Lawrence Wood (“Wood”), who is registered with Hewins as an investment adviser representative, is a CPA affiliated with DZH Phillips. In this capacity, Wood spends approximately 95% of his time servicing his CPA clients. Moreover, it is probable that in many cases, Wood recommends Hewins advisory services to his CPA clients through a DBA name “DZH Phillips Wealth Management”. This represents a conflict of interest, because Wood is unable to devote his full time and attention to clients of Hewins. Moreover, there may be other investment advisers that may offer the same or similar advisory services at a more affordable cost, which clients should be aware of. Consequently, Wood is influenced by his compensation arrangement and affiliation with us to recommend our services to his CPA clients.

Broker-Dealer/Insurance Affiliations: Hewins Brokerage Services, LLC

Hewins Brokerage Services, LLC ("HBS"), Firm CRD No. 171954, is a broker-dealer and insurance agency that is an affiliate of Hewins. On August 24, 2015, HBS was approved for membership in FINRA, and was registered as a broker-dealer with the SEC effective August 28, 2015. HBS was approved by FINRA to commence business as of August 31, 2015. Certain of our employees and management persons are also registered representatives of, and hold officer and principal positions in HBS.

HBS offers certain insurance, variable product and mutual fund solutions to our new and existing clients. Because certain management persons and representatives of HBS are also indirect owners of both Hewins and HBS, a conflict of interest exists between such management persons and shared customers of Hewins and HBS. The nature of this conflict is the influence of HBS' profitability over its owners' financial interests. Further, because of the affiliation between us and HBS, we may be considered to have a potential conflict of interest in recommending HBS for certain of Hewins clients' transactions. Finally, as is standard in the broker-dealer industry, conflicts of interest between HBS, its registered representatives and its customers may occur based upon commissions or other incentive compensation earned by the firm or its IARs for the sale of certain products to its customers.

To mitigate this conflict of interest, all prospective clients for commission-based products are presented with a Disclosure and Authorization form prior to engaging Hewins or purchasing any products or services. This document describes the potential for conflicts of interest as well as outlines the fees that Hewins or its affiliates may receive.

HBS provides its services only on a direct-application basis and does not carry client accounts. As more fully set forth in Item 12 below and to the extent reasonable, we generally recommend that clients utilize Schwab and/or TD Ameritrade as the custodian for their securities accounts, with whom neither we nor any of our principals or employees have any affiliation.

Broker-Dealer/Insurance Agency Affiliations: ValMark Securities, Inc.

Certain of our employees are also registered representatives of ValMark Securities, Inc. ("ValMark"), Firm CRD. No. 31243. None of our principals or employees are owners of ValMark. ValMark is a registered broker-dealer, a member of FINRA and Securities Investors Protection Corporation ("SIPC"). ValMark is located at 130 Springside Drive, Suite 300, Akron, OH 44333. ValMark and Hewins Financial Advisors are separate legal entities and are wholly independent of one another. ValMark does not supervise our investment advisory, financial planning, family office, OnCue Wealth Management Solutions™ or other services beyond a limited scope of supervision required by FINRA rules. ValMark has no responsibility for our decisions regarding the services we provide to our clients. We do not supervise nor are we otherwise responsible for the brokerage or insurance-related services of ValMark.

Our employees affiliated with ValMark as registered representatives may receive commissions or similar consideration. The receipt of commissions from the sale of a product could create a compensatory incentive to sell products not in the best interests of the client, and thus create a conflict of interest between the registered representative and our client. Although our employees who are affiliated as registered representatives with ValMark are obligated to assign all commissions or similar compensation to Hewins Brokerage Services, LLC, certain IARs of the firm are eligible to earn discretionary incentive compensation based on the sale of insurance products.

Because of the affiliation of our employees with ValMark, we may be considered to have a potential conflict of interest in recommending ValMark for client transactions. However, as more fully set forth in Item 12 below and to the extent reasonable, we generally recommend that clients utilize Schwab and/or TD Ameritrade as the custodian for their securities accounts, with whom neither we nor any of our principals or employees have any affiliation.

Item 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

We maintain a policy relative to personal securities transactions of our employees. This policy is part of our overall Code of Ethics, which serves to establish a standard of business conduct for all of our employees and is based upon fundamental principles of openness, integrity, honesty and trust. A copy of our Code of Ethics is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, we also maintain and enforce written policies reasonably designed to prevent the misuse of material non-public information by Hewins or its employees.

Neither we nor any of our employees recommend, buy, or sell for client accounts securities in which we, any employee or any related entity have a material financial interest. We generally do not recommend that our clients purchase individual securities; therefore, there is little potential for conflicts related to personal trading. We do trade individual securities through our TSI™ services; however, given the relative small order size of our trades and the large trading volume of the securities in the S&P 500; our trading does not materially impact the price of the security. As such, we do not limit employee personal trading in these securities.

Despite the small potential for conflict of interest, we have implemented a Personal Trading Policy to review and monitor certain personal securities transactions and securities holdings of our employees. Each quarter, all employees must submit a record of their personal securities transactions to the Chief Compliance Officer for review. In addition, our Personal Trading Policy requires that all employees provide the Chief Compliance Officer with a written report of their current securities holdings within ten (10) days of first becoming a Member or an employee and at least annually thereafter.

Item 12: BROKERAGE PRACTICES

While our investment advisory clients are ultimately responsible for selecting the custodian for their investment advisory account(s), we generally recommend that they utilize Schwab or TD Ameritrade. We are not affiliated with Schwab or TD Ameritrade, but have entered into agreements whereby Schwab or TD Ameritrade provide us with access to its institutional trading and operations services, which typically are not available to retail customers.

Factors that we consider in recommending a custodian include historical relationship with us, financial strength, reputation, execution and settlement capabilities, mutual fund and technology platform, service, pricing, and the availability of additional products and/or services. However, in certain situations, a client may pay fees that are higher than another qualified custodian might charge to effectuate the same transaction. In seeking best execution, the determinative factor for us is not the lowest possible cost, but whether the transaction represents the best qualitative

execution, taking into consideration the factors listed above. In other words, we question whether the fee is reasonable in relation to the value of the services received. Accordingly, although we will seek competitive rates, we may not necessarily obtain the lowest possible cost for client account transactions. The transaction fees charged by the designated custodian are exclusive of, and in addition to, our investment advisory fee.

We generally recommend open-ended mutual funds and independent Separate Account Managers to implement our investment strategies. Mutual funds do not trade like individual securities -- they trade at a set price (Net Asset Value) at market close, so no one broker or custodian can achieve a better price than any other in a mutual fund trade.

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular custodian, we may receive from Schwab or TD Ameritrade (or another custodian) without cost (or at a discount) various support services which assist us in better monitoring and servicing client accounts maintained at such institutions. Some of these support services may benefit one or more of our clients directly, some may benefit our clients only indirectly, and some may benefit only us, including services and benefits intended to help us further develop our business. Included within the support services that may be provided could be pricing information, market data, software and other technology, compliance and practice management-related publications, consulting services, attendance at proprietary conferences, meetings, and other educational or social events, ability to have investment advisory fees deducted directly from clients' accounts and marketing support. Schwab or TD Ameritrade may discount or waive fees they would otherwise charge for some of these proprietary services. In evaluating whether to recommend that our clients custody their assets at Schwab or TD Ameritrade, we may consider the availability of some of the forgoing products, services and other arrangements as part of the total mix of factors we consider in addition to the nature, cost or quality of the custody and brokerage services provided by the applicable custodian. These considerations can create a potential conflict of interest that our clients should know about.

Our clients do not pay more for investment transactions effected and/or assets maintained at Schwab or TD Ameritrade because of these arrangements. Generally, there is no corresponding commitment by us to Schwab, TD Ameritrade or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

As part of our fiduciary duty to clients, we and our representatives will always endeavor to put the interests of clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interest of clients. In addition, we periodically review the transaction costs and services provided by Schwab and TD Ameritrade to evaluate whether overall best qualitative execution could be achieved by using alternative custodian(s). Importantly, the conflict presented by recommending Schwab and TD Ameritrade is disclosed to clients by delivery of this ADV Part 2A at the time when they sign an advisory agreement.

Directed Brokerage

If a client requires that account transactions be effected through a specific broker-dealer, the client will negotiate terms and arrangements for their account with that broker-dealer, and we will not seek better execution services or prices from other broker-dealers. 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.

Trade Errors

If we ever cause a trade error in a client's account, the client will be made whole. If the correction of the trade error caused by us results in a loss, we are responsible for that loss. Schwab and TD Ameritrade have slightly different policies regarding how they deal with scenarios when a trade error results in a gain. Schwab policy permits the client to keep the gain. If the client forgoes the gain (e.g., for tax reasons), Schwab will donate the amount of the gain to a charity of their choice. TD Ameritrade removes all trade error gains from the client's account and donates it to a charity of their choice.

IPOs

We do not purchase or allocate Initial Public Offerings ("IPO") of securities, nor do we recommend IPOs to our clients.

Item 13: REVIEW OF ACCOUNTS

For those clients for whom we provide investment advisory services, account reviews are conducted regularly. Ongoing reviews are conducted to watch for variances to allocations, cash inflows, and opportunities for tax loss harvesting. Client performance is reviewed by the IAR on a quarterly basis. All clients (in person or via telephone) are encouraged to review with their IAR financial planning issues (to the extent applicable), investment objectives, account performance, and any personal or financial changes on at least an annual basis and any time there is a material change.

We may also conduct account reviews upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections, mutual fund management changes and client requests.

The custodian provides detailed account statements to clients on at least a quarterly basis. These statements include all transactions for the period including details of the investment advisory fees we charge. We also provide a quarterly performance report to each client. The quarterly report contains detailed information on holdings including current asset allocation percentages and current and historical performance data. Clients are encouraged to compare the quarterly performance reports from Hewins with the account statements received from the custodian. Should there be any material discrepancy the custodian's report should be relied upon. The custodian does not verify the accuracy of our fees prior to deducting them from your account(s). If clients have any questions or concerns about the amount they are charged, they should contact Hewins.

Item 14: CLIENT REFERRALS AND OTHER COMPENSATION

Referrals from Non-Supervised Persons

We have entered into written agreements to compensate non-supervised persons for client referrals, and may continue to do so in the future. All such written agreements are drafted to meet the requirements of Rule 206(4)-3 promulgated under the Investment Advisers Act of 1940, and we

may terminate these agreements at any time. Compensation under these agreements is generally limited to a one-time referral fee based on a percentage of our annual fee for investment advisory services provided to the referred client. Referral fees are not charged directly or indirectly to the client. To the extent that applicable state laws require that non-supervised persons be registered with us as an IAR to receive compensation for client referrals, we will require the non-supervised person to be appropriately registered.

Schwab Referrals

We receive client referrals from Schwab through our participation in the Schwab Advisor Network™ (the “Network”), designed to help investors find an independent investment advisor. Schwab is a broker-dealer and custodian and is independent of and unaffiliated with us. Schwab does not supervise us and has no responsibility for our management of clients’ portfolios or our other advice or services. We pay Schwab fees to receive client referrals through the Network. Our participation in the Network is not predicated on having assets at Schwab, but may nonetheless raise potential conflicts of interest as described below.

We pay Schwab: (1) a Participation Fee on all referred clients’ accounts that are maintained in custody at Schwab; or (2) a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee we pay is a percentage of the fees paid by the client to us or a percentage of the value of the assets in the client’s account, subject to a minimum Participation Fee. We pay Schwab the Participation Fee for so long as the referred client’s account remains in custody at Schwab. The Participation Fee is billed to us quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by us and not by the client. We have agreed not to charge clients referred through the Network fees or costs greater than the fees or costs we charge clients with similar portfolios (pursuant to our standard fee schedule) who were not referred through the Network.

We have no commitment to Schwab or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement. Our clients do not pay more for investment transactions effected and/or assets maintained at Schwab because of this arrangement.

Please see Item 5 above for a description of the fees charged by Schwab to the client.

Conflict of Interest

We may have to pay Schwab a Non-Schwab Custody Fee if custody of a referred client’s account is not maintained by Schwab, or assets in the account are transferred from Schwab, unless the client was solely responsible for the decision not to maintain custody at Schwab. This Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed in custody other than at Schwab and would be payable by us. The Non-Schwab Custody Fee is higher than the Participation Fees Hewins generally would pay in a single year. This means that we are incentivized to recommend that Network-referred client accounts remain held in custody at Schwab.

The Participation and Non-Schwab Custody Fees are based on assets in accounts of our clients who were referred by Schwab and those referred clients’ family members living in the same household. Thus, we will have incentives to encourage household members of clients referred through the Network to maintain custody of their accounts at Schwab.

If we determine that Network-referred clients would be better served at a custodian other than Schwab, we will adhere to our fiduciary responsibility and place the interests of the clients first.

Item 15: CUSTODY

We do not have physical custody of our clients' assets.

Per SEC regulations, we are deemed to have custody because for certain clients, we or our affiliates:

- i) Act as Trustee;
- ii) Have entered into an arrangement with the client in which we are able to withdraw funds from the client's account (including bill pay services or other withdrawals made pursuant to standing letters of client authorization); and/or
- iii) Have client-authorized access to an account with the ability to withdraw or transfer funds from the account or change the address of record on the account.

The SEC requires that firms that have custody for the reasons listed above are subject to annual surprise audits. We have complied with the requirements concerning such surprise audits and will continue to do so in the future.

We are also deemed to have technical custody over those client accounts where we are able to deduct our fees directly from the account. As long as we comply with certain regulatory requirements, this technical custody does not mandate that we undergo a surprise audit for those accounts.

Our clients receive account statements directly from the qualified custodian at least quarterly. We also send clients quarterly reports that we produce. Our reports urge the client to compare that report with the statements received from the qualified custodian, and our invoices warn the client that the custodian does not verify our fees pulled by the custodian on our behalf from client accounts (in accounts where authority was provided by the client to pull the client's fees). We perform quarterly testing to ensure that our fees are charged in accordance with the client's Agreement.

Item 16: INVESTMENT DISCRETION

Discretionary and Non-Discretionary Management

As discussed above in Item 4, our clients receiving standard investment advisory services may choose to engage us on a discretionary or non-discretionary basis. In either case, the client will sign an Investment Advisory Agreement which specifies which kind of service we will render. For both types of clients, we may rebalance the client's portfolio and perform tax-loss harvesting without specific client approval. Please see Item 8 for an explanation of Rebalancing and Tax Loss Harvesting. Key Access Services® are provided only on a discretionary basis, and our Retirement Plan Services provided on an ERISA 3(38) basis are only provided on a discretionary basis.

For clients who retain us on a discretionary basis, the Investment Advisory Agreement grants us full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name, including but not limited to the authority to make sub-asset allocation and specific investment adjustments without seeking client approval.

With respect to our non-discretionary advisory services, we generally maintain ongoing responsibility to make recommendations based upon the needs and objectives of the client. If such recommendations are accepted by the client, we are responsible for arranging or effecting the purchase or sale. For non-discretionary clients, we may not change either the client's asset allocation or specific investments without prior approval from the client, except for tax loss harvesting and rebalancing as described in Item 8 above.

Non-Discretionary Service Limitations: Clients that determine to engage us on a non-discretionary investment advisory basis must be willing to accept that we cannot execute any account transactions without obtaining prior consent to each transaction from the client. Thus, if we desire to make a change during a time when the client is unavailable, we will generally be unable to execute any account transactions (as we would for our discretionary clients). This inability to trade may result in losses to the client that could otherwise have been avoided.

To mitigate the potential consequences of not being able to timely trade on behalf of a non-discretionary client, we have incorporated a provision into our Investment Advisory Agreement that expressly provides us with the client's general prior consent to execute transactions on behalf of the non-discretionary client when, in our professional judgment, waiting for client approval could be detrimental to the client because of market or security-specific dynamics. In these instances, the client's prior consent to effectuate a particular transaction is considered granted when:

- i) We notify the client of our recommendation in advance of effecting the recommended trade; and
- ii) We do not receive an objection to our recommendation within the timeframe established by the notice, or within seven (7) days of the date of the notice if no alternative timeframe is given.

Item 17: VOTING CLIENT SECURITIES

We have adopted a Proxy Voting Policy that provides our clients the option to either authorize Hewins to vote proxies on the client's behalf or to reserve all rights to vote proxies to the client. Clients may revoke at any time any authorization previously granted to us to vote proxies on the client's behalf. As more fully discussed below, our Proxy Voting Policy prohibits us from voting proxies in connection with certain clients, accounts and/or securities.

We acknowledge that we act as a fiduciary to our clients when voting proxies on our clients' behalf. We further acknowledge that acting as a fiduciary when voting our clients' proxies requires that we vote proxies in a timely manner and make proxy voting decisions that are in the collective best interest of our clients. Our Proxy Voting Policy sets forth certain rules and procedures that we must follow when voting proxies on behalf of our clients to ensure that we maintain our fiduciary duty and avoid entering into any conflict of interest with our clients in relation to the voting of our clients' proxies.

Third-Party Service Providers

We have entered into an agreement with Broadridge Financial Solutions, Inc. ("Broadridge") to provide a platform through which we can vote client proxies electronically. As part of our agreement with Broadridge, we have also arranged to receive the voting recommendations of Glass Lewis & Co., LLC ("Glass Lewis"), an independent corporate governance analysis and proxy voting

firm. We find that Glass Lewis has generally adopted policies to provide recommendations in favor of proposals that increase shareholder value and/or shareholder rights.

Voting and the Resolution of Potential Conflicts of Interest

We will vote our clients' proxies only in the manner set forth in our Proxy Voting Policy. Clients who authorize us to vote proxies on their behalf may not direct how we vote on their behalf. In all instances, we endeavor to vote clients' proxies only in the collective best interest of all our clients.

As set forth in our Proxy Voting Policy, we have determined that voting our clients' proxies in accordance with the recommendations of Glass Lewis is in the collective best interest of our clients, and will generally vote clients' proxies in accordance with the recommendations of Glass Lewis. Notwithstanding our determination that following Glass Lewis' recommendations is generally in our clients' collective best interest, we also believe that the inherent purpose of corporate management is to increase corporate profitability and therefore shareholder value, and that, in the absence of an independently-researched recommendation from Glass Lewis, it is in the collective best interest of our clients to vote in accordance with the recommendations of the management of the issuer. Thus, when no Glass Lewis recommendation is available for a particular proposal, we will vote client proxies in accordance with the recommendation of the management of the issuer.

We recognize that in certain instances a potential conflict of interest may arise in voting proxies on behalf of our clients. Notwithstanding any such potential conflict, we will adhere to our policy of voting proxies in accordance with Glass Lewis' recommendations, or if none, with the recommendation of the issuer's management. We believe that our retention of Glass Lewis and our adherence to our Proxy Voting Policy will ensure that proxies are voted in the collective best interest of our clients.

We will periodically review our determination that voting in accordance with Glass Lewis' recommendations is in the collective best interest of our clients by reviewing Glass Lewis' annually released Proxy Paper Guidelines, which summarize the policies by which Glass Lewis derives its proxy voting recommendations. Ultimately, our Proxy Voting Policy provides our Chief Compliance Officer with the authority to take any action necessary to ensure that we do not breach our fiduciary duty to our clients in voting proxies on their behalf.

Ineligible Clients, Accounts and/or Securities

Pursuant to our Proxy Voting Policy, we will not vote proxies in the following instances:

- For any securities held in accounts that have been restricted by the custodian or are otherwise inaccessible to us;
- For any securities that are not subject to our management, including those held in courtesy accounts;
- For any securities offered under any employee benefit plan (as that term is defined in Section 3(3) of the Employee Retirement Income Security Act of 1974) that is subject to the Employee Retirement Income Security Act of 1974 ("Employee Benefit Plan"), and in such capacity;
- For any securities held on a client's behalf by any separate account manager(s);
- For any securities for which the client has directed the custodian to send to the client or to any third party the client's proxy voting material;

- For all securities of any client who does not consent to Hewins voting proxies on his or her behalf;
- For any other securities that we determine are ineligible. We will provide applicable clients notice of any cause for ineligibility under this provision; and/or
- In any instance in which we determine that voting proxies on behalf of its clients would cause us to breach our fiduciary duty to any of our clients.

Clients who have ineligible securities as set forth above shall be responsible for: (i) voting all proxies which are solicited in connection with all of their ineligible securities; and (ii) making all elections in connection with any mergers, acquisitions, bankruptcy proceedings or other similar occurrences which may affect such securities. Clients who do not consent to Hewins voting proxies on their behalf, who themselves are ineligible, or who otherwise have ineligible securities as set forth above shall direct their custodian(s) to send proxy voting and other shareholder material for all such ineligible securities to the client and/or any third party designated by the client. We will forward to the applicable client all proxy voting or other shareholder material we inadvertently receive for any ineligible security.

Employee Benefit Plans and plan participants of Employee Benefit Plans should refer to the applicable Employee Benefit Plan/trust agreement to determine proxy voting responsibilities for securities offered under any Employee Benefit Plan.

Obtaining Information on Hewins' Proxy Voting

Our clients may obtain a copy of our Proxy Voting Policy as well as certain proxy voting records, including information on votes cast on behalf of our clients, by requesting such documents from our Chief Compliance Officer at the address or phone number presented on the title page of this Brochure.

Item 18: FINANCIAL INFORMATION

We do not solicit fees of more than \$1,200 per client six months or more in advance.

We are unaware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments relating to our discretionary authority over certain client accounts.

We have not been the subject of a bankruptcy petition.

ANY QUESTIONS: Our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above disclosures, conflicts of interest and other arrangements. Our Chief Compliance Officer can be reached at 888-520-3040.