



**Part 2A of Form ADV: *Firm Brochure***

**Hobbs Group Advisors, LLC**

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**This brochure provides information about the qualifications and business practices of Hobbs Group Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 803-540-3034 or [peter@hobbsgroupadvisors.com](mailto:peter@hobbsgroupadvisors.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.**

**Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.**

**Additional information about Hobbs Group Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 157274.**

## **Item 2     Material Changes**

This Firm Brochure provides you with a summary of Hobbs Group Advisors LLC's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 03/28/2018:

Effective April 2018, Hobbs Group Advisors, LLC is registered with the Securities and Exchange Commission ("SEC"). The firm is no longer registered with the State of South Carolina Securities Division. This is due to our level of Assets Under Management, as Registered Investment Advisors with above \$100 million of Assets Under Management are subject to SEC, rather than State, regulation and oversight.

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## **Item 4    Advisory Business**

Hobbs Group Advisors, LLC is a state-registered investment adviser with its principal place of business located in Columbia, South Carolina. Hobbs Group Advisors, LLC began conducting business in 2007.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Mark T. Hobbs, President
- Peter A. Pigeon, Chief Investment Officer

Hobbs Group Advisors, LLC offers the following advisory services to our clients:

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INVESTMENT MANAGEMENT AND WEALTH MANAGEMENT**

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

Hobbs Group Advisors, LLC, in providing the services agreed upon with the client, may recommend hereafter ("the sub-adviser"), an investment adviser registered under applicable securities laws, as a sub-adviser to manage all or a portion of the managed assets in the Client's account. If this occurs, Hobbs Group Advisors, LLC will be responsible for the continuing supervision of the Client's account, and the actions of the sub-adviser in connection with the Client's account and the managed assets. Hobbs Group Advisors, LLC also will be responsible for the payment of any advisory fee or other charges of the sub-adviser with respect to the managed assets unless it has been stated differently in writing with the Client. Hobbs Group Advisors, LLC agrees that upon proper notice by the Client, Hobbs Group Advisors, LLC will refrain from the appointment of, or terminate as permitted under applicable contracts, any sub-adviser appointed pursuant to this authority.

### ***Investment Management (Digital Platform)***

HGA will provide access to Fidelity's Automated Managed Platform wherein an asset allocation strategy will be provided by a Sub-Advisor for asset management services that is consistent with the Client's investment objectives. HGA will utilize risk tolerance and data gathering questionnaires to determine the most appropriate asset allocation strategy. On an ongoing basis, HGA will monitor the performance of a client's portfolio and Sub-Advisor will rebalance as necessary to conform to the recommended allocation. Clients typically grant HGA and Sub-Advisor a limited power of attorney over their

brokerage accounts to determine the amount of securities purchased or sold for their accounts. Adviser may provide performance reports to clients quarterly, semi-annually or annually.

### ***Investment Management (Traditional)***

HGA will design a customized asset allocation strategy or recommend the services of a Sub-Advisor for asset management services that is consistent with the Client's investment objectives. HGA will utilize risk tolerance and data gathering questionnaires to determine the most appropriate asset allocation strategy. On an ongoing basis, HGA will monitor the performance of a client's portfolio and will rebalance as necessary to conform to the recommended allocation. Clients typically grant HGA and Sub-Advisor, if applicable, a limited power of attorney over their brokerage accounts to determine the amount of securities purchased or sold for their accounts. HGA may provide performance reports to clients quarterly, semi-annually or annually.

### ***Wealth Management***

Wealth Management combines elements from our Investment Management and Financial Planning Services into one comprehensive engagement. HGA will design a customized asset allocation strategy or recommend the services of a Sub-Advisor for asset management services that is consistent with the Client's investment objectives. HGA will utilize risk tolerance and data gathering questionnaires to determine the most appropriate asset allocation strategy. On an ongoing basis, HGA will monitor the performance of a client's portfolio and will rebalance as necessary to conform to the recommended allocation. Clients typically grant HGA and Sub-Advisor, if applicable, a limited power of attorney over their brokerage accounts to determine the amount of securities purchased or sold for their accounts. HGA may provide performance reports to clients quarterly, semi-annually or annually. HGA will also provide financial planning services including but not limited to: retirement projections, cash flow analysis, net worth analysis, evaluation of Clients existing or potential investments, investment management strategies, gifting strategies, and estate planning. Adviser may also provide specific financial planning advice for targeted areas as needed by the client.

### ***Additional Information***

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Hobbs Group Advisors, LLC utilizes the services of another Independent Registered Investment Advisor for participation in its periodic Investment Committee meetings.

## **PENSION CONSULTING SERVICES**

HGA provides pension consulting services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, we offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of the distinct services listed below. Clients may choose to use any or all of these services.

### ***Plan Design***

We will meet with the client (in person or over the telephone) to discuss the major plan

goals, identify the key employees, options for contributions and income tax considerations. HGA will determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. HGA then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

### ***Designing the Investment Lineup***

Utilizing the IPS created for the plan sponsor and keeping the participants in mind, HGA will design an investment lineup that meets the plan sponsor's goals and objectives. HGA will monitor the investments for potential changes and analyze ways for the plan sponsor to minimize compliance risk. HGA assists plan sponsors in constructing appropriate asset allocation models. We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

### ***Administration of the Plan***

HGA assists with informing the plan sponsor of the rules concerning employee communication, funding contributions and staying compliant. HGA is also available for support questions regarding enrollment, contributions, rollovers, employee terminations and coordination with the plan's Third-Party Administrator. We monitor client investments continually, based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

### ***Service***

HGA creates a service schedule for servicing plan fiduciaries and participants. HGA may provide education meetings to the participants regarding the plan. Fiduciary meetings with the plan sponsor occur at least annually, with the frequency determined depending on the needs of each plan.

### ***Education***

HGA creates an education plan for the participants of the plan, with a focus of retirement outcomes for the participants. For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we also provide quarterly educational support and investment workshops designed for the plan participants when the plan sponsor engages our firm to provide these services. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

### ***Fiduciary Support***

If acting as an ERISA 3(38) fiduciary, HGA will have the discretion to make fund decisions,

such as hiring and firing service providers, reviewing proposals from service providers, investment selection and monitoring decisions.

## **FINANCIAL PLANNING**

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Depending on the scope of the financial services, clients purchasing financial planning services may receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and



attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests

Typically, the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## **CONSULTING SERVICES**

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## **AMOUNT OF MANAGED ASSETS**

As of 2/28/2019, we were actively managing \$89,824,800 of clients' assets on a discretionary basis plus \$52,363,955 of clients' assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INVESTMENT MANAGEMENT AND WEALTH MANAGEMENT FEES**

#### ***Investment Management (Digital Platform)***

Fees for the initial quarter will be prorated based upon the number of calendar days in the calendar quarter that the advisory agreement is in effect. Fees are based on the market value of the assets on the last business day of the previous quarter. The annual fee is **.50%**.

The fee is calculated as follows: The market value of the assets under management on the last business day of the previous quarter multiplied by  $\frac{1}{4}$  of the annual advisor fee. There is a minimum asset requirement of \$5,000 for this service.

#### ***Investment Management (Traditional)***

Fees for the initial quarter will be prorated based upon the number of calendar days in the calendar quarter that the advisory agreement is in effect. Fees are based on the market value of the assets on the last business day of the previous quarter. The annual fee range is **0.65% - 1.50%** depending on the amount of assets under management.

The fee is calculated as follows: The market value of the assets under management on the last business day of the previous quarter multiplied by  $\frac{1}{4}$  of the annual advisor fee. There is a minimum requirement of \$100,000 for this service, which may be waived at HGA's discretion.

## ***Wealth Management***

Our annual fees for Wealth Management are based on a percentage of assets under management and generally range from **0.85%** to **1.75%** depending on the level of complexity, planning needs, amount of time required by staff, and amount of assets under management. There is a minimum annual fee of \$5,000 per year for this service. This account size may be negotiable under certain circumstances. Hobbs Group Advisors LLC may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Our fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement.

## **FINANCIAL PLANNING FEES**

Hobbs Group Advisors, LLC's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an **estimate** for the total hours at the start of the advisory relationship.

***Financial Planning Fee Offset:*** Hobbs Group Advisors, LLC reserves the discretion to reduce or waive the hourly fee and/or the minimum fixed fee if a financial planning client chooses to engage us for our Portfolio Management Services.

The fee range for hourly financial planning services is \$175 - \$250 per hour. Financial planning may also be charged as a fixed fee ranging between \$350 - \$5,000. The client is billed quarterly in arrears based on actual hours accrued.

## **CONSULTING SERVICES FEES**

Hobbs Group Advisors, LLC's Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting Services fees are calculated and charged on an hourly basis. An estimate for the total hours is determined at the start of the advisory relationship. The hourly fee range for consulting services is \$175 - \$250 per hour.

## PENSION CONSULTING FEES

Our fees for Pension Consulting Services are based on a percentage of assets under advisement, with a general range between .25% to 1.00% annually. Pension Consulting Fees may also be charged on a fixed rate basis. This fee would be between \$1,000 and \$30,000 annually.

Plan sponsors and/or plan participants are invoiced in advance at the beginning of each calendar quarter.

## GENERAL INFORMATION

**Limited Negotiability of Advisory Fees:** Although Hobbs Group Advisors, LLC has established the aforementioned fees, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of **30** days written notice. ***[As disclosed above, certain fees are paid in advance of services provided.]*** Upon termination of any account, any prepaid, unearned fees will be promptly refunded. ***[In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.]***

***Mutual Fund Fees:*** All fees paid to Hobbs Group Advisors, LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Wrap Fee Programs and Separately Managed Account Fees:** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

**Additional Fees and Expenses:** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to Hobbs Group Advisors, LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

**ERISA Accounts:** Hobbs Group Advisors, LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. . As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Hobbs Group Advisors, LLC may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Hobbs Group Advisors, LLC's advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

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

Hobbs Group Advisors LLC does not charge performance-based fees.

## **Item 7 Types of Clients**

Hobbs Group Advisors LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans
- Charitable Organizations
- Corporations or other businesses not listed above

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

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

## Item 10 Other Financial Industry Activities and Affiliations

Management personnel of Hobbs Group Advisors LLC are separately licensed as registered representatives of Triad Advisors Incorporated, an unaffiliated **broker-dealer**. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

While Hobbs Group Advisors LLC and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Management personnel of our firm are also partners in the accounting firm of The Hobbs Group, PA, where they are individually licensed and practicing Certified Public Accountants providing accounting services for separate and typical compensation.

**The Hobbs Group, PA** typically recommends Hobbs Group Advisors LLC to accounting clients in need of advisory services. Conversely, Hobbs Group Advisors LLC typically recommends **The Hobbs Group, PA** to advisory clients in need of accounting services. Accounting services provided by **The Hobbs Group, PA** are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No Hobbs Group Advisors LLC client is obligated to use The Hobbs Group, PA for any accounting services and conversely, no accounting client is obligated to use the advisory services provided by us. **The Hobbs Group, PA's** accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf.

These individuals will spend the majority of their time on their accounting practice.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Clients should be aware that the receipt of additional compensation by Hobbs Group Advisors LLC and its management persons or employees creates a conflict of interest that



may impair the objectivity of our firm and these individuals when making advisory recommendations. Hobbs Group Advisors LLC endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Hobbs Group Advisors LLC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement)

or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Hobbs Group Advisors LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [peter@hobbsgroupadvisors.com](mailto:peter@hobbsgroupadvisors.com), or by calling us at 803-540-3034.

Hobbs Group Advisors LLC and individuals associated with our firm are prohibited from engaging in principal transactions.

Hobbs Group Advisors LLC may, at times, effect an agency cross transaction for an advisory client, provided that the transaction is consistent with our firm's fiduciary duty to the client and that all requirements outlined in Sec. 206(3)-2 of the Investment Advisers Act of 1940 are met.

An agency cross transaction is a transaction where our firm acts as an investment adviser in relation to a transaction in which **Hobbs Group Advisors LLC**, acts as broker for two advisory clients .

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as **securities representatives of Triad Advisors Incorporated, and licensed as an insurance agent/broker of Wealth Alliance Incorporated**. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Item 12 Brokerage Practices**

For discretionary clients, Hobbs Group Advisors LLC requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Hobbs Group Advisors, LLC will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Hobbs Group Advisors, LLC will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. Hobbs Group Advisors, LLC's block trading policy and procedures are as follows:

Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Hobbs Group Advisors, LLC, or our firm's order allocation policy.

1) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.

2) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Hobbs Group Advisors, LLC to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

3) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.

4) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made

to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

5) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

6) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

7) Hobbs Group Advisors, LLC's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

8) Funds and securities for aggregated orders are clearly identified on Hobbs Group Advisors, LLC's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

9) No client or account will be favored over another.

Hobbs Group Advisors LLC has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides our firm with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services.

Fidelity's institutional platform services that assist us 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 research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help our firm manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom Hobbs Group Advisors LLC may contract directly.

Hobbs Group Advisors LLC is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients 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 Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions).

Fidelity

provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of Hobbs Group Advisors LLC's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while Hobbs Group Advisors LLC will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

## **Item 13    Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least **quarterly**. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: **Peter A. Pigeon, CFP**

**D. Garet Strange**

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide **quarterly** reports summarizing account performance, balances and holdings.

## **PENSION CONSULTING SERVICES**

**REVIEWS:** Hobbs Group Advisors LLC will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. Hobbs Group Advisors LLC will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly.

These accounts are reviewed by: **Peter A Pigeon, CFP**

**D. Garet Strange**

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory relationship.

## **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

## **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory engagement.

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

### **CLIENT REFERRALS**

Our firm may refer clients to other independent firms depending on the circumstances. In this event, Hobbs Group Advisors, LLC would be acting as a Solicitor to the other firm. Hobbs Group Advisors, LLC has a Solicitor's Agreement with the other independent firm(s) and the client is required to sign a Solicitor's Disclosure Document disclosing the referral fee that is paid to Hobbs Group Advisors, LLC.

Hobbs Group Advisors, LLC does not compensate any other party for referrals to our firm.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a **quarterly** basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by

issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **Item 18 Financial Information**

As an advisory firm that ***maintains discretionary authority for client accounts***, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Hobbs Group Advisors LLC has no such financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Hobbs Group Advisors LLC has not been the subject of a bankruptcy petition at any time during the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

This section is not applicable, as the firm is registered with the SEC.