

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

March 27, 2019

Blackhawk Capital Partners, LLC

SEC File No. 801-81107

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This brochure provides information about the qualifications and business practices of Blackhawk Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 262-242-4487. 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 state regulatory authority does not imply a certain level of skill or training.

Additional information about Blackhawk Capital Partners, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules.

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Item 4: Advisory Business

A. Blackhawk Capital Partners, LLC

Blackhawk Capital Partners, LLC ("Blackhawk" and/or "the firm") is a limited liability company organized in the state of Wisconsin. This firm was organized in May 2011 and has been in business since June 2011, and the principal owners are Kevin Blake Perlberg and Donald William Tendick III.

B. Advisory Services Offered

Blackhawk is an independent asset management and financial planning firm offering a variety of financial services to individuals, high-net-worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

B.1. Investment Supervisory Services

Blackhawk offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

Blackhawk evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Blackhawk will generally request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

For its discretionary asset management services, Blackhawk receives a limited power of attorney to effect securities transactions on behalf of its clients that include securities and strategies described in Item 8 of this brochure.

In addition to providing Blackhawk with information regarding their personal financial circumstances, investment objectives and tolerance for risk, clients are required to provide the firm with any reasonable investment restrictions that should be imposed on the management of their portfolio, and to promptly notify the firm of any changes in such restrictions or in the client's personal financial circumstances, investment objectives, goals and tolerance for risk. On a quarterly basis, Blackhawk's reports to clients will remind clients of their obligation to inform the firm of any such changes or any restrictions that should be imposed on the management of the client's account. Blackhawk will also contact clients at least annually to determine whether there have been any changes in a client's personal financial circumstances, investment objectives and tolerance for risk.

From time to time, Blackhawk and client may choose to utilize a TPMM when it is deemed appropriate. TPMM's are registered investment advisors that are not affiliated with Blackhawk.

B.2. Third-Party Money Manager Services

Third-Party Money Manager (TPMM) services may be offered in various ways, but generally are structured either as (i) solicitor arrangements in which Blackhawk receives a solicitor fee for referring client accounts to a TPMM; or (ii) sub-advisory where Blackhawk may utilize one or more TPMM's to manage all or a portion of a client's account. Blackhawk will assist in both the selection of one or more TPMM's as well as planning the investment strategy when it is deemed appropriate. This will be determined by the same criteria in which we manage assets (income, tax levels, risk tolerance, etc.). Under this type of relationship clients will receive additional disclosure documents from the TPMM as well as sign an additional advisory agreement. This type of relationship will involve an additional fee to the TPMM (which may or may not be negotiable) and can be terminated at any time. While Blackhawk does not have a minimum investment amount, certain TPMMs may.

B.3. Wealth/Financial/Business Planning

Wealth plans and wealth planning/financial planning may include, but are not limited to, the following types of services:

- Tax Planning Recommendations
- Asset Protection Planning
- Investment Analysis
- Insurance Analysis
- Retirement Planning
- Estate Plan Document Review
- Employee Benefits Analysis
- Corporate Structure Analysis
- Succession Planning Review
- E&O/Malpractice Analysis
- Outsourcing Analysis

Clients will receive a written or oral report (depending on the client's preference) providing a basic financial plan designed to help achieve their stated financial goals and objectives. Based on the client's needs, financial planning services may include (but are not limited to) the following:

- Preparation of a recommended asset allocation that serves to diversify the client's portfolio among different categories of investments, such as domestic and international small, medium, and large capitalization securities; corporate and government fixed income (short-, intermediate-, and long-term maturities); emerging market securities (i.e., foreign issuers); real estate investment trusts; and such other alternative asset categories that are suitable in light of the client's investment goals, objectives, and risk tolerance.
- Preparation of an investment policy statement setting forth the client's investment plan, with specific direction in terms of diversification requirements, tax issues, estate planning issues, risk tolerance, retirement, and other identified objectives of the client, including a targeted rate-of-return objective.
- Preparation of a retirement plan that serves to identify whether the client is saving enough and investing in a way that meets retirement objectives in light of the client's financial circumstances and risk tolerance.

- Preparation of cash flow projections to ensure that the client can meet daily living expenses and obligations.
- Insurance planning to meet the needs of the client, taking into account family, business, and other financial objectives of the client.

Blackhawk gathers required information through in-depth personal interviews and questionnaires. Information gathered includes a client's current financial status, investment objectives, future goals, and attitudes toward risk. Related documents supplied by the client are carefully reviewed, and a report is prepared covering one or more of the above-mentioned topics as directed by the client.

C. Client-Tailored Services and Client-Imposed Restrictions

Each client's account will be managed on the basis of the client's financial situation and investment objectives and in accordance with any reasonable restrictions imposed by the client on the management of the account—for example, restricting the type or amount of security to be purchased in the portfolio.

D. Wrap Fee Programs

Blackhawk does not participate in wrap fee programs. (Wrap fee programs offer services for one all-inclusive fee.)

E. Client Assets Under Management

As of December 31, 2018, the firm has \$142,149,115 in discretionary assets under management and \$274,516 in non-discretionary assets under management.

Item 5: Fees and Compensation

A. Methods of Compensation and Fee Schedule

A.1. Investment Advisory Fees

Your management fee is agreed upon between you and your Investment Advisory Representative (hereinafter "IAR") and established in your agreement. Because your management fee may be negotiated, it therefore may be higher or lower than the management fee paid by other clients of your IAR or the management fee charged to other clients for similar services.

Your management fees are based upon the percentage of assets within your account. Your management fee includes all fees and charges for the services of the IAR relating to their management of your account. Your IAR may separately provide and bill for other services as otherwise agreed to by you and your IAR.

While there is no minimum management fee, the maximum management fee agreed to by you and your IAR may not exceed 3.00%.

Asset-based fees are always subject to the investment advisory agreement between the client and Blackhawk. Such fees are payable quarterly in advance. The fees will be prorated if the investment advisory relationship commences otherwise than at the beginning of a calendar month. Adjustments for contributions of \$20,000 or more to a client's portfolio are prorated for the quarter in which the change occurs; no adjustments will be made for withdrawals.

A client investment advisory agreement may be canceled at any time by the client, or by Blackhawk with written notice to the client. Upon termination, any unearned, prepaid fees will be promptly refunded. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the quarter terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the quarter up to and including the day of termination. (*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

A.2. Wealth/Financial Planning Fees

Financial planning fees will be billed at the maximum rate of \$250 per hour or a fixed fee mutually agreed upon by the client and Blackhawk. For fixed fee arrangements, Blackhawk will provide the prospective client with an estimate of the fixed charges prior to finalizing the financial planning agreement. Estimates will be based upon a good faith estimate of the number of hours to complete the assignment multiplied by the hourly rate and re-evaluated at a later point as discussed above.

Fees are generally paid in advance based on the estimated number of required hours, but never more than six months in advance. The client will be billed directly for such services. Invoices will be mailed out on a periodic basis reflecting completed work performed. Clients seeking to terminate this service must do so in writing. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fee refunded will be the balance of the fees collected in advance minus the hourly rate times the numbers of hours of work that has been completed up to and including the day of termination. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

B. Client Payment of Fees

B.1. Payment of Investment Advisory Fees

Blackhawk requires clients to authorize the direct debit of fees from their accounts. Exceptions may be granted subject to the firm's consent for clients to be billed directly for our fees. For directly debited fees, the custodian's periodic statements will show each fee deduction from the

account. Clients may withdraw this authorization for direct billing of these fees at any time by notifying us or their custodian in writing.

Blackhawk will deduct advisory fees directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least quarterly, indicating all amounts disbursed from the account.

The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not verify the calculation.

B.2. Payment of Wealth/Financial Planning Fees

Hourly financial planning fees are paid via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

Fixed wealth/financial planning fees are paid via check in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

C. Additional Client Fees Charged

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by exchange-traded funds, mutual funds, separate account managers, broker-dealers, and custodians retained by clients. Such fees and expenses are described in each exchange-traded fund and mutual fund's prospectus, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, and by any broker-dealer or custodian retained by the client. Clients are advised to read these materials carefully before investing. If a mutual fund also imposes sales charges, a client may pay an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using Blackhawk may be precluded from using certain mutual funds or separate account managers because they may not be offered by the client's custodian.

Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

D. Prepayment of Client Fees

Blackhawk generally requires fees to be prepaid on a quarterly basis. Blackhawk's fees will either be paid directly by the client or disbursed to Blackhawk by the qualified custodian of the client's investment accounts, subject to prior written consent of the client. The custodian will deliver directly to the client an account statement, at least quarterly, showing all investment and transaction activity for the period, including fee disbursements from the account.

A client investment advisory agreement may be canceled at any time by the client, or by Blackhawk with written notice to the client. Upon termination, any unearned, prepaid fees will be promptly refunded. The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the quarter up to and including the day of

termination. (*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

E. External Compensation for the Sale of Securities to Clients

Blackhawk's advisory professionals are compensated based upon a percentage of the collected advisory fee revenue. Certain personnel are registered with an unaffiliated broker-dealer and may be paid sales, service or administrative fees for the sale of mutual funds or other investment products. In addition, Blackhawk's advisory professionals may receive commission-based compensation for the sale of securities and insurance products. Investment adviser representatives, in their capacity as a United Planners Financial Services registered representative, are prohibited from earning an advisory fee on the securities value transferred from an advisory client's United Planners Financial Services brokerage account unless commissions earned on such securities transactions occurred at least a 12–18 months prior to the transfer. Please see Item 10.C. for detailed information and conflicts of interest.

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

Blackhawk does not charge performance-based fees and therefore has no economic incentive to manage clients' portfolios in any way other than what is in their best interests.

Item 7: Types of Clients

Blackhawk offers its investment services to various types of clients including individuals, high-net-worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, insurance companies, corporations, and other business entities.

Blackhawk does not require a minimum account size.

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

A. Methods of Analysis and Investment Strategies

Blackhawk uses a variety of sources of data to conduct its economic, investment and market analysis, such as financial newspapers and magazines, economic and market research materials prepared by others, conference calls hosted by mutual funds, corporate rating services, annual reports, prospectuses, and company press releases. It is important to keep in mind that there is no specific approach to investing that guarantees success or positive returns; investing in securities involves risk of loss that clients should be prepared to bear.

Blackhawk and its investment adviser representatives are responsible for identifying and implementing the methods of analysis used in formulating investment recommendations to clients. The methods of analysis may include quantitative methods for optimizing client portfolios, computer-based risk/return analysis, technical analysis, and statistical and/or computer models utilizing long-term economic criteria.

- Optimization involves the use of mathematical algorithms to determine the appropriate mix of assets given the firm's current capital market rate assessment and a particular client's risk tolerance.
- Quantitative methods include analysis of historical data such as price and volume statistics, performance data, standard deviation and related risk metrics, how the security performs relative to the overall stock market, earnings data, price to earnings ratios, and related data.
- Technical analysis involves charting price and volume data as reported by the exchange where the security is traded to look for price trends.
- Computer models may be used to derive the future value of a security based on assumptions of various data categories such as earnings, cash flow, profit margins, sales, and a variety of other company specific metrics.

In addition, Blackhawk reviews research material prepared by others, as well as corporate filings, corporate rating services, and a variety of financial publications. Blackhawk may employ outside vendors or utilize third-party software to assist in formulating investment recommendations to clients.

A.1. Mutual Funds and Exchange-Traded Funds, Individual and Fixed Income Securities and Third-Party Separate Account Managers

Blackhawk may recommend no-load and load-waived mutual funds and individual securities (including fixed income instruments). Blackhawk may also assist the client in selecting one or more appropriate manager(s) for all or a portion of the client's portfolio. Such managers will typically manage assets for clients who commit to the manager a minimum amount of assets established by that manager—a factor that Blackhawk will take into account when recommending managers to clients.

A description of the criteria to be used in formulating an investment recommendation for mutual funds, ETFs, individual securities (including fixed-income securities), and managers is set forth below.

Blackhawk has formed relationships with third-party vendors that

- provide a technological platform for separate account management
- prepare performance reports
- perform or distribute research of individual securities
- perform billing and certain other administrative tasks

Blackhawk may utilize additional independent third parties to assist it in recommending and monitoring individual securities, mutual funds, and managers to clients as appropriate under the circumstances.

Blackhawk reviews certain quantitative and qualitative criteria related to mutual funds and managers and to formulate investment recommendations to its clients. Quantitative criteria may include

- the performance history of a mutual fund or manager evaluated against that of its peers and other benchmarks
- an analysis of risk-adjusted returns
- an analysis of the manager's contribution to the investment return (e.g., manager's alpha), standard deviation of returns over specific time periods, sector and style analysis
- the fund, sub-advisor or manager's fee structure
- the relevant portfolio manager's tenure

Qualitative criteria used in selecting/recommending mutual funds or managers include the investment objectives and/or management style and philosophy of a mutual fund or manager; a mutual fund or manager's consistency of investment style; and employee turnover and efficiency and capacity.

Quantitative and qualitative criteria related to mutual funds and managers are reviewed by Blackhawk on a quarterly basis or such other interval as appropriate under the circumstances. In addition, mutual funds or managers are reviewed to determine the extent to which their investments reflect efforts to time the market, or evidence style drift such that their portfolios no longer accurately reflect the particular asset category attributed to the mutual fund or manager by Blackhawk (both of which are negative factors in implementing an asset allocation structure).

Blackhawk may negotiate reduced account minimum balances and reduced fees with managers under various circumstances (e.g., for clients with minimum level of assets committed to the manager for specific periods of time, etc.). There can be no assurance that clients will receive any reduced account minimum balances or fees, or that all clients, even if apparently similarly situated, will receive any reduced account minimum balances or fees available to some other clients. Also, account minimum balances and fees may significantly differ between clients. Each client's individual needs and circumstances will determine portfolio weighting, which can have an impact on fees given the funds or managers utilized. Blackhawk will endeavor to obtain equal treatment for its clients with funds or managers, but cannot assure equal treatment.

Blackhawk will regularly review the activities of mutual funds and managers utilized for the client. Clients that engage managers or who invest in mutual funds should first review and understand the disclosure documents of those managers or mutual funds, which contain information relevant to such retention or investment, including information on the methodology used to analyze securities, investment strategies, fees and conflicts of interest.

A.2. Material Risks of Investment Instruments

Blackhawk may invest in open-end mutual funds and exchange-traded funds for the vast majority of its clients. In addition, for certain clients, Blackhawk may effect transactions in the following types of securities:

- Equity securities
- Mutual fund securities
- Exchange-traded funds
- Fixed income securities
- Corporate debt securities
- Municipal securities
- U.S. government securities
- Variable annuities
- Oil and gas interests
- Private equity
- REITs

A.2.a. Equity Securities

Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company's ability to create shareholder value (i.e., increase the value of the company's stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk and liquidity risk.

A.2.b. Mutual Fund Securities

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

A.2.c. Exchange-Traded Funds ("ETFs")

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs[®], streetTRACKS[®], DIAMONDSSM, NASDAQ 100 Index Tracking StockSM ("QQQsSM") iShares[®] and VIPERs[®]. The funds could purchase an ETF to gain exposure to a portion of the U.S. or foreign market. The funds, as a shareholder of another

investment company, will bear their pro-rata portion of the other investment company's advisory fee and other expenses, in addition to their own expenses.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

A.2.d. Fixed Income Securities

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S. or foreign) and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds have liquidity and currency risk.

A.2.e. Corporate Debt

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S. or foreign) and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds also have liquidity and currency risk.

A.2.f. Municipal Securities

Municipal securities carry additional risks than those of corporate and bank-sponsored debt securities described above. These risks include the municipality's ability to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax free at the federal level, but may be taxable in individual states other than the state in which both the investor and municipal issuer is domiciled.

A.2.g. U.S. Government Securities

U.S. government securities include securities issued by the U.S. Treasury and by U.S. government agencies and instrumentalities. U.S. government securities may be supported by the full faith and credit of the United States.

A.2.h. Variable Annuities

Variable Annuities are long-term financial products designed for retirement purposes. In essence, annuities are contractual agreements in which payment(s) are made to an insurance company, which agrees to pay out an income or a lump sum amount at a later date. There are contract limitations and fees and charges associated with annuities, administrative fees, and charges for optional benefits. They also may carry early withdrawal penalties and surrender charges, and carry additional risks such as the insurance carrier's ability to pay claims. Moreover, variable annuities carry investment risk similar to mutual funds. Investors should carefully review the terms of the variable annuity contract before investing.

A.2.i. Oil and Gas Interests

Oil and gas investments take many forms, including limited partnership interests, ownership of fractional undivided interests in leases, and general partnerships. Tax consequences and investor liability vary according to the type of program. True general partnerships in which investors actively participate in the operations of the venture are not securities. A general partner, however, is personally liable for partnership debts. This type of investment is very speculative, is a highly illiquid investment, and can have a long holding period.

A.2.j. Private Equity

Private equity is an ownership interest in a company or portion of a company that is not publicly owned, quoted, or traded on a stock exchange. Private equity takes an ownership interest in a company with the goal of enhancing the company's value by bringing about change. Compared to public equity, long-term results of private equity investments are less dependent on overall market performance. Private equity investments are subject to certain risks such as market and investment style risk. Investments are highly illiquid and subject to greater risk. These risks include lack of liquidity, lack of valuation transparency, conflicts of interest, higher management fees, and complex tax structures. Private equity investments may require a longer holding period and are highly speculative and may result in a loss of invested capital. The strategies discussed may only be appropriate for certain qualified investors.

A.2.k. REITs

A REIT is a company that owns and typically operates income-producing real estate or related assets. These may include office buildings, shopping malls, apartments, hotels, resorts, self-storage facilities, warehouses, and mortgages or loans. Unlike other real estate companies, a REIT does not develop real estate properties to resell them. Instead, a REIT buys and develops properties primarily to operate them as part of its own investment portfolio. Many REITs are registered with the SEC and are publicly traded on a stock exchange. These are known as publicly traded REITs. Others may be registered with the SEC but are not publicly traded. These

are known as non- traded REITs (also known as non-exchange traded REITs). Risks associated with investing a non-publicly traded REIT include lack of liquidity, lack of share price transparency, distributions being paid from offering proceeds and borrowings, and conflicts of interest.

B. Investment Strategy and Method of Analysis Material Risks

Our investment strategy is custom-tailored to the client's goals, investment objectives, risk tolerance, and personal and financial circumstances.

B.1. Margin Leverage

Although Blackhawk, as a general business practice, does not utilize leverage, there may be instances in which exchange-traded funds, other separate account managers and, in very limited circumstances, Blackhawk will utilize leverage. In this regard please review the following:

The use of margin leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control \$2 of a security for \$1. So if the price of a security rises by \$1, the investor earns a 100% return on their investment. Conversely, if the security declines by \$.50, then the investor loses 50% of their investment.

The use of margin leverage entails borrowing, which results in additional interest costs to the investor.

Broker-dealers who carry customer accounts require a minimum equity requirement when clients utilize margin leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to withdraw cash, the client must sell a disproportionate amount of collateral securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of margin leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

B.2. Short-Term Trading

Although Blackhawk, as a general business practice, does not utilize short-term trading, there may be instances in which short-term trading may be necessary or an appropriate strategy. In this regard, please read the following:

There is an inherent risk for clients who trade frequently in that high-frequency trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

B.3. Short Selling

Blackhawk generally does not engage in short selling but reserves the right to do so in the exercise of its sole judgment. Short selling involves the sale of a security that is borrowed rather than owned. When a short sale is effected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be effected at a significantly lower price. The primary risks of effecting short sales is the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

B.4. Technical Trading Models

Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.

C. Security-Specific Material Risks

There is an inherent risk for clients who have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There is nothing to report on this item.

B. Administrative Enforcement Proceedings

There is nothing to report on this item.

C. Self-Regulatory Organization Enforcement Proceedings

There is nothing to report on this item.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Representative Registration

Neither Blackhawk nor its affiliates are registered broker-dealers and do not have an application to register pending.

Certain members and registered advisory personnel of Blackhawk are registered representatives of United Planners Financial Services. Please see Item 10.C below for further information and possible conflicts of interest.

B. Futures or Commodity Registration

Neither Blackhawk nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator or commodity trading advisor and do not have an application to register pending.

C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

C.1. Broker-Dealer Registration

Managers, members, and registered personnel of Blackhawk are associated persons of United Planners Financial Services, a FINRA-registered broker-dealer and member of SIPC. As a result, such professionals, are subject to the oversight of United Planners Financial Services and the Financial Industry Regulatory Authority, Inc. ("FINRA"). As such, clients of Blackhawk should understand that their personal and account information is available to FINRA and United Planners Financial Services personnel in the fulfillment of their oversight obligations and duties.

Blackhawk professionals who effect transactions for advisory clients may receive transaction or commission compensation from United Planners Financial Services. The recommendation of securities transactions for commission creates a conflict of interest in that Blackhawk is economically incented to effect securities transactions for clients. Although Blackhawk strives to put its clients' interests first, such recommendations may be viewed as being in the best interests of Blackhawk rather than in the client's best interest. Blackhawk advisory clients are not compelled to effect securities transactions through United Planners Financial Services.

C.2. Insurance Sales

Certain managers, members, and registered employees of Blackhawk are licensed insurance agents. With respect to the provision of financial planning services, Blackhawk professionals may recommend insurance products offered by such carriers for whom they function as an agent and receive a commission for doing so. Please be advised there is a potential conflict of interest in that there is an economic incentive to recommend insurance and other investment products of such carriers. Please also be advised that Blackhawk strives to put its clients' interests first and foremost. Other than for insurance products that require a securities license, such as variable insurance products, clients may utilize any insurance carrier or insurance agency they desire. For

products requiring a securities and insurance license, clients may be limited to those insurance carriers that have a selling agreement with Blackhawk's employing broker-dealer.

D. Recommendation or Selection of Other Investment Advisors and Conflicts of Interest

Blackhawk does not recommend separate account managers or other investment products in which it receives any form of compensation from the separate account manager or investment product sponsor.

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

A. Code of Ethics Description

In accordance with the Advisers Act, Blackhawk has adopted policies and procedures designed to detect and prevent insider trading. In addition, Blackhawk has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of Blackhawk's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of Blackhawk. Blackhawk will send clients a copy of its Code of Ethics upon written request.

Blackhawk has policies and procedures in place to ensure that the interests of its clients are given preference over those of Blackhawk, its affiliates and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Blackhawk does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). In addition, Blackhawk does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Blackhawk, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase the same securities as are purchased for clients in accordance with its Code of Ethics policies and procedures. The personal securities

transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which Blackhawk specifically prohibits. Blackhawk has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow Blackhawk's procedures when purchasing or selling the same securities purchased or sold for the client.

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Blackhawk, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other Blackhawk clients. Blackhawk will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation (please refer to Item 12.B.3 Order Aggregation). It is the policy of Blackhawk to place the clients' interests above those of Blackhawk and its employees.

Item 12: Brokerage Practices

A. Factors Used to Select Broker-Dealers for Client Transactions

A.1. Custodian Recommendations

Blackhawk may recommend that clients establish brokerage accounts with Charles Schwab & Co. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Blackhawk may recommend that clients

establish accounts at the custodian, it is the client's decision to custody assets with the custodian. Blackhawk is independently owned and operated and not affiliated with custodian. For Blackhawk client accounts maintained in its custody, the custodian generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodian accounts.

Blackhawk considers the financial strength, reputation, operational efficiency, cost, execution capability, level of customer service, and related factors in recommending broker-dealers or custodians to advisory clients.

In certain instances and subject to approval by Blackhawk, Blackhawk will recommend to clients certain other broker-dealers and/or custodians based on the needs of the individual client, and taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian recommended by Blackhawk will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

A.1.a. How We Select Brokers/Custodians to Recommend

Blackhawk seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, the following:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear, and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength, and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below

A.1.b. Client's Custody and Brokerage Costs

For client accounts that the firm maintains, the custodian generally does not charge clients separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into the custodian's accounts. The custodian's commission rates applicable to the firm's client accounts were negotiated based on the firm's commitment to maintain a certain minimum amount of client assets at the custodian. This commitment benefits the client because the overall commission rates paid are lower than they would be if the firm had not made the commitment. In addition to commissions, the custodian charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that the firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's custodian account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize the client's trading costs, the firm has the custodian execute most trades for the account.

A.1.c. Soft Dollar Arrangements

Blackhawk does not utilize soft dollar arrangements. Blackhawk does not direct brokerage transactions to executing brokers for research and brokerage services.

A.1.d. Institutional Trading and Custody Services

The custodian provides Blackhawk with access to its institutional trading and custody services, which are typically not available to the custodian's retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain minimum amount of the advisor's clients' assets are maintained in accounts at a particular custodian. The custodian's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

A.1.e. Other Products and Services

Custodian also makes available to Blackhawk other products and services that benefit Blackhawk but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Blackhawk's accounts, including accounts not maintained at custodian. The custodian may also make available to Blackhawk software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing and other market data
- facilitate payment of Blackhawk's fees from its clients' accounts
- assist with back-office functions, recordkeeping and client reporting

The custodian may also offer other services intended to help Blackhawk manage and further develop its business enterprise. These services may include

- compliance, legal and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants and insurance providers

The custodian may also provide other benefits such as educational events or occasional business entertainment of Blackhawk personnel. In evaluating whether to recommend that clients custody their assets at the custodian, Blackhawk may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

A.1.f. Independent Third Parties

The custodian may make available, arrange, and/or pay third-party vendors for the types of services rendered to Blackhawk. The custodian may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to Blackhawk.

A.1.g. Additional Compensation Received from Custodians

Blackhawk may participate in institutional customer programs sponsored by broker-dealers or custodians. Blackhawk may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between Blackhawk's participation in such programs and the investment advice it gives to its clients, although Blackhawk receives economic benefits through its participation in the programs that are typically not available to retail investors. These benefits may include the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations
- Research-related products and tools
- Consulting services
- Access to a trading desk serving Blackhawk participants
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts)
- The ability to have advisory fees deducted directly from client accounts
- Access to an electronic communications network for client order entry and account information
- Access to mutual funds with no transaction fees and to certain institutional money managers
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to Blackhawk by third-party vendors

The custodian may also pay for business consulting and professional services received by Blackhawk's related persons, and may pay or reimburse expenses (including client transition expenses, travel, lodging, meals and entertainment expenses for Blackhawk's personnel to attend conferences). Some of the products and services made available by such custodian through its institutional customer programs may benefit Blackhawk but may not benefit its client accounts. These products or services may assist Blackhawk in managing and administering client accounts, including accounts not maintained at the custodian as applicable. Other services made available through the programs are intended to help Blackhawk manage and further develop its business enterprise. The benefits received by Blackhawk or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

Blackhawk also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require Blackhawk to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, Blackhawk will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by Blackhawk's related persons, and reimbursement of expenses (including travel, lodging, meals and entertainment expenses for Blackhawk's personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, Blackhawk endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Blackhawk or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Blackhawk's recommendation of broker-dealers such as Schwab for custody and brokerage services.

A.1.h. The Firm's Interest in Schwab's Services

The availability of these services from the custodian benefits the firm because the firm does not have to produce or purchase them. The firm does not have to pay for the custodian's services so long as a certain minimum of client assets is kept in accounts at the custodian. This minimum of client assets may give the firm an incentive to recommend that clients maintain their accounts with the custodian based on the firm's interest in receiving the custodian's services that benefit the firm's business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of client transactions. This is a potential conflict of interest. The firm believes, however, that the selection of the custodian as custodian and broker is in the best interest of clients. It is primarily supported by the scope, quality, and price of the custodian's services and not the custodian's services that benefit only the firm.

A.2. Brokerage for Client Referrals

Blackhawk does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

A.3. Directed Brokerage

A.3.a. Blackhawk Recommendations

Blackhawk typically recommends Schwab as custodian for clients' funds and securities and to execute securities transactions on its clients' behalf.

A.3.b. Client-Directed Brokerage

Occasionally, clients may direct Blackhawk to use a particular broker-dealer to execute portfolio transactions for their account or request that certain types of securities not be purchased for their account. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage Blackhawk derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. Blackhawk loses the ability to aggregate trades with other Blackhawk advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

B. Aggregating Securities Transactions for Client Accounts

B.1. Best Execution

Blackhawk, pursuant to the terms of its investment advisory agreement with clients, has discretionary authority to determine which securities are to be bought and sold, and the amount of such securities. Blackhawk recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. Blackhawk will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, Blackhawk seeks to ensure that clients receive best execution with respect to clients' transactions by blocking client trades to reduce commissions and transaction costs. To the best of Blackhawk's knowledge, these custodians provide high-quality execution, and Blackhawk's clients do not pay higher transaction costs in return for such execution. Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, Blackhawk believes that such commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere.

Blackhawk typically buys bonds utilizing its current executing brokers. A list of such executing brokers are available upon request. Generally, for sell transactions, the firm trades through Schwab if it's a liquid position where the firm can obtain favorable pricing. For less liquid fixed income securities, the firm will obtain bids from its executing broker relationships, including Schwab. Please note that for trades executed away from Schwab, Schwab charges, in addition to its customary transaction fee, a trade-away fee of \$20, which the client bears. This trade-away fee is higher than the normal custodian transaction charge, but we believe the services provided as well as the bond inventory available to the firm through such executing brokers outweighs the trade-away cost and provides a tangible benefit to our clients.

B.2. Security Allocation

Since Blackhawk may be managing accounts with similar investment objectives, Blackhawk may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by Blackhawk in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts.

Blackhawk's allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. Blackhawk will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

Blackhawk's advice to certain clients and entities and the action of Blackhawk for those and other clients are frequently premised not only on the merits of a particular investment, but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines and circumstances. Thus, any action of Blackhawk with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of Blackhawk to or on behalf of other clients.

B.3. Order Aggregation

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed

and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

To minimize performance dispersion, "strategy" trades should be aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This is true even if Blackhawk believes that a larger size block trade would lead to best overall price for the security being transacted.

B.4. Allocation of Trades

All allocations will be made prior to the close of business on the trade date. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, clients' liquidity needs and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is "over-filled."

Blackhawk acts in accordance with its duty to seek best price and execution and will not continue any arrangements if Blackhawk determines that such arrangements are no longer in the best interest of its clients.

Item 13: Review of Accounts

A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

For individual client engagements, accounts are reviewed by investment adviser representative servicing the client's account. The frequency of reviews is determined based on the client's investment objectives, but reviews are conducted no less frequently than annually. For asset management accounts, the portfolio manager reviews at least quarterly.

Financial planning clients receive their financial plans and recommendations at the time service is completed. There are no post-plan reviews unless engaged to do so by the client.

B. Review of Client Accounts on Non-Periodic Basis

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content of Client-Provided Reports and Frequency

The firm reports to the client on a quarterly basis or at some other interval agreed upon with the client, information on contributions and withdrawals in the client's investment portfolio, and the

performance of the client's portfolio measured against appropriate benchmarks (including benchmarks selected by the client).

Each client will receive at least quarterly from the custodian as well as Blackhawk a written report that details the client's account including assets held and asset value which will come from the custodian. The custodian's statement is the official record of the client's securities account and supersedes any statements or reports created on behalf of the client by Blackhawk.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

Blackhawk does not receive economic benefits for referring clients to third-party service providers.

B. Advisory Firm Payments for Client Referrals

Blackhawk does not pay for client referrals.

Item 15: Custody

Blackhawk is considered to have custody of client assets for purposes of the Advisers Act for the following reasons:

- The client authorizes us to instruct their custodian to deduct our advisory fees directly from the client's account.
- Our authority to direct client requests, utilizing standing instructions, for wire transfer of funds for first-party money movement and third-party money movement (checks and/or journals, ACH, Fed-wires). The firm has elected to meet the SEC's seven conditions to avoid the surprise custody exam, as outlined below:
 1. The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
 2. The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
 3. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.

4. The client has the ability to terminate or change the instruction to the client's qualified custodian.
5. The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
6. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.
7. The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.

Individual advisory clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances, and portfolio holdings in their accounts. Blackhawk urges its clients to compare the account balance(s) shown on their account statements to the quarter-end balance(s) on their custodian's monthly statement. The custodian's statement is the official record of the account.

Item 16: Investment Discretion

Clients may grant a limited power of attorney to Blackhawk with respect to trading activity in their accounts by signing the appropriate custodian limited power of attorney form. In those cases, Blackhawk will exercise full discretion as to the nature and type of securities to be purchased and sold, and the amount of securities for such transactions. Investment limitations may be designated by the client as outlined in the investment advisory agreement. In addition, subject to the terms of its investment advisory agreement, Blackhawk may be granted discretionary authority for the retention of independent third-party investment management firms. Investment limitations may be designated by the client as outlined in the investment advisory agreement. Please see the applicable third-party manager's disclosure brochure for detailed information relating to discretionary authority.

Item 17: Voting Client Securities

To the extent authorized by the client, Blackhawk will vote proxies with respect to securities in client accounts. Blackhawk owes certain fiduciary duties with respect to the voting of proxies. These fiduciary duties include (i) the duty of care which is required to monitor corporate events and to vote the proxies, and (ii) the duty of loyalty which is required to vote proxies in a manner consistent with the best interests of the client and to put the client's interests before its own interests. In keeping with its fiduciary duties, Blackhawk has adopted a Proxy Voting Policy, which sets forth policies and procedures designed to ensure that Blackhawk votes each client's securities in the best interests of the client.

Blackhawk will be authorized to take action and render any advice with respect to the voting of proxies for securities held in the client's account. Blackhawk will make an independent valuation for each applicable company held in the client's account in accordance with its fiduciary obligations as detailed in this policy. Clients may contact Blackhawk's Managing Member for information about how Blackhawk voted with respect to any of the securities held in their account.

Except as required by applicable law, Blackhawk will not be obligated to render advice or take any action on behalf of the client with respect to assets presently or formerly held in the client's account which become the subject of any legal proceedings, including bankruptcies.

As a general rule, Blackhawk will vote all proxies relating to a particular proposal the same way for all client accounts holding the security in accordance with Blackhawk's Proxy Voting Policy, unless a client specifically instructs in writing to vote such client's securities otherwise. When making proxy voting decisions, Blackhawk may seek advice or assistance from third-party consultants, such as proxy voting services or legal counsel. A copy of Blackhawk's Proxy Voting Policy will be provided upon receipt of a written request.

Item 18: Financial Information

A. Balance Sheet

Blackhawk does not require the prepayment of fees of \$1200 or more, six months or more in advance, and as such is not required to file a balance sheet.

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Blackhawk does not have any financial issues that would impair its ability to provide services to clients.

C. Bankruptcy Petitions During the Past Ten Years

There is nothing to report on this item.