

HighPoint Advisor Group, LLC
Form ADV Part 2A
Investment Adviser Brochure

March 2019

This brochure provides information about the qualifications and business practices of HighPoint Advisor Group, LLC. If you have any questions about the contents of this brochure, please contact Jamie Calandriello, Chief Compliance Officer. 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 as an investment advisor does not imply any level of skill or training.

Additional information about HighPoint Advisor Group is also available on the SEC's website at www.adviserinfo.sec.gov. You may search this site using a unique identifying number, known as a CRD number. HighPoint Advisor Group, LLC's CRD Number is 163768.

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Item 2: Summary of Material Changes

Annual Amendment

HighPoint Advisor Group, LLC (“HPAG” or the “Firm”) is required to discuss any material changes that have been made to Form ADV since the last Amendment, dated March 2018.

Material Changes since the Last Update

Since the last amendment, HPAG has appointed a new Chief Compliance Officer, Jamie Calandriello.

Full Brochure Available

HPAG’s Form ADV may be requested at any time, without charge by contacting Jamie Calandriello, Chief Compliance Officer, at 630.719.9222.

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Item 4: Advisory Business

HighPoint Planning Partners, LLC was founded in 2012. In 2014 the Firm changed its name to HighPoint Advisor Group, LLC, and in 2016 the Firm was purchased by, and is currently owned by, Craig Ibrahim, Partner, and Martin Campbell, Partner. There are several d/b/a's associated with the Firm, including: HighPoint Planning Partners; Aspire Planning Group; Aspire Divorce Solutions; Benefit Partners Financial Group; Black Diamond Planners; CB3 Financial Group Inc.; Doak Financial, LLC; Einspar Family Financial, LLC; Equilibrium Wealth Management; G/R Wealth Management Group, LLC; KCT Financial; Keith E. Murphy; Kennedy Financial Group; Lloyd Wealth Advisors; McCabe Financial Group; Midwest Family Wealth Management; Mike Lynch, Inc.; Model Wealth; OnPath Financial, LLC; Partners Advisors Ltd.; RMD Wealth Management; Roger J. Ensminger & Associates; Round Hill Wealth Management; Safe Harbor Retirement Consultants, LLC; Stonebridge Wealth Advisors; The Associates Group; TWG Wealth Partners; and Vertex Planning Partners, LLC.

HPAG provides investment advisory services to individuals, pension and profit sharing plans, trusts, estates and charitable organizations, and corporations or other business entities. Services include financial planning, consulting, and asset management.

Asset Management Services

HPAG provides continuous investment advice and asset management services based on the individual needs of the clients. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, HPAG develops a client's personal investment policy and creates and manages a portfolio based on that policy. HPAG will ensure that each client's investments are suitable for that client and consistent with their investment needs, goals, objectives, and risk tolerance. Account supervision is guided by the stated objectives of the client (i.e., capital preservation, income with moderate growth, growth and income, growth, and aggressive growth, etc.). HPAG strives to tailor its advisory services to the individual needs of clients.

Clients have the opportunity to place reasonable restrictions on the types of investments which are made on the client's behalf. Restrictions are typically limited to asset management services and may not apply to assets managed in wrap programs. Clients will retain individual ownership of all securities.

HPAG will allocate its client's investment management assets, on a discretionary or a non-discretionary basis, among Independent Managers, mutual funds, exchange traded funds, individual debt and equity securities, real estate investment trusts ("REITs"), and other investments in accordance with the investment objectives of the client. Some of these investments have limited or no liquidity for a period of time. Some also have additional minimum net worth and/or net income requirements for investments.

HPAG's clients are advised to promptly notify HPAG if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon HPAG's management services.

Use of Independent Managers

As mentioned above, HPAG will occasionally recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) ("Independent Manager(s)"), based upon the stated investment objectives of the client. The terms and conditions under which the client shall engage the Independent Manager(s) shall be set forth in separate written agreements between (1) the client and HPAG and (2) HPAG or client and the designated Independent Manager(s). HPAG shall continue to render services to the client relative to the discretionary selection of Independent Manager(s) as well as the monitoring and review of account performance and client investment objectives, for which HPAG shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s).

When selecting an Independent Manager for a client, HPAG shall review information about the Independent Manager(s) such as its disclosure statement and/or material supplied by the Independent Manager(s) or independent third parties for a description of the Independent Manager's investment strategies, past performance, and risk results to the extent available.

Factors that HPAG shall consider in selecting Independent Manager(s) include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s), together with the fees charged by the wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, HPAG's investment advisory fee set forth above. As discussed above, in using the services of an Independent Manager, the client will incur additional fees to those charged by HPAG, the wrap fee program sponsor (if applicable), and the corresponding broker-dealer and custodian.

In addition to HPAG's Form ADV Part 2A ("Brochure"), the client shall also receive the Brochure of the designated Independent Manager(s) and wrap fee program sponsor (if applicable). Certain Independent Manager(s) will impose more restrictive account requirements and varying billing practices than HPAG. In such instances, HPAG will review, and possibly alter, its corresponding account requirements and/or billing practices to accommodate those of the Independent Manager(s) or wrap fee program sponsor.

In certain cases, HPAG will refer a Client to an Independent Manager through whom the advisory fee is included in the Independent Manager's fee. If the Client engages the services of that Independent Manager, HPAG will be compensated for its services by receipt of a fee paid directly by the Independent Manager to HPAG in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities laws, rules, regulations, or requirements. Any such fee shall be paid solely from the Independent Manager(s) investment management fee or the program fee of the wrap fee program (as appropriate) and shall not result in any additional charge to the client.

Financial Planning and Consulting

HPAG offers financial planning services, which may include a review of all aspects of a client's current financial situation, including the following components: cash management, risk management, insurance, education funding, goal setting, retirement planning, estate and charitable gift planning, and capital needs planning. Clients understand that when HPAG is engaged to address only certain components, the client's overall financial and investment issues may not be taken into consideration.

HPAG meets with the client to review risk tolerance, financial goals and objectives, and time horizons. Additional meetings may include a review of additional financial information; such as sources of income, assets, insurance, liabilities, wills, trusts, business agreements, tax returns, investments, and personal and family obligations.

The financial plan may include both long and short-term considerations, depending on the client's financial situation. Upon completion, a plan is presented to the client, including recommendations compatible with the client's stated goals and objectives. An implementation schedule is reviewed with the client to determine what steps will be pursued and with whom the steps may be accomplished. The client is under no obligation to utilize additional services of HPAG and its representatives and is under no obligation to implement the advice or plan. Clients can choose all, none, or certain specific components of advice and recommendations and can implement the recommendations through the service providers of their choice.

Advisory Services to Retirement Plans and Plan Participants

HPAG offers various levels of advisory and consulting services to employee benefit plans and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors ("Plan Sponsors") in meeting their management and fiduciary obligations to Participants. HPAG will provide services to Plan Sponsors and their Participants as described below. Plan Sponsors must make the ultimate decision to retain HPAG for pension consulting and other advisory services including, but not limited to, services at the participant level. The Plan Sponsor is free to seek independent advice about the appropriateness of any recommended services for the plan.

For employee benefit plans, HPAG may discuss the following areas with clients: overview, investor circumstances, tax policy, reviews, diversification and investment constraints, selection/retention criteria for investments, investment monitoring and control procedures, and duties and responsibilities.

Services include: Management of vendor relationships; Request for Proposals (RFPs); Assistance on Plan Design Strategies; Fiduciary Consulting and Oversight; Investment Management; and Participant Education and Communication Services.

Advisory services provided to retirement plans may be solely provided by Investment Adviser Representatives (IARs) or in combination with third parties.

Fiduciary Statement

HPAG and our employees are fiduciaries who must act in the best interests of our clients. The Firm will act with competence, dignity, integrity, and in an ethical manner when dealing with clients. HPAG will use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

As a fiduciary, HPAG has the obligation to deal fairly with our clients. The Firm has the following responsibilities when working with a client:

- To render impartial advice;
- To make appropriate recommendations based on the client's needs, financial circumstances and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and is not misleading;
- To have reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- To disclose any material conflict of interest in writing; and
- To treat clients fairly and equitably.

Sponsor and Manager of Wrap Program

HPAG is the sponsor and manager of the HPAG Wrap Program (the "Program"), a wrap fee program. In the event the client participates in the Program, HPAG shall provide its investment management services and arrange for brokerage transactions under a single annual advisory fee for both advisory services and execution of transactions. Clients in the Program do not pay brokerage commissions, markups or transaction charges for execution of transactions in addition to the advisory fee. The advisory fee is negotiable between the client and HPAG and is set out in the advisory agreement. The advisory fee is a percentage based on the value of all assets in the account, including cash holdings. The advisory fee will vary among advisors in the Firm as each DBA office has its own fee schedule for similar services. The advisory fee is paid to HPAG and is shared between HPAG and its associated persons ("Investment Adviser Representatives").

Clients should be aware that HPAG receives compensation as a result of recommending the Program to the client in the event the Client elects to participate in the program. This compensation includes the advisory fee and other compensation, such as bonuses, awards, or other things of value offered by LPL to HPAG or its associated persons. The amount of this compensation may be more or less than what HPAG would receive if the client participated in other LPL programs, programs of other investment advisors, or paid separately for investment advice, brokerage, and other client services. Therefore, HPAG has a financial incentive to recommend a program account over other programs and services.

The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with HPAG.

A complete description of the Program's terms and conditions (including fees) are contained in the Program's wrap fee brochure (See Form ADV Part 2A Appendix 1). There are no material differences between the HPAG managed wrap accounts and other accounts. The wrap relationship exists primarily because of the preference of some clients not to be subject to separate transaction charges.

Manager of LPL Sponsored Advisory Programs

HPAG provides advisory services through certain programs sponsored by LPL. Below is a brief description of each LPL advisory program available to HPAG. For more information regarding the LPL programs, including more information on the advisory services and fees that apply, the types of investments available in the programs and the potential conflicts of interest presented by the programs please see the program account packet (which includes

the account agreement and LPL Form ADV program brochure) and the Form ADV, Part 2A of LPL or the applicable program.

Manager Access Select Program

Manager Access Select offers clients the ability to participate in the Separately Managed Account Platform (the “SMA Platform”) or the Model Portfolio Platform (the “MP Platform”). In the SMA Platform, HPAG will assist client in identifying a third party portfolio manager (SMA Portfolio Manager) from a list of SMA Portfolio Managers made available by LPL, and the SMA Portfolio Manager manages client’s assets on a discretionary basis. HPAG will provide initial and ongoing assistance regarding the SMA Portfolio Manager selection process. In the MP Platform, clients authorize LPL to direct the investment and reinvestment of the assets in their accounts, in accordance with the selected model portfolio provided by LPL’s Research Department or a third-party investment advisor.

A minimum account value of \$50,000 is required for Manager Access Select; however, in certain instances, the minimum account size may be lower or higher.

Optimum Market Portfolios Program (OMP)

OMP offers clients the ability to participate in a professionally managed asset allocation program using Optimum Funds shares. Under OMP, client will authorize LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the client. HPAG will assist the client in determining the suitability of OMP for the client and assist the client in setting an appropriate investment objective. HPAG will have discretion to select a mutual fund asset allocation portfolio designed by LPL consistent with the client’s investment objective. LPL will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for the client. LPL will also have authority to rebalance the account.

A minimum account value of \$10,000 is required for OMP. In certain instances, LPL will permit a lower minimum account size.

Model Wealth Portfolios Program (MWP)

MWP offers clients a professionally managed mutual fund asset allocation program. HPAG will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program and assist the client in setting an appropriate investment objective. HPAG will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL’s Research Department consistent with the client’s stated investment objective. LPL’s Research Department, a third-party portfolio strategist and/or Advisor, through its IAR, may act as a portfolio strategist responsible for selecting the mutual funds or ETFs within a model portfolio and for making changes to the mutual funds or ETFs selected.

The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds and ETFs and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts.

MWP requires a minimum asset value for a program account to be managed. The minimums vary depending on the portfolio(s) selected and the account’s allocation amongst portfolios. The lowest minimum for a portfolio is \$25,000. In certain instances, a lower minimum for a portfolio is permitted.

Guided Wealth Portfolios (GWP)

GWP offers clients the ability to participate in a centrally managed, algorithm-based investment program, which is made available to users and clients through a web-based, interactive account management portal (“Investor Portal”). Investment recommendations to buy and sell exchange-traded funds and open-end mutual funds are generated through proprietary, automated, computer algorithms (collectively, the “Algorithm”) of FutureAdvisor, Inc. (“FutureAdvisor”), based upon model portfolios constructed by LPL and selected for the account as described below (such model portfolio selected for the account, the “Model Portfolio”). Communications concerning GWP are intended to occur primarily through electronic means

(including but not limited to, through email communications or through the Investor Portal), although HPAG will be available to discuss investment strategies, objectives or the account in general in person or via telephone.

A preview of the Program (the “Educational Tool”) is provided for a period of up to forty-five (45) days to help users determine whether they would like to become advisory clients and receive ongoing financial advice from LPL, FutureAdvisor, and HPAG by enrolling in the advisory service (the “Managed Service”). The Educational Tool and Managed Service are described in more detail in the GWP Program Brochure. Users of the Educational Tool are not considered to be advisory clients of LPL, FutureAdvisor, or HPAG, do not enter into an advisory agreement with LPL, FutureAdvisor, or HPAG, do not receive ongoing investment advice or supervisions of their assets, and do not receive any trading services.

A minimum account value of \$5,000 is required to enroll in the Managed Service.

Client Assets

As of December 31, 2018, HPAG manages approximately \$1.9 billion in assets under management on a discretionary basis.

Item 5: Fees and Compensation

HPAG offers its services on a fee basis, including hourly and/or fixed fees as well as fees based upon assets under management.

In certain circumstances, fees, account minimums, and payment terms are negotiable depending on the client’s unique situation, such as the aggregate related party portfolio size, family holdings, low cost basis securities, or certain passively advised investments and pre-existing relationships with clients. Certain clients will pay more or less than others depending on the amount of assets, the type of portfolio, the time involved, the degree of responsibility assumed, the complexity of the engagement, the special skills needed to solve problems, the application of experience, and the knowledge of the client’s situation.

Compensation – Asset Management Services

Annual Asset management fees, including Wrap Program accounts, range from 0.15% to 2.20%.

Clients will be billed quarterly in advance at the beginning of each calendar quarter based upon the value of the account on the last business day of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Asset Management Agreement.

The advisory fee is deducted from the account by the custodian of the assets based on a written authorization from the client.

If an Asset Management agreement is terminated before the end of the billing quarter, the client is entitled to a prorated refund of any pre-paid advisory fee based on the number of days remaining in the quarter after the termination date.

Compensation – Financial Planning and Consulting

Financial Planning and Consulting fees will be charged in one of two ways:

- On an hourly basis of \$250 to \$500 per hour, payable upon completion of the plan/project;
- As a fixed fee, typically ranging from \$500 to \$3,500, depending on the nature and complexity of each client’s circumstances, payable in advance with a 90-day delivery requirement; or
- As a retainer fee, payable on an ongoing basis, but typically \$500 per quarter.

Financial planning and consulting fees are payable in advance, provided payment is not made more than 90 days prior to the delivery of the formal written financial plan or consulting engagement for the client.

If a Financial Planning Agreement or Hourly Consulting Agreement is terminated before the end of the billing period, the client is entitled to a prorated refund of any pre-paid fee based upon the total fee less the time and services spent on the engagement prior to the termination.

Retirement Plan Services Fees

HPAG charges an annualized fee of up to 1.00% of the plan's assets for the pension consulting services described above, payable quarterly in advance. The type and amount of the fees charged to the client are negotiable and are generally based on the size and complexity of the plan, the number of plan participants, the location of the participants, the estimated number of meetings required, and other factors that may be deemed relevant by HPAG when negotiating with the client. An estimate of the total cost will be determined at the start of the advisory relationship.

If a Retirement Plan Service agreement is terminated before the end of the billing period, the client is entitled to a prorated refund of any pre-paid fee based upon the total fee less the time and services spent on the engagement prior to the termination.

Other Fees

As further discussed in response to Item 12 (below), HPAG shall generally recommend that clients utilize the brokerage and clearing services of LPL Financial ("LPL") for investment management accounts.

HPAG will implement its investment management recommendations only after the client has arranged for and furnished HPAG with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, LPL, any other broker-dealer recommended by HPAG, a broker-dealer directed by the client, trust companies, and banks.

In certain circumstances, Clients will incur certain charges imposed by the Financial Institution(s) and other third parties, such as fees charged by Independent Managers, custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account (which shall be disclosed in the fund's prospectus - e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients will typically incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to HPAG's fee.

HPAG's Agreement and/or the separate agreement with the Financial Institution(s) may authorize HPAG through the Financial Institution(s) to debit the client's account for the amount of HPAG's fee and to directly remit that management fee to HPAG in accordance with applicable custody rules. The Financial Institution(s) recommended by HPAG have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to HPAG.

Commissions or Sales Charges for Recommendations of Securities

Certain investment adviser representatives of HPAG are also associated with LPL as broker-dealer registered representatives ("Dually Registered Persons"). In their capacity as registered representatives of LPL, certain Dually Registered Persons earn commissions for the sale of securities or investment products that they recommend for brokerage clients. In the event the client desires, the client can engage certain persons associated with HPAG to render securities brokerage services under a commission arrangement. Under this arrangement, the client may implement securities transactions through certain of HPAG's Investment Advisor Representatives, in their respective individual capacities as registered representatives of LPL, an SEC registered broker-dealer and member of FINRA. Clients are under no obligation to engage such persons and can choose brokers or agents not affiliated with HPAG. These Dually Registered Persons do not earn commissions on the sale of securities or investment products recommended or purchased in advisory accounts through HPAG. Clients have the option of purchasing many of the securities and investment products through another broker-dealer or investment adviser. However, when purchasing these securities and investment products away from HPAG, the client will not receive the advice and other services provided by HPAG.

Brokerage commissions are charged by LPL to effect these securities transactions and thereafter, a portion of these commissions may be paid by LPL to such Investment Advisor Representatives. Prior to effecting any transactions, the client will be required to enter into a new account agreement with LPL. The brokerage commissions charged by LPL will vary from those charged by other broker-dealers. In addition, certain of HPAG's Investment Advisor Representatives also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment in connection with their roles as registered representatives of LPL.

While HPAG does not sell such securities products to its investment advisory clients, HPAG does permit its Investment Advisor Representatives, in their individual capacities as registered representatives of LPL, to sell securities products to its investment advisory clients. A conflict of interest exists to the extent that HPAG recommends the purchase of securities where HPAG's Investment Advisor Representatives receive commissions or other additional compensation as a result of HPAG's recommendations. HPAG has procedures in place to ensure that any recommendations made by such Investment Advisor Representatives are in the best interest of clients regardless of any additional compensation earned.

Fees for LPL Advisory Programs

The account fee charged to the client for each LPL advisory program is negotiable, subject to the following maximum account fees:

Manager Access Select	3.0%*
OMP	2.5%
MWP	2.65%**
GWP	1.35%***

* The maximum Manager Access Select account fee for new accounts was reduced to 2.5% effective July 3, 2017.

** The MWP account fee consists of an LPL program fee, a strategist fee (if applicable) and an advisor fee of up to 2.00%. Accounts remaining under the legacy fee structure may be charged one aggregate account fee, for which the maximum account fee is 2.50%. See the MWP program brochure for more information.

*** GWP Managed Service clients are charged an account fee consisting of an LPL program fee of 0.35% and an advisor fee of up to 1.00%. In the future, a strategist fee may apply. However, LPL Research currently serves as the sole portfolio strategist and does not charge a fee for its services. FutureAdvisor is compensated directly by LPL for its services, including the Algorithm and related software, through an annual sub-advisory fee (tiered based on assets under management by FutureAdvisor, at a rate ranging from 0.10% to 0.17%). As each asset tier is reached, LPL's share of the compensation shall increase and clients will not benefit from such asset tiers.

GWP Educational Tool provides access to sample recommendations at no charge to users. However, if users decide to implement sample recommendations by executing trades, they will be charged fees, commissions, or expenses by the applicable broker or adviser, as well as underlying investment fees and expenses.

Account fees are payable quarterly in advance. Excluding GWP, LPL serves as program sponsor, investment advisor and broker-dealer for the LPL advisory programs. In the Managed Service of GWP, LPL is appointed by each client as custodian of account assets and broker-dealer with respect to processing securities transactions for the accounts. In general, FutureAdvisor, in its capacity as investment advisor, will submit transactions through LPL; however, FutureAdvisor may choose to execute transactions through a broker-dealer other than LPL, subject to its duty to seek to achieve best execution. When securities transactions are effected through LPL, there are no brokerage commissions charged to the account. If FutureAdvisor chooses to execute a transaction through a broker-dealer other than LPL, the execution price may include a commission or fee imposed by the executing broker-dealer. In evaluating whether to execute a trade through a broker-dealer other than LPL, Future Advisor will consider the fact that the account will not be charged a commission if the transaction is effected through LPL.

HPAG and LPL may share in the account fee and other fees associated with program accounts. Associated persons of [Advisor] may also be registered representatives of LPL. Under SMS, LPL serves as investment advisor but not the broker-dealer. [Advisor] and LPL may share in the advisory portion of the SMS fee.

Certain Conflicts of Interest

HPAG receives compensation as a result of a client's participation in an LPL program. Depending on, among other things, the type and size of the account, type of securities held in the account, changes in its value over time, the ability to negotiate fees or commissions, the historical or expected size or number of transactions, and the number and range of supplementary advisory and client-related services provided to the client, the amount of this compensation may be more or less than what the HPAG would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage and other services.

The account fee varies from the fees charged by other investment advisors for similar services. For instance, FutureAdvisor offers direct-to-consumer services similar to GWP. Therefore, clients could generally pay a lower advisory fee for algorithm-driven, automated ("robo") investment advisory services through FutureAdvisor or other robo providers. However, clients using such direct robo services will forgo opportunities to utilize LPL-constructed model portfolios or to work directly with a financial advisor.

Clients should consider the level and complexity of the advisory services to be provided when negotiating the account fee (or the advisor fee portion of the account fee, as applicable) with HPAG. With regard to accounts utilizing third-party portfolio managers under aggregate, all-in-one account fee structures (including MAS and the legacy MWP fee structure), because the portion of the account fee retained by HPAG varies depending on the portfolio strategist fee associated with a portfolio, HPAG has a financial incentive to select one portfolio instead of another portfolio.

Please refer to the relevant LPL Form ADV program brochure for a more detailed discussion of conflicts of interest.

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

Neither HPAG nor any of its Supervised Persons (employees) accepts performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

HPAG does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation creates an incentive for the adviser to recommend an investment that carries a higher degree of risk to the client. Therefore, the use of performance-based fees is prohibited by HPAG.

Item 7: Types of Clients

As described in Item 4, HPAG clients include individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, and corporations or other business entities.

HPAG requires a minimum account of \$100,000 for investment advisory clients, although the minimum is negotiable under certain circumstances. HPAG will sometimes group certain related client accounts for the purposes of achieving the minimum account size.

Certain Independent Manager(s) impose more restrictive account requirements and varying billing practices than HPAG. In such instances, HPAG can alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Manager(s) or wrap program sponsor.

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

HPAG often utilizes fundamental analysis which attempts 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 securities.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Other strategies may include long-term purchases, short-term purchases, trading, and margin transactions.

HPAG will recommend the use of options for certain clients. Options allow HPAG to hedge (limit) certain losses on positions clients hold. The option allows HPAG to buy or sell a security at a certain price (not the current market price). Clients pay a fee for the option. If the option falls outside the money (i.e. the market price of the security does not justify repurchasing/selling the security at the option price), the client will lose the fee for that option.

HPAG will recommend the use of Independent Managers for certain clients. HPAG will continue to perform ongoing due diligence of such managers, but such recommendations rely, to a great extent, on the Independent Manager's ability to successfully implement their investment strategy. HPAG does not have the ability to supervise the Independent Manager(s) on a day-to-day basis, if at all.

All investments involve the risk of loss, including but not limited to loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although HPAG manages the assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the risk of loss.

HPAG's investment approach takes into account the risk of loss. Investors face the following investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of HPAG or the integrity of HPAG's management persons. HPAG has no information to disclose applicable to this Item.

Item 10: Other Financial Industry Activities and Affiliations

HPAG is not registered as, and does not have an application pending as, a securities broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

Certain employees of HPAG are Dually Registered Persons, as described in Item 5. LPL, member FINRA/SIPC, is a broker-dealer that is independently owned and operated and is not affiliated with HPAG.

HPAG is solely responsible for investment advice rendered. In addition to its investment advisory activities, HPAG offers retail brokerage services through its Registered Representatives who are affiliated with LPL. Products include stocks, bonds, mutual funds, ETFs, 529 plans, retirement plans, and other investments. HPAG generally conducts its investment advisory activities separately and apart from the advisory activities of LPL. HPAG, as a branch of LPL, is required to keep and maintain certain records and perform other compliance functions in relation to the advisory activities of HPAG. Please refer to Item 12 for a discussion of the benefits HPAG may receive from LPL and the conflicts of interest associated with receipt of such benefits.

As a result of this relationship, LPL has access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about HPAG's clients, even if client does not establish an account through LPL. If you would like a copy of the LPL privacy policy, please refer to www.lpl.com and click on the hyperlink at the bottom of the page for privacy/security information.

Certain Investment Advisor Representatives ("IAR"s) of HPAG are appointed with several insurance companies and are able to receive separate compensation for transactions implemented through various insurance companies. Clients are not obligated to use any company for insurance product purchases and can work with any insurance agent they choose. Insurance compensation will be separate and distinct from financial planning and asset management fees charged by HPAG.

Charles Brown III maintains his own Registered Investment Advisor, CB3 Financial Group, Inc. Mr. Brown operates this Registered Investment Advisor separately from his advisory business with HPAG.

As discussed above, HPAG recommends that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain Independent Managers. In certain circumstances HPAG's compensation is included in the advisory fee charged by such Independent Managers. HPAG will recommend these Independent Managers only if it is in the best interest of their clients.

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

HPAG employees must comply with a Code of Ethics ("Code"). The Code describes HPAG's high standard of business conduct, and fiduciary duty to its clients. The Code's key provisions include:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of client information

Compliance reviews all employee trades each quarter. These reviews ensure that personal trading does not affect the markets and that client accounts of HPAG receive preferential treatment over employee accounts.

HPAG employees must acknowledge the terms of the Code of Ethics at least annually. Any individual not in compliance with the Code of Ethics is subject to disciplinary action up to, and including, termination.

Clients and prospective clients can obtain copies of HPAG's Code of Ethics by contacting Jamie Calandriello at 630.719.9222.

HPAG and its employees may buy or sell securities identical to those recommended to clients for their personal accounts. The Code of Ethics, described above, is designed to assure that the personal securities transactions, activities, and interests of the employees of HPAG will not interfere with making decisions in the best interest of advisory clients and implementing such decisions, while at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities, primarily mutual funds, have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of HPAG clients. In addition, the Code requires pre-clearance of Initial Public Offerings and Private Placement transactions.

Because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees could benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and the Code is designed to reasonably prevent conflicts of interest between HPAG and its clients.

HPAG and its employees do not recommend to clients, or buy or sell for client accounts, securities in which they have a material financial interest.

HPAG will not effect any principal or agency cross securities transactions for client accounts. HPAG will also not cross trades between client accounts.

Participation or Interest in Client Transactions – Aggregation

HPAG and its employees trade in the same securities with client accounts on an aggregated basis when consistent with HPAG's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. HPAG will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

Item 12: Brokerage Practices

HPAG does not receive formal soft dollar benefits in connection with client securities transactions. See disclosure below regarding other economic benefits.

HPAG does not receive client referrals from broker/dealers. As discussed above, in Item 5, HPAG will generally recommend that clients establish a brokerage account with LPL to maintain custody of clients' assets and to effect trades for their accounts. LPL provides brokerage and custodial services to independent investment advisory firms, including HPAG. For HPAG's accounts custodied at LPL, LPL generally is compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL or that settle into LPL accounts. For IRA accounts, LPL generally charges account maintenance fees. In addition, LPL also charges clients miscellaneous fees and charges, such as account transfer fees.

While LPL does not participate in, or influence the formulation of, the investment advice HPAG provides, certain supervised persons of HPAG are Dually Registered Persons. Dually Registered Persons are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker-dealer or custodian that is not approved by LPL. As a result, the use of other trading platforms must be approved not only by HPAG, but also by LPL.

Clients should also be aware that for accounts where LPL serves as the custodian, HPAG is limited to offering services and investment vehicles that are approved by LPL and may be prohibited from offering services and investment vehicles that are available through other broker-dealers and custodians, some of which are more suitable for a client's portfolio than the services and investment vehicles offered through LPL.

Clients should understand that not all investment advisers recommend that clients custody their accounts and trade through specific broker-dealers.

Clients should also understand that LPL is responsible under FINRA rules for supervising certain business activities of HPAG and its Dually Registered Persons that are conducted through broker-dealers and custodians other than LPL. LPL charges a fee for its oversight of activities conducted through these other broker-dealers and custodians. This arrangement presents a conflict of interest because HPAG has a financial incentive to recommend that the client maintains his/her account with LPL rather than with another broker-dealer or custodian to avoid incurring the oversight fee.

Additional factors which HPAG considers in recommending LPL or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research, and service. LPL enables HPAG to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by LPL vary from those charged by other broker-dealers.

HPAG also participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent SEC-registered broker-dealer. TD Ameritrade offers services to independent investment advisors, including custody of securities, trade execution, clearance, and settlement of transactions. HPAG receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.)

The commissions paid by HPAG's clients shall comply with HPAG's duty to obtain "best execution." However, a client will sometimes pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where HPAG determines, 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 among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while HPAG will seek competitive rates, it does not necessarily obtain the lowest possible commission rates for client transactions.

If the client requests HPAG arrange for the execution of securities brokerage transactions for the client's account, HPAG shall direct such transactions through broker-dealers that HPAG reasonably believes will provide best execution. HPAG shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its clients in line with its duty to obtain best execution.

The client may direct HPAG in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and HPAG will not seek better execution services or prices from other broker-dealers or be able to "batch" client transactions for execution through other broker-dealers with orders for other accounts managed by HPAG (as described below). As a result, the client might pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, HPAG can decline a client's request to direct brokerage if, in HPAG's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Transactions for each client generally will be effected independently, unless HPAG decides to purchase or sell the same securities for several clients at approximately the same time. HPAG will occasionally (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among HPAG's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among HPAG's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that HPAG determines to aggregate client orders for the purchase or sale of securities, including securities in which HPAG's Advisory Affiliate(s) invest, HPAG shall do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission.

HPAG shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that HPAG determines that a prorated allocation is not appropriate under the particular circumstances, the allocation

will be made based upon other relevant factors, which may include the following practices: (i) when only a small percentage of the order is executed, shares can be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations can be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares can be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations can be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, HPAG can exclude the account(s) from the allocation; the transactions can be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares can be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions are sometimes directed to certain broker-dealers in return for investment research products and/or services which assist HPAG in its investment decision-making process. Such research generally will be used to service all of HPAG's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because HPAG does not have to produce or pay for the products or services.

Support Provided by Financial Institutions

HPAG receives the following benefits from LPL: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its registered investment advisor group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Trade Aggregation

HPAG will typically direct the custodian to aggregate trades for multiple accounts. Orders for the same security entered on behalf of more than one client can be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. If the order is filled at different prices during the day, the prices are averaged for the day so that all participating accounts receive the same price. If an order has not been filled completely so that there are not enough shares to allocate among all the clients equally, shares will be allocated in good faith, based on the following considerations: amount of cash in the account, existing asset allocation and industry exposure, risk profile, and type of security. If a partial execution is attained at the end of the trading day, HPAG will generally allocate shares on a pro rata basis but will fill small orders entirely before applying the pro rata allocation when it is in the best interest of the client. All clients participating in each aggregated order shall receive the average price and subject to minimum ticket charges, pay a pro-rata portion of commissions.

HPAG's allocation procedure seeks to be fair and equitable to all clients with no particular client(s) being favored or disfavored over any other clients.

As noted above, accounts for HPAG or its employees may be included in a block trade with client accounts.

Wrap Fee Programs

As disclosed in Item 4, clients can participate in wrap fee programs. In evaluating a wrap-fee program, a client should recognize that brokerage commissions for the execution of transactions in their account are not negotiated. Transactions are effected net (i.e. without commission), and a portion of the wrap fee is generally considered to be in lieu of commissions. Trades are generally expected to be executed only with the broker dealer with which the client has entered into the wrap fee arrangement. HPAG will not, therefore, place transactions with other broker dealers for transactions in its wrap fee programs. Best execution is evaluated on the basis of trade prices but also takes into account such factors as waived commissions, ability to execute block trades, and the number of trades executed. Broker dealers generally offer the best price for transactions in listed equity securities, but there is no

assurance that any broker dealer will continue to provide better execution than another. Additionally, transaction costs in other types of securities or in other wrap fee arrangements will vary.

In evaluating alternative wrap fee programs, the client should assess the broker dealer offering the wrap-fee arrangement with respect to price and execution of most or all transactions. The client should also consider that depending on the wrap-fee charged by the broker dealer, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the arrangement, and other factors, the wrap-fee may or may not exceed the aggregate cost of such services were they to be provided separately and if the firm were free to negotiate commissions and seek best price and execution of transactions for the client's account.

Item 13: Review of Accounts

Account Managers will monitor accounts on a continuous basis and will conduct a formal review on at least an annual basis.

Each client is assigned a primary relationship manager. The primary relationship manager has the responsibility for communicating with the client, updating changes to the client's situation and regularly reviewing the client's portfolio, including the asset allocation and the specific assets included in the account. The client review includes comparing the portfolio and current security positions with the goals and objectives as outlined by the investment policy statement, reviewing changes to the client's investment circumstances, evaluating the specific holdings, rebalancing the portfolio, and communicating the current status of the portfolio and any recommended actions to the client.

Clients' accounts are reviewed regularly; formal reviews, including contact with clients, occur at least once a year. Reviews may also be conducted if there are changes in market, political or economic conditions, tax laws, new investment information, and/or changes in a client's own situation.

At least quarterly, LPL provides clients with an account statement for each client account, which may include individual holdings, cost basis information, deposits and withdrawals, and performance. In addition, LPL provides clients with trade confirmations for each position bought and sold.

Financial Planning – Reviews and Reporting

Financial Planning and Consulting clients will be reviewed as contracted at the inception of the engagement.

Item 14: Client Referrals and Other Compensation

As disclosed under Item 12 above, HPAG and/or its Dually Registered Persons are incented to join and remain affiliated with LPL and to recommend that clients establish accounts with LPL, often through the provision of Transition Assistance. The receipt of any such compensation creates a financial incentive for the investment advisor representative to recommend LPL as custodian for the assets in a client's advisory account. We encourage clients to discuss any such conflicts of interest with their representative before deciding to custody their assets at LPL.

Benefits Received by HPAG Personnel

LPL makes available to HPAG various products and services designed to assist HPAG in managing and administering client accounts. Many of these products and services may be used to service all or a substantial number of HPAG's accounts, including accounts not held with LPL. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitate trade execution (and aggregation and allocation of trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of HPAG's fees from its clients' accounts; and assist with back-office functions; recordkeeping and client reporting.

LPL also makes available to HPAG other services intended to help HPAG manage and further develop its business. Some of these services assist HPAG to better monitor and service program accounts maintained at LPL; however, many of these services benefit only HPAG, for example, services that assist HPAG in growing its business. These support services and/or products are provided without cost, at a discount, and/or at a negotiated rate, and include practice management-related publications; consulting services; attendance at conferences and seminars, meetings, and other educational and/or social events; marketing support; and other products and services used by HPAG in furtherance of the operation and development of its investment advisory business.

Where such services are provided by a third-party vendor, LPL will either make a payment to HPAG to cover the cost of such services, reimburse HPAG for the cost associated with the services, or pay the third-party vendor directly on behalf of HPAG.

The products and services described above are provided to HPAG as part of its overall relationship with LPL. HPAG has a fiduciary duty to act in its clients' best interests; however, the receipt of these benefits creates a conflict of interest because HPAG's recommendation that clients custody their assets at LPL is based in part on the benefit to HPAG of the availability of the foregoing products and services and not solely on the nature, cost or quality of custody or brokerage services provided by LPL. HPAG's receipt of some of these benefits may be based on the amount of advisory assets custodied on the LPL platform.

Transition Assistance Benefits

LPL provides various benefits and payments to Dually Registered Persons that are new to the LPL platform to assist the representative with the costs (including foregone revenues during account transition) associated with transitioning his or her business to the LPL platform (collectively referred to as "Transition Assistance"). The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including but not necessarily limited to, providing working capital to assist in funding the Dually Registered Person's business, satisfying any outstanding debt owed to the Dually Registered Person's prior firm, offsetting account transfer fees (ACATs) payable to LPL as a result of the Dually Registered Person's clients transitioning to LPL's custodial platform, technology set-up fees, marketing and mailing costs, stationery and licensure transfer fees, moving expenses, office space expenses, staffing support, and termination fees associated with moving accounts.

The amount of the Transition Assistance payments is often significant in relation to the overall revenue earned or compensation received by the Dually Registered Person at his/her prior firm. Such payments are generally based on the size of the Dually Registered Person's business established at his/her prior firm and/or assets under custody on the LPL. Please refer to the relevant Part 2B Brochure Supplement for more information about the specific Transition Payments your representative receives.

Transition Assistance payments and other benefits are provided to associated persons of HPAG in their capacity as registered representatives of LPL. However, the receipt of Transition Assistance by such Dually Registered Persons creates conflicts of interest relating to HPAG's advisory business because it creates a financial incentive for HPAG's representatives to recommend that its clients maintain their accounts with LPL. In certain instances, the receipt of such benefits is dependent on a Dually Registered Person maintaining its clients' assets with LPL, and therefore HPAG has an incentive to recommend that clients maintain their account with LPL in order to generate such benefits.

HPAG attempts to mitigate these conflicts of interest by evaluating and recommending that clients use LPL's services based on the benefits that such services provide to our clients, rather than the Transition Assistance earned by any particular Dually Registered Person. Other factors considered by HPAG in recommending that clients maintain accounts with LPL are listed above. However, clients should be aware of this conflict and take it into consideration in deciding whether to custody their assets in a brokerage account at LPL.

HPAG and/or its Dually Registered Persons are incented to join and remain affiliated with LPL and to recommend that clients establish accounts with LPL through the provision of Transition Assistance (discussed in Item 12 above). The receipt of any such compensation creates a financial incentive for an investment advisor representative to recommend LPL as custodian for the assets in a client's advisory account. Clients are encouraged to discuss any such conflicts of interest with their representative before making a decision to custody their assets at LPL.

HPAG participates in TD Ameritrade's institutional customer program and HPAG recommends TD Ameritrade to certain clients for custody and brokerage services. There is no direct link between HPAG's participation in the program and the investment advice it gives to its clients, although HPAG receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits 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 HPAG 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; and discounts on compliance, marketing, research, technology, and practice management products or services provided to HPAG by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by HPAG's related persons. Some of the products and services made available by TD Ameritrade through the program benefit HPAG but may not benefit its client accounts. These products or services assist HPAG in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help HPAG manage and further develop its business enterprise. The benefits received by HPAG or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, HPAG endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by HPAG or its related persons in and of itself creates a potential conflict of interest and could indirectly influence HPAG's choice of TD Ameritrade for custody and brokerage services.

HPAG's receipt of additional services does not diminish its duty to act in the best interests of its clients, including seeking best execution of trades for client accounts.

Compensation – Client Referrals

HPAG can enter into written arrangements to pay cash referral fees to individuals or companies (solicitors) who refer prospective clients to the Firm. In these cases, there will be a written agreement between HPAG and the solicitors, which clearly defines the duties and responsibilities of the solicitor under this arrangement. In addition, each solicitor is required to provide a written disclosure document, which explains to the prospective client the terms under which the solicitor is working with HPAG and the fact that the solicitor is being compensated for the referral activities. The solicitor is also required to furnish a copy of HPAG's written disclosure document to the prospective client and obtain a written acknowledgement from the client that both the solicitor's and HPAG's disclosure documents have been received.

Item 15: Custody

Clients typically authorize HPAG (in the client agreement) to debit fees directly from the client's account at the Custodian(s). The Custodian(s) is/are advised in writing of the limitation of HPAG access to the account. The Custodian(s) sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to HPAG.

As described above and in Item 13, clients receive at least quarterly statements from the Custodian(s) that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to reports provided by HPAG. HPAG reports vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

HPAG has accepted limited power of attorney to act on a discretionary basis on behalf of most of its clients. A limited power of attorney allows HPAG to execute trades on behalf of clients.

When such limited powers exist between HPAG and the client, HPAG has the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client account

objectives. Additionally, HPAG can accept any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to HPAG in writing.

If HPAG has not been given discretionary authority, HPAG will consult with the client prior to each trade.

Item 17: Voting Client Securities

HPAG does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for securities maintained in their portfolios; clients receive these proxies directly from either LPL or transfer agents.

If requested, HPAG may provide advice to clients regarding proxy votes. If any conflict of interest exists, it will be disclosed to the client. Clients may contact Jamie Calandriello at 630.719.9222 for information about proxy voting.

Item 18: Financial Information

HPAG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

HPAG does not require prepayment of fees of both more than \$1,200 per client, and more than six months in advance and therefore is not required to provide a balance sheet to clients.