



ITEM 1: COVER PAGE

Part 2A of Form ADV: Firm Brochure
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October 31, 2024

This brochure provides information about the qualifications and business practices of Holistic Wealth Advisors (“HWA”). If you have any questions about the contents of this brochure, please contact HWA at (518) 357-3858. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Holistic Wealth Advisors is also available on the SEC’s website at www.adviserinfo.sec.gov.

Holistic Wealth Advisors is registered with the U.S. Securities and Exchange Commission. Note, however, that such registration does not imply a certain level of skill or training. The oral and written communications we provide to you (including this brochure) are information you use to evaluate us (and other advisers), and thus are a factor in your decision to hire us or to continue to maintain a mutually beneficial relationship.

ITEM 2: MATERIAL CHANGES

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Program Brochure.

Clients wishing to receive a complete copy of this brochure may download it from the SEC website as indicated on page 1 of this brochure or contact our Chief Compliance Officer at 518-357-3858.

This section describes the material changes to HWA's brochure since its last amendment.

This is HWA's initial ADV filing. As such there are no material changes.

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Introduction

Holistic Wealth Advisors, LLC (“HWA”) is an SEC registered investment adviser. HWA is a limited liability company formed under the laws of the State of New York in 2024. The sole member of HWA is the managing member Stacy Clifford.

As of October 25, 2024, HWA had approximately \$0 in assets under management on a discretionary basis and approximately \$0 in assets under management on a non-discretionary basis.

Types of Advisory Services

HWA offers various types of advisory services and programs, including but not limited to: advisor-managed wrap and non-wrap programs, asset allocation programs, advisory programs offered by third party investment advisor (“TPIA”) firms, and financial planning services. Not all services are available to all clients, through all advisers, or in all states. In order to hire HWA to provide investment management services, a client will be required to enter into a written advisory agreement with HWA setting forth the terms and conditions, including the amount of investment advisory fees, under which HWA will manage the client’s assets. The client will also be required to enter into a separate brokerage account application with LPL Financial and/or Asset Mark Trust Company.

HWA provides accounts through LPL Financial (“LPL”), Charles Schwab (“Schwab”) and Asset Mark Trust Company (“AM”) who act as custodians for client accounts.

Accounts at the custodians listed above may also be available under a wrap fee program. Please see the separate HWA Wrap Fee Brochure for further information. There is no significant difference between the way IARs manage wrap fee account and non-wrap fee accounts. However, if a client determines to engage HWA on a wrap fee basis, the client will pay a single fee for investment management and transaction fees. The services included in a wrap fee agreement will depend upon client needs. If the client determines to engage HWA on a non-wrap fee basis, the client will select services on an unbundled basis, paying for each service separately. Note: when managing a client’s account on a wrap fee basis, HWA will receive, as payment for its investment advisory services, the balance of the wrap fee after all other costs incorporated into the wrap fee have been deducted. Inasmuch as the execution costs for transactions effected in the client account will be paid by the IAR, a conflict of interest exists in that the IAR may have a disincentive to trade securities in the client account. In addition, the amount of compensation received by HWA as a result of the client’s participation in the wrap program may be more than what HWA would receive if the client paid separately for investment management and transaction fees.

HWA also offers customized individually managed portfolios or management based on model accounts. IARs will determine and present to clients an asset allocation specific to the client based upon a client’s individual investment goals, objectives, risk tolerance, and investment time horizon.

Strategic Wealth Management (SWM)

HWA, through its IARs provides ongoing investment advice and management for assets in the client’s Strategic Wealth Management account custodied at LPL Financial. SWM is the name of the asset management account custodied through LPL to support investment advisory services provided by HWA, to its clients. More specific account information and acknowledgements are further detailed in the account agreement.

In the SWM account, IARs provide advice on the purchase and sale of various types of investments, such as mutual funds, exchange-traded funds (“ETFs”), real estate investment trusts (“REITs”), equities, and fixed income securities. The advice is tailored to the individual needs of the client based on the investment objective chosen by the client, in order to help assist clients in attempting to meet their financial goals. Accounts are reviewed on a regular basis and rebalanced as necessary according to each client’s investment profile.

Model Wealth Portfolios Program (MWP)

MWP offers clients a professionally managed mutual fund asset allocation program. HWA 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. HWA 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.

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

MWP	2.65%
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The MWP account fee consists of an LPL program fee, a strategist fee (if applicable) and an advisor fee of up to 2.00%. See the MWP program brochure for more information.

Asset Mark Platform

AssetMark, Inc. (“AssetMark”) is the sponsor of the AssetMark Platform (“Platform”) through which it offers its advisory and Platform services to Clients (the “Client”). Representatives of third-party investment adviser firms (these firms are referred to in this brochure as “Financial Advisory Firms” and their representatives are referred to as the “Financial Advisors”), consult with Clients to assess their financial situation and identify their investment objectives in order to implement investment solutions designed to meet the Client’s financial needs.

AssetMark is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) since 1999 providing various investment advisory and consulting services to other advisors and investment Clients. AssetMark and AssetMark Trust Company (“AssetMark Trust”) are wholly owned subsidiaries of AssetMark Financial Holdings, Inc.

To participate in the Platform, AssetMark, the Client and the Financial Advisor will enter into an Investment Management Services Agreement (“IMSA”) that outlines the responsibilities of AssetMark and the Financial Advisor, as well as the Client’s responsibilities, authorizations, and acknowledgements as the Client. The IMSA also outlines the fees and compensation payable by the Client and other important provisions governing participation in the Platform.

Financial Advisory Firms enter into an agreement with AssetMark to implement the Platform for their Clients. As part of its services, AssetMark provides account administration, custody, brokerage, and advisory services and is therefore considered a “wrap program.” AssetMark has developed internet-based software which provides the Financial Advisory Firm with the ability to directly monitor its Client Accounts, download information concerning changes in the Platform, and access current information relating to the Platform.

Advisor-Managed, Non-Wrap Accounts

For HWA’s advisor-managed, non-wrap accounts, the client pays a management fee to HWA and ticket or transaction charges on each transaction executed in the account. The exception is that there may be a select listing of securities (typically reserved to mutual funds) for which no transaction fees will be assessed. However, the security may be subject to a holding period to avoid early liquidation fees. For securities with holding periods, clients are not prevented from liquidating during the holding periods, however, there is a fee associated with liquidations during the holding period.

The IAR will determine and present to clients an asset allocation specific to the client based upon a client’s individual investment goals, objectives, risk tolerance, and investment time horizon. Clients may have a customized individually managed portfolio managed by the IAR or participate in various model portfolios designed by IAR(s) consistent with the client’s stated investment objective. A model portfolio will be managed similar to other clients utilizing the model. There are no guarantees a portfolio based on a model will ensure positive results. Past performance is no guarantee of future results. In either case, the IAR provides ongoing advice on the selection or replacement of a portfolio based on the client’s individual needs. The IAR may choose more than one portfolio to be managed for the client’s account.

The IAR provides asset management services on an ongoing basis based on the individual needs of the client. Management will be on an active basis. HWA and its IARs will actively monitor the assets in the account and make changes the IAR deems appropriate in light of the circumstances in the market.

Non-wrap accounts are custodied at LP or Schwab. HWA does not take custody except under two conditions which are considered by the SEC to be custody because of our authority and ability to transfer funds.

1. HWA is deemed to have custody because of our ability to deduct our fees from your account. You will receive a statement at least quarterly from the account custodian showing the deduction of our fees from your account. Authorization to deduct our fees from your account is given in the agreement executed between HWA and the client.
2. HWA is deemed to have custody if you establish a standing letter of authorization to direct us to transfer funds or securities from your account to a specified third party and you give us the authorization to change the timing and or the amount of the transfer. HWA does not have the ability to change the third party without your written authorization.

Clients’ portfolios may consist of stocks, bonds, Exchange Traded Funds (“ETFs”)/Exchange Traded Notes (“ETNs”), no-load and/or load mutual funds and cash or cash equivalents, or other securities deemed appropriate and suitable to the client by HWA.

Clients are advised that transactions in the account, account reallocations and rebalancing may trigger a taxable event for the client, with the exception of transactions in IRA accounts, 403(b) accounts and other qualified retirement accounts. HWA does not offer tax advice, and clients are urged to consult with their tax

advisers.

A minimum account value of \$10,000 is required for advisor-managed, non-wrap accounts; however, in certain instances, the minimum account size may be lower.

Advising on Held-Away Assets

When requested by the client, IARs of HWA can provide non-discretionary investment management and periodic monitoring with respect to certain accounts (primarily 401(k) participant accounts, health-savings accounts and other assets identified by the client) held with custodians other than those referenced in Item 12.

Financial Planning Services

As part of its financial planning services, HWA (through its IARs) provides personal financial planning tailored to the individual needs of the client. The services described below may not be available through all IARs. HWA offers Financial Planning Services under the following structures:

Financial Plans for a Flat Fee

With this structure, the engagement terminates upon delivery of the financial plan. HWA offers various types and levels of financial planning. The level and type of services will vary among IARs and will depend on the needs of the client.

Subscription Financial Planning Services

Clients seeking to receive ongoing financial planning advice may choose to pay a recurring subscription fee for such services. Recurring fees are negotiated between the IAR and the client and reflect the service(s) provided.

Hourly Consulting Services

HWA, through its IARs, provides consulting services on an hourly basis. The IAR tailors the hourly consulting services to the individual needs of the client, and the engagement terminates upon final consultation with the client.

The Employer Sponsored Account Recommendations (“ESAR”) Service

IARs may also provide financial planning advice to plan participants regarding their retirement plans under all financial planning service structures. IARs may provide advice for qualified plan participants. They will provide specific recommendations to clients if they are not being provided under a separate HWA program. With this service, an IAR may provide clients with specific investment recommendations for their retirement plan assets that are not managed by an HWA IAR. It is up to the client to decide whether or not to implement the recommendations made by the IAR. The IAR may provide these services for free, or charge either a flat fee or an hourly fee.

When providing ESAR services through a one-time engagement (free, flat fee or hourly fee structure) services are not provided on a regular or ongoing basis. The IAR will not be deemed to be a fiduciary under the Employee Retirement Income Security Act of 1974 (“ERISA”) with respect to the participant’s plan assets. To maintain the non-fiduciary status under ERISA, the program limits the number of engagements

with any client to one per calendar year.

The following information applies to all Financial Planning services offered by HWA:

HWA and the IAR do not have any discretionary investment authority when offering financial planning services. The IAR makes recommendations as to general types of investment products or securities that may be appropriate for the client to consider and may also provide recommendations regarding specific investments or securities.

Planning and consulting services are based on the client's financial situation at the time and are based on financial information disclosed by the client to HWA. Clients are advised plans may contain certain assumptions that may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. HWA cannot offer any guarantees or promises that the client's financial goals and objectives will be met. Further, clients must continue to review any plan or analysis and update the plan based upon changes in the client's financial situation, goals, or objectives, or any changes in the economy. Should a client's financial situation or investment goals or objectives change, the client must notify HWA promptly.

Clients are advised that fees for financial planning and/or consulting services are strictly for the planning and/or consulting services. Therefore, clients may pay fees and/or commissions for additional services obtained (e.g., asset management) or products purchased (e.g., securities or insurance).

Financial Planning Services may include, but not be limited to, the following examples of services:

- Retirement Planning
- General, Segmented and Comprehensive Financial Planning
- Educational Planning
- Cash Flow Analysis
- Estate Planning
- Budget Planning
- Tax Planning
- Insurance Needs Analysis
- Business Continuity, Succession and Exit Planning
- Asset Allocation Services
- Sports and Entertainment Management
- Executive Planning
- Corporate Benefit Consulting
- Other planning and consulting services as requested by the client and agreed to by the IAR

HWA will gather financial information and history from clients, which may include, among other things, retirement and financial goals, risk tolerance, investment horizon, financial needs, cost of living needs, education needs, savings tendencies, and other applicable financial information required by HWA in order to provide the investment advisory services requested.

As stated above, the level and type of services will depend upon the needs of the client. Depending on the services requested, clients may receive a written analysis, summary or plan. One or more meetings may be necessary with the client and may involve other professionals, as invited and agreed to by the client (e.g., attorneys and/or certified public accountants). The financial plan may be constructed or prepared by an HWA party other than the IAR.

Conflicts of Interest for Financial Planning and Consulting Services

Under all Financial Planning programs offered by HWA, IARs have a conflict of interest to recommend their own services for asset management and/or insurance. Clients are under no obligation to use HWA or the IAR for the services, or to take action as recommended by the IAR.

Third Party Investment Adviser (“TPIA”) Account Management Services

HWA may enter or has entered into agreements with various third-party advisers. Under these agreements, HWA offers clients various types of programs sponsored by these advisers. All third-party investment advisers to whom HWA will refer clients will be licensed as investment advisers by their resident state and any applicable jurisdictions or registered investment advisers with the Securities and Exchange Commission.

After gathering information about a client's financial situation and investment objectives, HWA will assist the client in selecting a particular third-party program. HWA receives compensation pursuant to its agreements with these third-party advisers for introducing clients to these third-party advisers and for certain ongoing services provided to clients.

This compensation is disclosed to the client in a separate disclosure document and is typically equal to a percentage of the investment advisory fee charged by that third-party adviser or a fixed fee. The disclosure document provided by HWA will clearly state the fees payable to HWA and the impact to the overall fees due to these payments.

Since compensation HWA receives may differ depending on the agreement with each third-party adviser, HWA may have an incentive to recommend one third-party advisers over another if the compensation arrangements are more favorable. Since the independent third-party adviser may pay the fee for the investment advisory services of HWA, the fee paid to HWA is not negotiable, under most circumstances.

Fees paid by clients to independent third parties are established and payable in accordance with the Form ADV Part II or other equivalent disclosure document of each independent third-party adviser to whom HWA refers its clients, and may or may not be negotiable, as disclosed in the disclosure documents of the third-party adviser.

Clients who are referred to third-party investment advisers will receive full disclosure, including services rendered and fee schedules, at the time of the referral, by delivery of a copy of the relevant third-party adviser's Form ADV Part II or equivalent disclosure document at the same time as the Form ADV Part II or equivalent disclosure document of HWA.

In addition, if the investment program recommended to a client is a wrap fee program the client will also receive the Schedule H or equivalent wrap fee brochure provided by the sponsor of the program. HWA will provide to each client all appropriate disclosure statements, including disclosure of solicitation fees, if any, to HWA and its advisory associates.

HWA may also recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) either directly or through a wrap fee program (“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 the client and HWA and the client and the Independent Manager(s) and/or wrap fee program sponsor. HWA shall continue to render advisory services relative to the ongoing monitoring and review of account performance, for which HWA 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).

Factors that HWA shall consider in recommending 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, may be exclusive of, and in addition to HWA's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by HWA, the designated Independent Manager(s), wrap fee program sponsor (if applicable), and corresponding broker-dealer/custodian.

In addition to HWA's written disclosure statement, the client shall also receive the written disclosure statement of the designated Independent Manager(s) and wrap fee program sponsor (if applicable). Certain Independent Manager(s) may impose more restrictive account requirements and varying billing practices than HWA. In such instances, HWA may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Manager(s) or wrap fee program sponsor.

Insurance Consulting Services

Some of HWA's advisors are insurance licensed and have a relationship with a General Agent. Advisors may offer insurance products and services for which commissions will be paid. Advisors may be licensed with various insurance companies. HWA and its advisors have a conflict of interest when recommending that clients purchase insurance products, as commissions may be earned in addition to fees for investment advisory services. Clients are not obligated to purchase insurance products through HWA or its advisors. Some advisors may spend significantly more or less time offering insurance products and services. The principal business of HWA is not to offer insurance products and services. Less than 10% of HWA's resources are dedicated to insurance business.

ITEM 5: Fees and Compensation

The advisory fees payable upon initial implementation are collected directly from the account (provided the client has given HWA written authorization for HWA to deduct the fees directly from the account). Advisory fees for all subsequent periods will be collected directly from the account, provided authorization was obtained. Clients will be provided with an account statement reflecting the deduction of the advisory fee. If the account does not contain sufficient funds to pay advisory fees, HWA has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. The client may reimburse the account for advisory fees paid to HWA, except for ERISA and IRA accounts.

Fees are negotiable and are not based on a share of capital gains/losses upon or capital appreciation/depreciation of the funds or any portion of the funds.

Additionally, in limited cases, the client's managed accounts may be aggregated together to determine a fee breakpoint. Therefore, clients with multiple managed accounts will be charged a fee considering the account values in total. In these cases, and when available, it is a benefit to the client to have an IAR that aggregates accounts. Alternatively, some IARs may charge a corresponding fee based on each account size. Therefore, clients with multiple accounts may pay a different fee depending on the account size.

The maximum annual advisory fee is **1.50%** for advisor-managed non-wrap accounts.

In limited cases, HWA may apply a flat fee to provide asset management services. The maximum flat fee will be no more than 1.50% of the assets under management. Details regarding billing can be found in

the client agreement for the applicable accounts. Clients should understand that this may create a conflict of interest, as HWA's and the IAR's compensation does not increase or decrease along with the client's account value.

Advisory fees will be charged in advance on a calendar quarter basis. Fees will be calculated based upon the average daily value of the portfolio from the prior calendar quarter. Advisory fees for accounts opened on a day other than the first day of the calendar quarterly period or closed on a day other than the last business day of the calendar quarterly period will be prorated based on the number of days in the quarter.

The initial fee for accounts established during a calendar quarter will be billed to the account in advance from the date of the initial deposit to the calendar quarter end based on the value of the initial deposit.

Clients have the option of purchasing many of the securities and investment products made available through HWA through another broker-dealer or investment adviser. However, when purchasing these securities and investment products away from HWA, clients will not receive the benefit of the advice and other services HWA provides.

Partial withdrawals or additional deposits may result in a prorated refund or credit of fees to the client's account(s). Fee adjustments for partial withdrawals and additional deposits may be calculated in arrears on the next quarterly period billing cycle. Fee adjustments will be calculated based on the value at the time of the additional deposit or partial withdrawal.

Transaction Charges:

In addition to the advisory fees above, clients with non-wrap fee accounts will pay a transaction charge for each transaction. Transaction charges are not assessed by HWA and HWA does not share in the transaction charges. The transaction charges are assessed by the broker-dealer executing the transaction and may be changed at any time by the broker-dealer. The following list of fees or expenses are what clients pay directly to third parties, whether a security is being purchased, sold or held in an account(s) under HWA management. Fees are charged by the broker-dealer/custodian.

HWA does not receive, directly or indirectly any of these fees charged to the client. They are paid to the broker, custodian or the mutual fund or other investment that is held. The fees include, among others:

- Accounts holding Alternative Investments will be charged an annual custodial fee per position per account per year
- Brokerage commissions
- Transaction fees
- Exchange fees
- SEC fees
- Advisory fees and administrative fees charged by mutual funds/ETFs
- Advisory fees charged by subadvisors (if any are used for your account)
- Custodial fees
- Trade-away fees
- Deferred sales charges (on mutual funds or annuities)
- Odd-Lot differentials
- Transfer taxes
- Wire transfer and electronic fund processing fees
- Commissions or mark-ups/mark-downs on security transactions

Ticket Charges

There are conflicts of interest to consider in connection with the selection of mutual funds and a specific transaction cost commonly known as ticket charge associated with each mutual fund transaction.

As background, custodians often make available mutual funds that offer various classes of shares. Some share classes of a fund charge higher internal expenses, whereas other share classes of a fund charge lower internal expenses. Institutional and advisory share classes (collectively, “institutional shares” or “institutional share classes”) typically have lower expense ratios and are less costly for a client to hold than Class A shares or other share classes that are eligible for purchase in an advisory account. In some instances, a mutual fund offers only Class A shares, but another similar mutual fund may be available that offers institutional shares.

Whether a mutual fund or a specific share class of a mutual fund incurs a ticket charge often depends on whether the mutual fund or the mutual fund share class has 12b-1 fees (fees paid by the mutual fund to distributors of the funds to cover the cost of distribution and/or shareholder services). For instance, where a mutual fund or mutual fund share class has 12b-1 fees can correlate with no ticket charge. Additional fees that could have an impact on whether a mutual fund or mutual fund share class has a ticket charge or not also include recordkeeping fees to the custodian. Mutual funds and mutual fund share classes with no ticket fees (which can be described as NTF shares) usually have higher fees and expense ratios, and the associated costs would be incurred by the client. Mutual funds and mutual fund shares with ticket fees usually have lower fees and expenses, which would lessen the associated fees and expense costs on the client.

HWA has a policy that IARs recommend the lower cost share class reasonably available at the time through the custodian where a client account is located. Furthermore, HWA conducts surveillance to test this policy and maintains a process to reasonably conduct conversions to the lower cost share class, where applicable and possible depending on availability with an individual custodian.

We strongly encourage clients to discuss with their IAR whether lower cost share classes are available with a particular custodian or a particular managed account program; why the particular funds or other investments that will be purchased or held in your account are appropriate in consideration of their expected holding period, investment objective, risk tolerance, time horizon, financial condition, amount invested, trading frequency, the amount of the advisory fee charged; and whether clients will pay higher internal fund expenses in lieu of transaction charges that could adversely affect long-term performance; and relevant tax considerations.

Clients using non-wrap fee accounts pay a fee to HWA plus transaction charges. Typically, this option may be more economical for those managed accounts where there is less trading or where mutual funds with no transaction fees will be primarily utilized in the management of the portfolio.

HWA may, on occasion, aggregate trades for clients and provide clients an average execution price. The fixed transaction costs charged by the broker-dealer for these aggregated trades will be assessed on an individual pro-rated basis.

Client Investment Management Agreement Termination

Clients may terminate, with written notice to HWA, investment advisory services within five (5) business days after entering into the advisory agreement, without penalty or obligation and for a full refund of any prepaid fees. After five (5) business days of entering into an advisory agreement, client will be entitled to a prorated refund of any prepaid quarterly advisory fee based upon the number of days remaining in the quarter after the termination date.

Fees for Held-Away Assets

IARs may provide discretionary investment management services for accounts including 401(k) participant accounts, health-savings accounts and other assets identified by the client held with custodians other than those referenced in Item 12. The fee will be assessed and billed quarterly based on the account value at the end of the quarter. Fees will be debited from a taxable account as authorized by the client. If the client does not have a taxable account, then the fees will be billed directly to the client. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the number of days remaining in the billing period. An account may be terminated with written notice.

When requested by the client, IARs of HWA can provide non-discretionary investment management and periodic monitoring with respect to certain accounts (primarily 401(k) participant accounts, health-savings accounts and other assets identified by the client) held with custodians other than those referenced in Item 12.

Financial Planning and Hourly Consulting Services

Financial Planning/Consulting Fees may be separate from advisory fees discussed elsewhere. Financial Planning/Consulting Fees are negotiable. Each IAR will negotiate a financial planning/consulting fee with the client and quote a fee prior to any services being rendered. IARs may charge based on a flat or hourly fee. The fee will be based on several factors including but not limited to: the services requested by the client; the complexity of the client's situation; the number of meetings required to complete the requested services; the number of parties and/or other professionals involved; the areas of review and analysis; the staff resources, travel, time and research needed; and the savings to the client as a result of the services. Fees may be different from one IAR to another.

Fees may be paid upon execution of the agreement with HWA or at the end of the engagement. In addition, HWA retains the ability to negotiate an installment payment schedule with the client; however, HWA does not allow for more than six installment payments.

Hourly fees will typically range up to \$500 per hour; however, HWA may permit a higher hourly fee in certain situations. Typically, clients will be provided an estimate of the amount of time needed for the services. No deposit is required at the time of engagement. HWA does not require or solicit prepayment six months or more in advance.

IARs who provide Subscription Financial Planning Services, may charge based on a fixed or tiered fee on a monthly or quarterly basis. IARs may also charge an onboarding fee for new clients entering subscription financial planning services.

Clients may terminate, with written notice to HWA, planning and/or consulting advisory services within five business days after entering into the advisory agreement, without penalty or obligation and for a full refund of any prepaid fees. After five business days of entering into the financial planning advisory agreement, clients may terminate upon HWA's receipt of a client's written notice to terminate. If fees have been prepaid and a financial planning engagement is terminated prior to completion, the client will be entitled to a refund of unearned fees. After completion and presentation of the services no refunds will be issued.

HWA accepts payment for financial planning advisory services by check.

Third Party Investment Advisers

For TPIAs, clients pay an advisory fee as set out in the client agreement with the TPIA sponsor. The fee is typically negotiated among the TPIA sponsor, the IAR and the client. Fees may be different from one IAR to another. Further, fees are not commensurate with education or experience. The TPIA sponsor may establish a fee schedule or set a minimum or maximum fee. The TPIA fee schedule will be set out in the disclosure brochure provided by the TPIA sponsor. The advisory fee typically is based on the value of assets under management as valued by the custodian of the assets for the account and will vary by program. The advisory fee typically will be deducted from the account by the custodian and paid quarterly in arrears or in advance. The advisory fee is often paid to the TPIA sponsor, who in turn pays a portion to HWA. HWA and the IAR share such portion of the advisory fee. A TPIA account may be terminated by a party pursuant to the terms outlined in the TPIA client agreement. The TPIA client agreement will explain how clients can obtain a refund of any pre-paid fee if the agreement is terminated before the end of a billing period.

The maximum total fee is 3.00%, with 1.50% being the maximum for the HWA advisory fee and the balance reserved for the TPIA fee.

There are other fees and charges imposed by third parties that may apply to investments in TPIA accounts. Some of these fees and charges are described below. The client may be charged commissions, markups, markdowns, or transaction charges by the broker-dealer who executes transactions in the TPIA account. There may be custodial related fees imposed by the custodian of assets for the program account. These additional fees and charges will be set out in the TPIA brochure and the agreements executed by the client at the time the account is opened.

If assets are invested in mutual funds, ETFs or other pooled funds, there are two layers of advisory fees and expenses for those assets. The client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. The client will also pay the TPIA advisory fee with respect to those assets. The mutual funds and ETFs available in the programs often may be purchased directly. Therefore, clients could avoid the second layer of fees by not using the advisory services of the TPIA and IAR and by making their own decisions regarding the investment.

A mutual fund in a TPIA program account may pay an asset-based sales charge or service fee (e.g., a 12b-1 fee) that is paid to the broker-dealer on the account. HWA and IARs are not paid these fees for TPIA program accounts.

If the client transfers into a TPIA account a previously purchased mutual fund, and there is an applicable contingent deferred sales charge on the fund, the client will pay that charge when the mutual fund is sold. If the account is invested in a mutual fund that charges a fee if a redemption is made within a specific time period after the investment, the client will be charged a redemption fee. If a mutual fund has a frequent trading policy, the policy can limit a client's transactions in shares of the fund (e.g., for rebalancing, liquidations, deposits, or tax harvesting).

If the client holds a variable annuity that is managed as part of a TPIA account, there are mortality, expense and administrative charges, fees for additional riders on the contract, and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor. If the client holds a Unit Investment Trust ("UIT") in a program account, UIT sponsors charge creation and development fees or similar fees. Further

information regarding fees assessed by a mutual fund, variable annuity or UIT is available in the appropriate prospectus, which clients should request from their IAR.

If the TPIA program is a wrap fee program, clients should understand that the wrap fee may cost the client more than purchasing the program services separately (e.g., paying fees for the advisory services of the TPIA and IAR, plus commissions for each transaction in the account). Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the:

- Type and size of the account;
- Types of securities in the account;
- Historical and/or expected size or number of trades for the account; and
- Number and range of supplementary advisory and client-related services provided to the client.

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

ITEM 6: Performance Based Fees and Side-By-Side Management

HWA does not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (performance-based fees). Our advisory fee compensation is charged only as disclosed above. HWA does not engage in Side-By-Side Management.

ITEM 7: Types of Clients

HWA provides services to a variety of clients:

- Individuals
- Trusts, estates and charitable organizations
- Corporations or other business entities
- Governmental plans, municipalities
- Not for profit entities
- Bank or thrift institutions
- Retirement plans

A minimum account value of \$10,000 is required for advisor-managed, non-wrap accounts; however, in certain instances, the minimum account size may be lower.

Please see Item 4 for account minimums for other account types on Fidelity and Schwab platforms.

HWA does not require a minimum asset amount for financial planning or hourly consulting.

For TPIAs, the TPIA sponsor typically establishes a minimum account value, which will be set out in the

account opening documents with the TPIA sponsor.

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

Affiliated and unaffiliated service providers may develop asset allocation models. The IAR may also develop asset allocation models or use others from outside independent sources. Each IAR develops their own methods of analysis, sources of information, and investment strategies. As such, recommendations by IARs and individual investment portfolios will differ.

A variety of methods and strategies may be utilized when formulating investment advice and managing client assets, methods of analysis may include, but are not limited to:

- Charting Analysis involves the use of patterns in performance charts to identify current trends and trend reversals to forecast the direction of prices;
- Fundamental Analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages; and
- Technical Analysis involves the analysis of past market data (primarily price and volume).

There are certain risks associated with each of these methods of analysis:

Charting Analysis: Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of charting analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Fundamental Analysis: Fundamental Analysis does not attempt to anticipate market movements. This represents 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 security.

Technical Analysis: The risk of the analysis using mathematical and statistical modeling is that they may not accurately predict future investment patterns. Day to day changes in the market prices of investments may follow random patterns and may not be predictable with any reliable degree of accuracy. The risk of analysis using more subjective criteria is that the information obtained to make the analysis may be inaccurate and skew the analysis. In addition, measuring (or weighting) the criteria will likely be inconsistent from one analysis to another and could adversely affect the investment decisions.

Clients' portfolios may consist of stocks, bonds, ETFs/ETNs, no-load and/or load mutual funds and cash or cash equivalents, or other securities deemed appropriate and suitable to the client by HWA.

Clients are advised that transactions in the account, account reallocations and rebalancing may trigger a taxable event for the client, with the exception of transactions in IRA accounts, 403(b) accounts and other qualified retirement accounts. HWA does not offer tax advice and clients are urged to consult with their tax advisers.

Risk of Loss:

Securities markets fluctuate substantially over time. All investments in securities include a risk of loss of money invested (principal) and any unrealized profits (i.e., profits in the account that have not been liquidated, sometimes called “paper profits”). In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets HWA manages that may be out of our control. We cannot guarantee any level of performance or that you will not experience a loss of your account assets. HWA does not represent, warrant or imply that the services or methods of analysis used by HWA can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to major market corrections or crashes. No guarantees can be offered that client’s goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by HWA will provide a better return than other investment strategies.

Varied fluctuations in the price of investments are a normal characteristic of securities markets due to a variety of influences. Managed account programs should be considered a long-term investment and thus long-term performance and performance consistency are the major goals.

The IAR has access to various research reports and model portfolios which they can refer to in determining the investment advice provided to clients. The IAR chooses his/her own research methods, investment styles and management philosophy. It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable, and each has a risk of loss.

Types of Investments and Risks

HWA and IARs can recommend many different types of securities, including mutual funds, unit investment trusts (“UITs”), closed end funds, Exchange-Traded Funds/Exchange-Traded Notes (“ETFs/ETNs”), variable annuity subaccounts, equities, fixed income securities, options, hedge funds, managed futures, and structured products. Investing in securities involves the risk of loss that clients should be prepared to bear. Described below are some particular risks associated with some types of investments available in the program.

- ***Alternative Strategy Mutual Funds or ETFs.*** Certain mutual funds and ETFs invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes, and potential illiquidity. There are special risks associated with mutual funds and ETFs that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund’s concentration in the real estate industry.
- ***Closed-End Funds.*** Clients should be aware that closed-end funds are not readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at net asset value on a periodic basis. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds.

- **ETFs.** ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the “spread.” The spread varies over time based on the ETF’s trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity, and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company.
- **ETNs.** An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets (e.g., commodity futures, foreign currency, equities). ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. The repayment of the principal, the interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer’s ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer’s credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country, and may therefore carry specific risks.
- **Leveraged and Inverse ETFs, ETNs and Mutual Funds.** Leveraged ETFs, ETNs and mutual funds, sometimes labeled “ultra” or “2x”, are designed to provide a multiple of the underlying index’s return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from, and can be riskier than, traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally correspond to the underlying index, they may not be able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re-setting of returns within the product may add to the underlying costs and increase the tracking error. As a result, this may prevent these products from achieving their investment objective. In addition, the compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored (as frequently as daily) and are generally not appropriate as an intermediate- or long-term holding. To accomplish their objectives, these products use a range of strategies, including Swaps, futures contracts and other derivatives. These products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds.

- **Options.** Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Client should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. When this occurs, the security may be called away and the program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.
- **Structured Products.** Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, while others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.
- **High-Yield Debt.** High-yield debt is issued by companies or municipalities that do not qualify for "investment grade" ratings by one or more rating agencies. The below investment grade designation is based on the rating agency's opinion that an issuer has a greater risk to repay both principal and interest and a greater risk of default than those issuers rated investment grade. High yield debt carries greater risk than investment grade debt. There is the risk that the potential deterioration of an issuer's financial health and subsequent downgrade in its rating will result in a decline in market value or default. Because of the potential inability of an issuer to make interest and principal payments, an investor may receive less than originally invested. There is also the risk that the bond's market value will decline as interest rates rise, and that an investor will not be able to liquidate a bond before maturity.
- **Hedge Funds and Managed Futures.** Hedge and managed futures funds may be purchased by clients meeting certain qualification standards. Investing in these funds involves additional risks including, but not limited to, the risk of investment loss due to the use of leveraging and other speculative investment practices and the lack of liquidity and performance volatility. In addition, these funds are not

required to provide periodic pricing or valuation information to investors and may involve complex tax structures and delays in distributing important tax information. The client should be aware that these funds are not liquid, as there is no secondary trading market available. At the absolute discretion of the issuer of the fund, there may be certain repurchase offers made from time to time. However, there is no guarantee that the client will be able to redeem the fund during the repurchase offer.

- **Variable Annuities.** If the client purchases a variable annuity that is part of the program, the client will receive a prospectus and should rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. The client should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts.

ITEM 9: Disciplinary Information

HWA is obligated to disclose any legal or disciplinary events that would be material to clients, or potential clients, when evaluating HWA or the integrity of its management team. HWA does not have information to disclose that is applicable to this item.

ITEM 10: Other Financial Industry Activities and Affiliations

HWA is wholly owned by Stacy Clifford.

Certain IARs of HWA are also associated with LPL Financial as broker-dealer registered representatives (“Dually Registered Persons”). In their capacity as registered representatives of LPL Financial, certain Dually Registered Persons may earn commissions for the sale of securities or investment products that they recommend for brokerage clients. They do not earn commissions on the sale of securities or investment products recommended or purchased in advisory accounts through HWA.

Certain IARs may also be dually registered as IARs of other investment advisers not affiliated with HWA. The potential for receipt of fees and other compensation gives IARs an incentive to recommend an advisory relationship based on the compensation received rather than on the client’s needs or best interests.

IARs are generally independent contractors of HWA, and the experience, level of education, level and/or sophistication of services, and fees will vary. Fees may not be commensurate with education and/or experience. However, the fees clients will pay for advisory services will not exceed the fee schedules set forth in this brochure. Further, clients are advised that they may pay more or less for similar services received by another client serviced by another IAR.

IARs may offer insurance products and services for which commissions will be paid. IARs and other related persons of HWA (defined as any advisory affiliate and any person that is under common control with HWA) may be licensed with various insurance companies. HWA and its IARs and related persons have a conflict of interest when recommending that clients purchase insurance products, as commissions

may be earned in addition to fees for investment advisory services. Clients are not obligated to purchase insurance products through HWA or its IARs. Some IARs may spend significantly more or less time offering insurance products and services. The principal business of HWA is not to offer insurance products and services. Less than 10% of HWA's resources are dedicated to insurance business.

As stated above, IARs are generally independent contractors. As such, the IARs have a direct incentive in the advisory fees being charged since a portion of the advisory fee collected by HWA will be paid to the IAR for compensation for advisory services. Further, clients are advised that the amount paid by HWA to the IAR will be based on the production of the IAR. Therefore, the higher sales the IAR generates the more compensation the IAR will receive. Consequently, since production is a basis for determining the IAR's payout, and since a portion of the advisory fees will be retained by HWA, there is a conflict of interest for the IAR to potentially charge a higher fee.

HWA may offer clients the option to utilize the management services of one or more third party managers. As set forth below, IARs have a conflict of interest by having clients utilize the management services of third-party managers instead of directly managing clients' assets.

HWA will assist clients with evaluating their financial situation; presenting one or more third party managers; and selecting a third-party manager's service. Additionally, on an ongoing basis HWA will be available to answer questions clients may have regarding their managed account and act as the communication conduit between the client and the manager. HWA will periodically meet with the client to evaluate the client's account and third-party manager. In addition, if the investment program recommended to a client is a wrap fee program, the client will also receive Part 2A Appendix 1 of the Form ADV or equivalent wrap fee brochure provided by the sponsor of the program. HWA will provide to each client all appropriate disclosure statements, including disclosure of any promoter fees to HWA and its advisory associates. Clients will be charged an advisory fee by the third-party manager selected by the client.

Clients are advised that fees for such programs may be higher or lower than if the client directly obtained the services of the third-party manager, or if the client obtained advisory services separately. Clients should read the third-party manager's disclosure brochure for additional disclosure of its managed program.

Clients may pay transaction fees, account maintenance fees, promoter fees, advisory/management fees and other fees and expenses associated with maintaining the account. Fees will be charged by and collected by the third-party manager, and the third-party manager will allocate HWA's portion of the fee. Therefore, clients must refer to the third-party manager's disclosure brochure for payment terms and conditions. Clients will be charged these fees by the third-party manager selected by the client. Any fee received (promoter, advisory fee, maintenance, etc.) can create a conflict of interest to the IAR since it will not lower the fee the IAR receives for providing clients with advisory services and HWA may receive a portion of the third-party manager's fee.

Clients are advised that fees for such programs may be higher or lower than if the client directly obtained the services of the third-party manager, or if the client obtained advisory services separately. Clients should read the third-party manager's disclosure brochure for additional disclosure of its managed program.

For accounts that utilize a third-party manager, the client will establish a third-party manager custody account at a qualified custodian. HWA will not directly conduct any securities transactions on behalf of the client or participate directly in the selection of the securities to be purchased or sold for the client. Investment decisions are made by the third-party manager in accordance with the agreement between the client and the manager.

As part of financial planning services or hourly consulting services, an IAR may provide recommendations as to investment products or securities. To the extent that the IAR recommends that the client invest in products and services that will result in compensation being paid to HWA and the IAR, this presents a conflict of interest. The compensation to the IAR and HWA may be more or less dependent on the product or service that the IAR recommends. Therefore, the IAR has a financial incentive to recommend that a financial plan or consulting advice be implemented using a certain product or service over another product or service. The client is under no obligation to purchase securities or services through HWA and the IAR.

If the client decides to implement the financial plan or consulting advice through an advisory program or service, the IAR will (at the time of engagement) provide the client with a brochure, client agreement and other account paperwork that contain specific information about fees and compensation that the IAR and HWA will receive in connection with that program. The brochures are also available at www.adviserinfo.sec.gov.

When considering whether to implement a financial plan through the IAR and HWA, clients should discuss with the IAR how HWA and the IAR will be compensated for any recommendations in the plan. It is important to note that clients are under no obligation to implement a financial plan through HWA. Clients should understand that the investment products, securities and services that an IAR may recommend as part of financial planning and hourly consulting are available to be purchased through broker-dealers, investment advisors or other investment firms not affiliated with HWA.

The client should understand that HWA and the IAR may perform advisory services for various other clients, and that HWA and the IAR may give advice or take actions for those other clients that differ from the advice given to the client. The timing or nature of any action taken for the account may also be different.

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

Code of Ethics and Personal Trading

HWA has adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct and fiduciary responsibility to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions and reporting requirements on the acceptance of gifts and personal securities trading policies, as discussed below.

HWA's Code of Ethics is distributed to each employee and IAR at the time of hire/contract, and thereafter as it is modified. In addition, HWA requires an annual certification by all employees/IARs regarding their understanding and compliance with the Code of Ethics.

A copy of our Code of Ethics will be provided to any client or prospective client upon request. You may contact our Chief Compliance Officer at 518-357-3858.

Participation or Interest in Client Transactions

IARs of HWA may buy or sell securities that are recommended to clients. IARs will not put their interests before a client's interest. IARs may not trade ahead of their clients or trade in such a way as to obtain a better price for themselves than for their clients. Further, associated persons are prohibited from trading on non-public information or sharing such information. HWA and its associated persons are required to

conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

ITEM 12: Brokerage Practices

Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. HWA will generally recommend that clients use LPL, Schwab or Asset Mark Trust Company as the qualified custodian.

HWA is independently owned and operated and is not affiliated with LPL, Schwab or Asset Mark Trust Company. Both of the recommended custodians will hold client assets in a brokerage account and buy and sell securities when HWA instructs them to. While HWA recommends that clients use LPL, Schwab or Asset Mark Trust Company as their custodian, clients will decide whether to do so and will open an account by entering into an account agreement with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client referrals and other compensation). Clients should consider these conflicts of interest when selecting a custodian.

HWA does not maintain custody of client assets on which we advise, although we may be deemed to have custody of client assets if clients give HWA authority to withdraw assets from client accounts (see Item 15 – Custody, below)

HWA does not open the account for clients, although we may assist clients in doing so.

How we select custodians.

Depending on specific client needs, one broker-dealer or custodian may offer better transaction costs/order processing than another, and those differences are evaluated by the IAR prior to opening a client account. HWA, as an investment adviser, owes a legal and fiduciary duty to its clients, including a duty to seek best execution of client transactions and to make full and fair disclosure to clients about any soft dollar arrangements. While the cost is carefully monitored, cost is not the only determining factor that would influence opening an account at one custodian or another. Important items like financial strength, stability, reputation, research, trading platforms, trading execution, breadth of available investment products, pricing, research, quality of service, administrative efficiencies, and client friendly statements are also considered in the evaluation and selection of a custodian. The lowest cost trade execution is not always the determining factor for the selection of a custodian. However, the client has the right to inquire about opening accounts at these various institutions.

Client Brokerage and Custody Costs

The custodians generally do not charge separately for custody services, but rather are compensated by account holders through commissions or other transaction- related or asset-based fees for securities trades that are executed through them or that settle into client accounts. Custodians are also compensated by earning interest on the uninvested cash in client accounts. For some accounts, custodians may charge clients a percentage of the dollar amount of assets in the account in lieu of commissions. The commission rates and asset-based fees applicable to HWA’s client accounts are negotiated based on the condition that our clients collectively maintain a total amount of assets in accounts at the custodian. Although this is a conflict of interest and can create an incentive to IARs to recommend these custodians in order to meet the required amount of assets to maintain the negotiated pricing, we believe this commitment benefits our clients because the overall commission rates and asset-based fees clients pay are lower than they would be otherwise.

Products and Services Available to HWA from LPL, Schwab and Asset Mark Trust Company

LPL, Schwab and Asset Mark Trust Company all provide services to independent investments advisory firms like HWA. They provide HWA and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to retail customers. However certain retail investors may be able to get institutional brokerage services from the custodians without going through HWA. LPL, Schwab and Asset Mark Trust Company also make available various support services. Some of these services help us manage or administer client accounts, while others help us manage and grow our business. LPL's, Schwab's and Asset Mark Trust Company's support services are generally available on an unsolicited basis (HWA doesn't have to request them) and at no charge to HWA. Following is a more detailed description of the support services.

Services that benefit clients. Access to a broad range of investment products, execution of securities transactions and custody of client assets. The investment products available include some to which HWA might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. The custodian's services described in this paragraph generally benefit our clients and their accounts.

Services that do not directly benefit clients. LPL, Schwab and Asset Mark Trust Company also make available to HWA other products and services that benefit the firm but do not directly benefit its clients and their accounts. These products and services assist us in managing and administering clients' accounts and operating our firm. They include investment research, both Schwab's and LPL's own and that of third parties. HWA uses this research to service all or a substantial number of clients' accounts, including accounts not maintained at LPL, Schwab and Asset Mark Trust Company. In addition to investment research, LPL, Schwab and Asset Mark Trust Company also make available software and other technology that (i) provide access to client account data (such as duplicate trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of HWA fees from client accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Services that generally benefit only HWA. LPL, Schwab and Asset Mark Trust Company also offer other services intended to help HWA manage and further our business enterprise. These services include (i) educational conferences and events; (ii) consulting on technology and business needs; (iii) consulting on legal and compliance related needs; (iv) publications and conferences on practice management and business succession; (v) access to employee benefits providers, human capital consultants, and insurance providers; and (vi) marketing consulting and support. LPL, Schwab and Asset Mark Trust Company provide some of these services themselves; in other cases, they will arrange for third-party vendors to provide the services to HWA. LPL, Schwab and Asset Mark Trust Company discount or waive their fees for some of the services or pay all or a part of a third party's fees. LPL, Schwab and Asset Mark Trust Company also provide us with other benefits, such as occasional business entertainment of our personnel. If clients did not maintain accounts with LPL, Schwab and Asset Mark Trust Company, HWA would be required to pay for those services from our own resources.

Transition Assistance Benefits. From time to time, LPL and Schwab may provide various benefits and payments to HWA IARs that are new to the LPL or Schwab platform to assist them with the costs (including foregone revenues during account transition associated with transitioning their businesses to the LPL or Schwab 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 IARs business, satisfying any

outstanding debt owed to the IAR's prior firm, offsetting ACATs fees payable to Fidelity as a result of the IAR's clients transitioning to LPL's or Schwab'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 IAR at their prior firm. Such payments are generally based on the size of the IAR's business established at the prior firm and/or assets under custody.

The receipt of Transition Assistance by such IARs creates a conflict of interest relating to HWA's advisory business. In certain instances, the receipt of such benefits is dependent on an IAR maintaining its clients' assets with LPL or Schwab and therefore HWA has an incentive to recommend that clients maintain their account with LPL or Schwab in order to generate such benefits.

HWA 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 IAR. HWA considers LPL's, Schwab's and Asset Mark Trust Company's stability and size, along with the variety of programs and flexibility in commission rates IARs may charge when recommending or requiring that clients maintain accounts with LPL, Schwab and Asset Mark Trust Company. However, clients should be aware of this conflict and take it into consideration in making a decision regarding whether to custody their assets in a brokerage account at LPL, Schwab and Asset Mark Trust Company.

Our Interest in Custodian's Services

The availability of these services from our custodians benefits HWA because we do not have to produce or purchase them. HWA doesn't have to pay for custodial services. The custodians have also agreed to pay for certain technology, research, marketing and compliance consulting products and services on our behalf once the value of our clients' assets in accounts at the custodians reaches certain thresholds. These services are not contingent upon HWA committing any specific amount of business to the custodians in trading commissions or assets in custody. The fact that we receive these benefits from the custodians is an incentive for HWA to recommend the use of the custodians rather than making such a decision based exclusively on our clients' interest in receiving the best value in custody services and the most favorable execution of client transactions. This is a conflict of interest. HWA believes, however, that taken in the aggregate our recommendation of the custodians is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of the custodian's services (see "How we select custodians") and not the custodian's services that benefit only HWA.

Retirement Plan Participant Accounts

When requested by the client, IARs of HWA can provide non-discretionary investment management and periodic monitoring with respect to certain accounts (primarily 401(k) participant accounts, health-savings accounts and other assets identified by the client) held with custodians other than those referenced in Item 12.

Brokerage for Client Referrals. HWA does not recommend brokerage for client referrals.

Directed Brokerage. HWA generally does not engage in directed brokerage transactions for clients. In limited circumstances, HWA may allow clients to request to use a particular broker to execute some or all transactions for the client. In those cases, the client will negotiate terms and arrangements for the account with that broker and HWA will not seek better execution services or prices from other brokers or be able

to aggregate client transactions for execution through other brokers with orders for other accounts managed by HWA. As a result, the client will potentially 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, HWA may decline a client's request to direct brokerage if, in HWA's sole discretion, such directed brokerage arrangements would result in additional operational difficulties. As a general rule, HWA encourages each client to compare the possible costs or disadvantages of directed brokerage against the value of custodial or other services provided by the broker to the client in exchange for the directed brokerage designation.

In connection with TPIA programs, the TPIA sponsor may require that clients direct brokerage to a broker-dealer, including the TPIA sponsor or broker-dealer affiliated with the TPIA sponsor. Clients should understand that not all advisors require their clients to direct brokerage. By directing brokerage to a broker, clients may be unable to achieve the most favorable execution of client transactions and may pay more in transaction charges than other broker-dealer firms. Therefore, directed brokerage may cost clients more money. For more information about the brokerage practices of a TPIA sponsor, clients should refer to the disclosure brochure for the applicable TPIA. For information about other conflicts of interest regarding HWA's arrangements with TPIAs, please also see Item 14—Client Referrals and Other Compensation.

Aggregation

In placing orders to purchase or sell securities in accounts, IARs may elect to aggregate orders (i.e., consolidate smaller orders for the same security into a large order), which generally results in transaction cost savings. IARs will not aggregate transactions unless aggregation is consistent with its duty to seek best execution. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all transactions executed by the IAR in that security on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction.

ITEM 13: Review of Accounts

HWA maintains a compliance program designed to conduct periodic reviews of client accounts. IARs are expected to meet and document reviews with clients on at least an annual basis. Such meetings may include review of accounts statements, quarterly performance reports, and other information or data related to the client's account and investment objectives. Clients may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Generally, IARs will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which client assets are invested, and market shifts and corrections. Clients are advised that they should notify their IAR promptly of any changes to the client's financial goals, objectives or financial situation as such changes may require the IAR to review the client's portfolio and make recommendations for changes.

LPL, Schwab and Asset Mark Trust Company, as the custodian, provides clients with regular written reports regarding their accounts. In addition, LPL, Schwab and Asset Mark Trust Company sends client trade confirmations and account statements showing transactions, positions, and deposits and withdrawals of principal and income. LPL, Schwab and Asset Mark Trust Company do not send trade confirmations for systematic purchases, systematic redemptions and systematic exchanges. In some cases, HWA provides detailed quarterly performance reports describing account performance and positions. Some managed accounts either send confirmations for each securities transaction in the client's account direct from the account custodian as they occur, and others bundle them to be sent with the periodic statement mailing.

Clients will receive account statements direct from the broker-dealer or account custodian reflecting the deduction of HWA's advisory fee. Clients should carefully review statements received from the broker-dealer or account custodian. Further, clients should compare any written report received from their IAR with statements received directly from the broker-dealer or account custodian. Clients should notify their IAR if they notice any discrepancies between the statement received from their account custodian and quarterly performance reports received from HWA.

For all financial planning services, HWA reviews the deliverable(s) provided to the client to ensure the recommendations were in line with the clients' needs and objectives.

For TPIA services, IARs review, on an ongoing basis, client accounts and meet with clients to review such items as account statements, quarterly performance reports, and other information or data related to the clients' accounts and investment objectives. The TPIA sponsor or custodian of the TPIA account assets send clients regular written reports and statements regarding the account.

ITEM 14: Client Referrals and Other Compensation

Client Referrals

HWA may enter into arrangements with individuals ("Promoters") whereby the Promoter will refer clients to HWA that may be candidates for the investment advisory services offered by HWA. In return, HWA will compensate the Promoter for the referral. Compensation to the Promoter is dependent on the client entering into an advisory agreement with HWA for advisory services. Compensation to the Promoter will be an agreed upon percentage of HWA's advisory fee. HWA's referral program is in compliance with the federal regulations. The promoter/referral fee is paid pursuant to a written agreement retained by both HWA and the Promoter. The Promoter will be required to provide the client with a copy of HWA's Form ADV Part 2A and a disclosure document explaining the nature of the Promoter's relationship with HWA, the compensation arrangement and the amount he/she will receive as a consequence of the Promoter arrangements. The Promoter is not permitted to offer clients any investment advice on behalf of HWA. The client's advisory fee will not exceed HWA maximum fees regardless of solicitor or referral arrangements.

Other Compensation

HWA receives an economic benefit from its recommended custodians in the form of the support products and services they make available to HWA and other independent investment advisors whose clients maintain their accounts with the custodians. In addition, the custodians have also agreed to pay for certain products and services for which HWA would otherwise have to pay once the value of our clients' assets in accounts at the custodians reach a certain size. Clients do not pay more for assets maintained at the custodians as a result of these arrangements. However, HWA benefits from the arrangement because the cost of these services would otherwise be borne directly by HWA. Clients should consider these conflicts of interest when selecting a custodian. The products and services provided by the custodians, how they benefit HWA, and the related conflicts of interest are described above (see Item 12—Brokerage Practices).

Additionally, HWA's agreement with LPL and Schwab provides for payment of Transition Assistance (discussed in Item 12 above) for certain IARs joining HWA who are likely to recommend LPL or Schwab as a custodian. The receipt of any such compensation creates a financial incentive for the IAR to recommend LPL or Schwab as custodian for the assets in a client's account, and thus it is a conflict of interest. We encourage the client to discuss any such conflicts of interest with their representative before

making a decision to custody their assets at LPL.

The IAR, HWA and HWA employees may receive additional non-cash compensation from advisory product sponsors. Such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, marketing or advertising initiatives. Advisory product sponsors may also pay for education or training events that may be attended by HWA employees and IARs.

The IAR recommending a TPIA program to the client receives compensation as a result of the client's participation in the program. This compensation includes a portion of the advisory fee, and may also include other compensation, such as awards or other things of value offered by the TPIA to the IAR. For example, a TPIA may pay additional marketing payments to HWA, its employees and/or IARs to cover fees to attend conferences or reimbursement of expenses for workshops, seminars presented to the IAR's clients, client appreciation events, or advertising, marketing or practice management. The amount of this compensation may be more or less than what the IAR would receive if the client participated in other advisory programs, programs of other investment advisors, or paid separately for investment advice, brokerage and other client services. Therefore, this is a conflict of interest in that the IAR may have a financial incentive to recommend a TPIA program account over other programs and services.

Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from client assets. Any 12b-1 fees paid on mutual funds purchased in an HWA managed account are not passed to IARs and will be retained by the custodian.

ITEM 15: Custody

Accounts are often custodied at LPL, Schwab and Asset Mark Trust Company or qualified custodians as chosen by the client and IAR or through other TPIAs who have select custodial relationships.

For TPIA programs, the client completes account paperwork with the outside custodian that will provide the name and address of the custodian. The client will receive statements and reports directly from the custodian. Clients should refer to the statements and reports that they receive from the custodian or TPIA sponsor. Clients should the review these statements and reports carefully.

With the exception of deduction of HWA's advisory fees from client accounts, or if HWA facilitates or executes client requests for third party standing letters of authorization, HWA does not take custody of client funds or securities. Clients will receive account statements direct from the broker-dealer or account custodian reflecting the deduction of HWA's advisory fee. Clients should carefully review statements received from the broker-dealer or account custodian. Further, clients should compare any written report received from their IAR with statements received directly from the broker-dealer or account custodian. Clients should notify their IAR if they notice any discrepancies between the statement received from their account custodian and quarterly performance reports received from HWA.

Under government regulations, HWA is deemed to have custody of client assets if, e.g., the client authorizes HWA to instruct their account custodian to deduct its advisory fees directly from the client's account or if the client grants HWA the authority to move their money to a third-party account. Additionally, if the client has a third-party standing letter of authorization and HWA has the ability to change the timing or the amount of the transfer upon the client's request, HWA is deemed to have custody. The client's account custodian maintains actual custody of the client's assets. The client will receive account statements directly from their account custodian at least quarterly. They will be sent

to the email or postal mailing address the client provided. The client should carefully review those statements promptly when they receive them.

ITEM 16: Investment Discretion

Clients may grant HWA authorization to manage a client's account on a discretionary basis. Discretionary authorization provides HWA the ability to determine the securities to be purchased and sold and when such securities are purchased and sold. Client will grant such authority to HWA by execution of the client agreement. Clients must complete and sign custodial paperwork to establish any mutual fund, variable annuity or brokerage account.

Clients can also request that HWA has non-discretionary authority over their account. In this instance, HWA makes recommendations to clients regarding the securities to be purchased or sold and the size of those transactions. For those accounts, the client must authorize HWA to implement our recommendations.

With respect to financial planning and hourly consulting services, HWA and the IAR do not have any discretionary investment authority.

In a TPIA program, the client typically authorizes the TPIA to purchase and sell securities on a discretionary or non-discretionary basis pursuant to the investment objective chosen by the client. This authorization will be set out in the TPIA client agreement. HWA and the IAR do not have discretion on TPIA program accounts.

ITEM 17: Voting Client Securities

In general, HWA does not vote proxies for clients. In certain very limited cases, HWA may be required by agreement to vote proxies on behalf of a client. Proxy voting policies and procedures are available for clients for whom HWA is required to vote proxies.

ITEM 18: Financial Information

HWA is required in this item to provide you with certain financial information or disclosures about its financial condition. HWA does not solicit fees of more than \$1,200 per client six months or more in advance. HWA does not have any financial commitment that would impair its ability to meet any contractual or fiduciary obligations it may have to its clients and the firm.

HWA has not been the subject of a bankruptcy petition in its history.