

Name of Investment Adviser: Hillspring Financial, Inc.				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code Telephone Number
12213 W. Bell Road, Ste 209	Surprise	AZ	85374	623 583-6141

This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential Persons who are not to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Applicant:
Hillspring Financial, Inc.

SEC File Number:
801- 64061

Date:
02/15/2008

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | |
|---|---------|
| <input checked="" type="checkbox"/> (1) Provides investment supervisory services | 40 % |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services | _____ % |
| <input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above | 20 % |
| <input type="checkbox"/> (4) Issues periodicals about securities by subscription | _____ % |
| <input type="checkbox"/> (5) Issues special reports about securities not included in any service described above | _____ % |
| <input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which client may use to evaluate securities | _____ % |
| <input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities | 40 % |
| <input type="checkbox"/> (8) Provides a timing service | _____ % |
| <input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above | _____ % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

Yes No

B. Does applicant call any of the services it checked above financial planning or some similar term?

☒ ☐

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of Clients -- Applicant generally provides investment advice to: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input type="checkbox"/> D. Pension and profit sharing plans | |

3. Types of Investments Applicant offers advice on the following: (check those that apply)

- | | |
|---|---|
| <p>A. Equity securities</p> <p><input type="radio"/> (1) exchange-listed securities</p> <p><input type="radio"/> (2) securities traded over-the-counter</p> <p><input type="radio"/> (3) foreign issuers</p> <p><input type="radio"/> B. Warrants</p> <p><input type="radio"/> C. Corporate debt securities
(other than commercial paper)</p> <p><input type="radio"/> D. Commercial paper</p> <p><input type="radio"/> E. Certificates of deposit</p> <p><input type="radio"/> F. Municipal securities</p> <p>G. Investment company securities:</p> <p><input type="radio"/> (1) variable life insurance</p> <p><input type="radio"/> (2) variable annuities</p> <p><input type="radio"/> (3) mutual fund shares</p> | <p><input type="radio"/> H. United States governmental securities</p> <p>I. Options contracts on:</p> <p><input type="radio"/> (1) securities</p> <p><input type="radio"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="radio"/> (1) tangibles</p> <p><input type="radio"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input type="radio"/> (1) real estate</p> <p><input type="radio"/> (2) oil and gas interests</p> <p><input type="radio"/> (3) other (explain on Schedule F)</p> <p><input type="radio"/> L. Other (explain on Schedule F)</p> |
|---|---|

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| <p>(1) <input type="radio"/> Charting</p> <p>(2) <input type="radio"/> Fundamental</p> <p>(3) <input type="radio"/> Technical</p> | <p>(4) <input type="radio"/> Cyclical</p> <p>(5) <input type="radio"/> Other (explain on Schedule F)</p> |
|---|--|

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|--|--|
| <p>(1) <input type="radio"/> Financial newspapers and magazines</p> <p>(2) <input type="radio"/> Inspections of corporate activities</p> <p>(3) <input type="radio"/> Research materials prepared by others</p> <p>(4) <input type="radio"/> Corporate rating services</p> | <p>(5) <input type="radio"/> Timing services</p> <p>(6) <input type="radio"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission</p> <p>(7) <input type="radio"/> Company press releases</p> <p>(8) <input type="radio"/> Other (explain on Schedule F)</p> |
|--|--|

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|---|--|
| <p>(1) <input type="radio"/> Long term purchases (securities held at least a year)</p> <p>(2) <input type="radio"/> Short term purchases (securities sold within a year)</p> <p>(3) <input type="radio"/> Trading (securities sold within 30 days)</p> <p>(4) <input type="radio"/> Short sales</p> | <p>(5) <input type="radio"/> Margin transactions</p> <p>(6) <input type="radio"/> Option writing, including covered options, uncovered options, or spreading strategies</p> <p>(7) <input type="radio"/> Other (explain on Schedule F)</p> |
|---|--|

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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5. Education and Business Standards.	Yes No
Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....	<input checked="" type="radio"/> <input type="radio"/>
(If yes, describe these standards on Schedule F.)	

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

• name	• formal education after high school
• year of birth	• business background for the preceding five years

7. Other Business Activities. (check those that apply)

☐ A. Applicant is actively engaged in a business other than giving investment advice.

☒ B. Applicant sells products or services other than investment advice to clients.

☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.

☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.

C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<input type="radio"/> (1) broker-dealer <input type="radio"/> (2) investment company <input checked="" type="radio"/> (3) other investment adviser <input type="radio"/> (4) financial planning firm <input type="radio"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant <input type="radio"/> (6) banking or thrift institution	<input type="radio"/> (7) accounting firm <input type="radio"/> (8) law firm <input checked="" type="radio"/> (9) insurance company or agency <input type="radio"/> (10) pension consultant <input type="radio"/> (11) real estate broker or dealer <input type="radio"/> (12) entity that creates or packages limited partnerships
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(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

Yes No

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?... ☐ ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

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9. Participation of Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☐ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- | | | |
|--|----------------------------------|-----------------------|
| 10. Conditions for Managing Accounts. Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services <i>and</i> impose a minimum dollar value of assets or other conditions for starting or maintaining an account? | Yes | No |
| | <input checked="" type="radio"/> | <input type="radio"/> |

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggers factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Associated persons of the applicant will review all investment advisory accounts under fee-based management and retainers as often as necessary to take into consideration current and projected market changes utilizing fundamental and technical analysis. At a minimum, accounts will be reviewed once a year, but reviews are generally performed on a semi-annual basis. No particular sequence will be used and the matters reviewed will include past performance, projected trends, current financial status and the estimated impact from the current and projected market changes. Unless the client is under a fee arrangement or retainer, no review will be made unless agreed upon in writing.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.
See Schedule F.

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12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | | |
|--|-----------------------|-----------------------|
| (1) securities to be bought or sold? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (2) amount of the securities to be bought or sold? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (3) broker or dealer to be used? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (4) commission rates paid? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |

B. Does applicant or a related person suggest brokers to clients? ☐ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commission higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|-----------------------|-----------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ☐ Yes ☐ No

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).