

# Steward Financial Group, LLC

## Client Brochure

*This brochure provides information about the qualifications and business practices of Steward Financial Group, LLC. If you have any questions about the contents of this brochure, please contact us at (817) 428-1145 or by email at: [mail@stewardfinancialgroup.com](mailto:mail@stewardfinancialgroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Steward Financial Group, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Steward Financial Group, LLC's CRD number is: 143513*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

Steward Financial Group, LLC has not yet filed an annual updating amendment using the ADV Form 2A. Therefore there are no material changes to report.

## Item 3: Table of Contents

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Firm has been in business since March 5, 2007 and is owned by **Hawkins Financial Group, Inc.** and **D Stiefel Inc.** These are S Corps and are owned as follows: **Hawkins Financial Group** - Vince Hawkins 51%, Kim Hawkins 49%; **D. Stiefel Inc** - Dustin Stiefel 51%, Wendy Stiefel 49%.

### B. Types of Advisory Services

Steward Financial Group, LLC (hereinafter "SFG") offers the following services to advisory clients:

#### *Investment Supervisory Services*

SFG offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. SFG creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

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

SFG evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### *Financial Planning*

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are done as a part of the Investment Supervisory Services and are not offered separately.

#### *Services Limited to Specific Types of Investments*

SFG limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, , REITs, and government securities. SFG may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

SFG offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent SFG from properly servicing the client account, or if the restrictions would require SFG to deviate from its standard suite of services, SFG reserves the right to end the relationship.

### **D. Wrap Fee Programs**

SFG does not participate in any wrap fee programs.

### **E. Amounts Under Management**

SFG has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$0.00	\$73,329,740.00	02/15/2011

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
Under \$2,000,000	1.25%
\$2,000,001 - \$4,000,000	1.00%
Above \$4,000,000	Negotiable

These fees are negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in advance, and clients may terminate their contracts with five days' written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

#### *Financial Planning Fees*

##### *Hourly Fees*

SFG does not charge an hourly fee for services performed. SFG performs financial planning as an integral part of its investment management for its clients. They do not offer these services apart from the Investment Supervisory Services.

### B. Payment of Fees

#### *Payment of Investment Supervisory Fees*

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

### **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by SFG. Please see Item 12 of this brochure regarding broker/custodian.

### **D. Prepayment of Fees**

SFG collects fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check.

### **E. Outside Compensation For the Sale of Securities to Clients**

Neither SFG nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

SFG does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

SFG generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

### ***Minimum Account Size***

There is no account minimum.



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

### **A. Methods of Analysis and Investment Strategies**

#### *Methods of Analysis*

SFG's primary method of analysis is the use of Modern Portfolio Theory to create globally diversified portfolios built upon asset classes in the equity and bond markets. SFG utilizes investments structured to deliver the return of the asset class without the unnecessary risk of stock selection and market timing.

#### *Investment Strategies*

SFG utilizes mutual funds and periodic rebalancing to ensure client portfolios do not materially drift from the required allocations..

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

#### *Methods of Analysis*

*All investing involves risk. SFG exposes clients to the risk of the capital markets while attempting to eliminate non systematic risk associated with stock selection and market timing.*

#### *Investment Strategies*

The strategies employed by SFG seek to reduce risk where possible, however all investing involves risk. Investing in mutual funds involves the systematic risk of an overall market decline as well as market performance of an individual asset class.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

SFG generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither SFG nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither SFG nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Vincent Hawkins and Steven A. Early are licensed insurance agents in the state of Texas. Dustin Stiefel maintains his insurance license in the State of Texas, but does not currently transact any business that pertains to the sale of insurance. Steven A. Early is also a practicing attorney and the owner of Steven A. Early PC. From time to time, he will offer clients advice or products from those activities. Clients should be aware that insurance services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. SFG always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of SFG in their capacity as an insurance agent or an attorney.

### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

SFG does not utilize nor select other advisors or third party managers. All assets are managed by SFG management.

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

### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

### **B. Recommendations Involving Material Financial Interests**

SFG does not recommend that clients buy or sell any security in which a related person to SFG has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of SFG may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SFG to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. SFG will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of SFG may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SFG to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. SFG will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

### ***1. Research and Other Soft-Dollar Benefits***

SFG receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions (“soft dollar benefits”).

### ***2. Brokerage for Client Referrals***

SFG receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

SFG allows clients to direct brokerage. SFG may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage SFG may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

SFG maintains the ability to block trade purchases across accounts. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

# **Item 13: Reviews of Accounts**

## **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least quarterly only by Vincent Hawkins and/or Dustin Stiefel. They are the chief advisors and are instructed to review clients’ accounts with regards to their investment policies and risk tolerance levels. All accounts at SFG are assigned to these reviewers.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Vincent Hawkins and/or Dustin Stiefel. There is only one level of review and that is the total review conducted to create the financial plan.

## **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

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

## **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least monthly a written report that details the clients account which will come from the custodian.

Clients are provided a financial plan concerning their financial situation. After the presentation of the plan, these plans are reviewed at least annually to ensure they still reflect the goals of the individual client..

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

## **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

SFG does not receive any economic benefit, directly or indirectly from any third party for advice rendered to SFG clients.

## **B. Compensation to Non -Advisory Personnel for Client Referrals**

SFG does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

# **Item 15: Custody**

SFG does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the Custodian.

# **Item 16: Investment Discretion**

SFG does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities (Proxy Voting)**

SFG will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

SFG does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither SFG nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

SFG has not been the subject of a bankruptcy petition in the last ten years.