

**Hefty Wealth Partners, Inc.**  
**SEC File # 801-71660**

**ADV Part 2A Appendix 1, Wrap-Fee Firm Brochure**  
**Dated: February 27, 2018**

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This Wrap Fee Program Brochure provides information about the qualifications and business practices of Hefty Wealth Partners, Inc. If you have any questions about the contents of this brochure, please contact Christina Martinez at 260-927-1830 or [christina.martinez@heftywealth.com](mailto:christina.martinez@heftywealth.com). 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 Hefty Wealth Partners, Inc. is also available on at the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

References herein to Hefty Wealth Partners, Inc. as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training

## **Item 2 – Material Changes**

Since last year's Annual Amendment filing on January 19, 2017, this ADV Part 2A Firm Brochure has not been materially amended.

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## Item 4 – Services, Fees and Compensation

### A. **Asset Management Services – Hefty Wealth Portfolios Wrap Fee Program**

Hefty Wealth Partners, Inc. (“Hefty Wealth Partners”) provides asset management services on a discretionary wrap fee basis in accordance with Hefty Wealth Partners’ wrap fee program (the “Program”). Under the Program, the Wealth Management Program and the Financial Planning Program, Hefty Wealth Partners is able to offer participants discretionary asset management services for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees, and depending on the Program, certain financial planning services. The negotiable annual Program fee is based upon a percentage (%) of the total market value and type of assets placed under Hefty Wealth Partners’ management (generally between 0.75% and 1.75%, subject to the minimum fees disclosed below), to be charged quarterly in advance on a tiered basis as follows:

<u>Market Value of Portfolio</u>	<u>Annual Tiered Fee %</u>
Assets equal to \$100,000 and below	1.75%
Next Assets between \$100,001 and \$250,000	1.50%
Next Assets between \$250,001 and \$500,000	1.15%
Next Assets between \$500,001 and \$750,000	0.90%
Next Assets exceeding \$750,000	0.75%

Before engaging Hefty Wealth Partners to provide asset management services, clients are required to enter into an agreement with Hefty Wealth Partners setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client.

All prospective Program participants are encouraged to review and ask any questions about both this Wrap Fee Program Brochure before choosing to participate in a program. Program accounts are established at LPL Financial, a FINRA and SIPC member broker-dealer/custodian (“LPL”) and/or TD Ameritrade, a FINRA and SIPC member broker/dealer/custodian (“Ameritrade”). LPL is also an investment advisor registered with the SEC, but does not serve as an investment advisor for Hefty Wealth Partners’ clients through the Program.

Under the Program, Hefty Wealth Partners provides asset management services specific to the needs of each client. Before providing asset management services, an investment adviser representative will ascertain each client’s investment objective(s). Thereafter, Hefty Wealth Partners will allocate investment assets to numerous investments, including but not limited to, individual equities, individual bonds, open-end mutual funds, closed-end mutual funds, exchange traded funds (ETFs), and exchange traded notes (ETNs). Asset allocation guidelines within the Program will be pursuant to the client’s investment objective and may entail an allocation to multiple strategies within an account. Client understands that achievement of the stated investment objective is a long-term goal.

Additional deposits in the Program will be invested in securities consistent with the current target allocation for the model portfolio, but such deposits (or a portion thereof) may remain in cash until certain conditions are met related to trade size and position deviation from the target allocation. Hefty Wealth Partners may accommodate requests for all or a portion of the assets in the account(s) to remain unallocated and allocated to cash for a period of time.

Liquidation requests in connection with withdrawals, and changes to the model portfolios or investment objective selected may take up to 5 business days to process, and, in certain circumstances, may take longer.

If client advises Hefty Wealth Partners that restrictions be placed on certain assets while account(s) are invested in the Program, Hefty Wealth Partners will not manage those assets in accordance with the Program's guidelines. Only assets contained within the Program's models will be continuously managed.

Hefty Wealth Partners coordinates the trades among the various securities and model portfolio(s) of the account(s). After the account(s) is opened, and upon deposit of funds or securities by the client, Hefty Wealth Partners will invest the assets based on the model portfolio(s) selected. It generally will take up to 5 business days from the date the account(s) is fully funded for all assets to be fully allocated across the model portfolio(s). In certain cases, it may take longer to allocate assets, for example, depending on the ability of Hefty Wealth Partners to liquidate the securities transferred into the account(s).

In the event that the client transfers assets to Hefty Wealth Partners that are not publicly traded, or when liquidity is minimal, costs for the liquidation of such assets will be borne by the client and will not be incurred by Hefty Wealth Partners. The costs associated with liquidation will be determined by the custodian.

If client transfers into the Program with a previously purchased mutual fund, and there is an applicable contingent deferred sales charge on the fund, 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, client will be charged a redemption

**Asset Management Services – Hefty Wealth Portfolios High Net Worth Wrap Fee Program**

For clients who have at least \$1,000,000 under management with Hefty Wealth Partners or who pay a minimum annual advisory fee of \$10,000 as of the most recently completed fiscal year, Hefty Wealth Partners may offer its high net worth service offering on a wrap fee basis (the "High Net Worth Program"). Under the High Net Worth Program, Hefty Wealth Partners is able to offer participants the same discretionary asset management services that are offered under the Program, in addition to the following offered services:

- One Dedicated Wealth Partner whom is an equity partner of the firm
- One Dedicated Financial Advisor
- One Dedicated Paraplanner
- Direct access to all members of the High Net Worth team
- Six stay in touch calls annually
- Comprehensive annual reviews
- Miscellaneous meetings as necessary
- Weekly eNewsletter
- Exclusive High Net Worth only educational events
- Free Document shredding
- Legacy for Life® set up and ongoing services
- Complementary advanced estate and charitable planning
- Online and mobile access to your comprehensive plan
- Online and mobile access to your investment accounts
- Full capabilities of Hefty Wealth Portfolios

The negotiable annual High Net Worth Program fee is based upon a percentage (%) of the total market value and type of assets placed under Hefty Wealth Partners' management (generally between 0.50% and 1.00%, subject to the minimum fees disclosed in Item 5 below, to be charged quarterly in advance on a tiered basis, as follows:

<u>Market Value of Portfolio</u>	<u>Annual Tiered Fee %</u>
Total Assets equal to \$1,000,000 and below	1.00%
Total Assets between \$1,000,001 and \$2,500,000	0.75%
Total Assets exceeding \$2,500,000	0.50%

Before engaging Hefty Wealth Partners to provide asset management services under the Program or High Net Worth Program, clients are required to enter into an Asset Management Agreement with Hefty Wealth Partners setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client.

#### Legacy for Life® for High Net Worth Program

Hefty Wealth Partners may charge a negotiable flat fee for the preparation of the initial base plan, generally between \$10,000 and \$25,000, depending upon: the client's financial situation, complexity of services rendered and the scope of the topics covered in the plan. Hefty Wealth Partners may also waive this fee entirely with respect to any client whose advisory fees exceed \$10,000 per year. The initial base plan fee will be discussed with the client and incorporated into the Legacy for Life® - Financial Planning Agreement, which must be executed before Hefty Wealth Partners commences Legacy for Life® services. The initial base plan fee is due from the client upon conclusion of the meeting during which the initial findings, recommendations and initial base plan are presented to the client.

Once the initial base plan fee is paid, Hefty Wealth Partners does not charge for on-going Legacy for Life® services to clients who maintain at least \$1,000,000 under management through the Program. All other clients are charged an annual flat fee of \$10,000 for the on-going Legacy for Life® services, which are pro-rated and billed semi-annually, in advance.

#### **Asset Management Services – Hefty Wealth Portfolios Wealth Management Wrap Fee Program**

For clients who have at least \$250,000 under management with Hefty Wealth Partners or who pay a minimum annual advisory fee of \$4,000 as of the most recently completed fiscal year, Hefty Wealth Partners may offer its Wealth Management service offering on a wrap fee basis (the "Wealth Management Program"). Under the Wealth Management Program, Hefty Wealth Partners is able to offer participants the same discretionary asset management services that are offered under the Program, in addition to the following offered services:

- One Dedicated Wealth Partner
- One Dedicated Financial Advisor
- One Dedicated Paraplanner
- Four stay in touch calls annually
- Comprehensive annual reviews
- Weekly eNewsletter
- Client educational events
- Free Document shredding
- Legacy for Life® set up and ongoing services
- Online and mobile access to your comprehensive plan
- Online and mobile access to your investment accounts
- Full capabilities of Hefty Wealth Portfolios

#### Legacy for Life® for Wealth Management Program

Hefty Wealth Partners may charge a negotiable flat fee for the preparation of the initial base plan, generally between \$4,000 and \$10,000, depending upon: the client's financial situation, complexity of services rendered and the scope of the topics covered in the plan. Hefty Wealth Partners may also waive this fee entirely with respect to any client whose advisory fees exceed \$4,000 per year. The initial base plan fee will be discussed with the client and incorporated into the Legacy for Life® - Financial Planning Agreement, which must be executed before Hefty Wealth Partners commences Legacy for Life® services. The initial base plan fee is due from the client upon conclusion of the meeting during which the initial findings, recommendations and initial base plan are presented to the client.

Once the initial base plan fee is paid, Hefty Wealth Partners does not charge for on-going Legacy for Life® services to clients who maintain at least \$250,000 under management through the Program. All other clients are charged an annual flat fee of \$1,200 to \$4,000 for the on-going Legacy for Life® services, which are pro-rated and billed semi-annually, in advance.

#### **Asset Management Services – Hefty Wealth Portfolios Financial Planning Wrap Fee Program**

For clients who have at least \$100,000 under management with Hefty Wealth Partners or who pay a minimum annual fee of \$1,750 as of the most recently completed fiscal year, Hefty Wealth Partners may offer its Financial Planning service offering on a wrap fee basis (the "Financial Planning Program"). Under the Financial Planning Program, Hefty Wealth Partners is able to offer participants a limited amount of discretionary asset management services that are offered under the Program, in addition to the following offered services:

- One Dedicated Financial Advisor
- Access to a Paraplanner
- Four stay in touch calls
- Comprehensive annual reviews
- Weekly eNewsletter
- Client educational events
- Free Document shredding
- Financial Planning set up and ongoing services
- Online and mobile access to your financial plan
- Online and mobile access to your investment accounts

#### Financial Planning for Financial Planning Wrap Program

Hefty Wealth Partners may charge a negotiable flat fee for the preparation of the initial base plan, generally between \$1,500 and \$4,000, depending upon: the client's financial situation, complexity of services rendered and the scope of the topics covered in the plan. Hefty Wealth Partners may also waive this fee entirely with respect to any client whose advisory fees exceed \$1,750 per year. The initial base plan fee will be discussed with the client and incorporated into the Financial Planning Agreement, which must be executed before Hefty Wealth Partners commences financial planning services. The initial base plan fee is due from the client upon conclusion of the meeting during which the initial findings, recommendations and initial base plan are presented to the client.

Once the initial base plan fee is paid, Hefty Wealth Partners does not charge for on-going financial planning services to clients who maintain at least \$100,000 under management through the Program. All other clients are charged an annual flat fee of \$1,200 to \$2,400 for the on-going financial planning services, which are pro-rated and billed semi-annually, in advance.

### **Asset Management Services – Hefty Wealth Portfolios Hefty Direct Wrap Fee Program**

For clients who have at least \$5,000 under management with Hefty Wealth Partners. Hefty Wealth Partners may offer its Hefty Direct service offering on a wrap fee basis (the “Hefty Direct Program”). Under the Hefty Direct Program, Hefty Wealth Partners is able to offer participants a limited amount of discretionary asset management services that are offered under the Program, in addition to the following offered services:

- Access to a Financial Advisor over the phone
- Annual Electronic Investment review
- Weekly eNewsletter
- Online and mobile access to your retirement analysis
- Online and mobile access to your investment accounts

Hefty Wealth Partners may offer its Hefty Direct service offering on a wrap fee basis (the “Hefty Direct Program”). For those clients, the negotiable annual Hefty Direct Program fee is based upon a percentage (%) of the total market value and type of assets placed under Hefty Wealth Partners’ management of 0.99%, subject to the minimum account size, to be charged quarterly in advance on a flat basis.

### **Financial Consulting Under the Hefty Direct Program**

Hefty Wealth Partners charges a flat \$50 per month for this service. The Hefty Direct Program is intended to be a first step toward a financial goal for an individual with limited assets. Through a series of 15 minute phone calls Hefty Wealth Partners helps clients aggregate their assets, understand where they stand financially, set goals and then give them advice on how to get there.

Hefty Direct Program clients have the option to purchase additional modules at any time as part of Stand-Alone Financial Consulting services as described immediately below.

### **Asset Management Services – Hefty Wealth Strategy Portfolios**

When consistent with a particular client’s designated investment objective(s), Hefty Wealth Partners may recommend that clients invest in any one or more of the following Strategy Portfolios, which are selected and managed at the individual client level. Hefty Wealth Partners may also implement “Custom Strategy Portfolios,” which are typically comprised of a blend of the holdings contained in one or more of Strategy Portfolios described below, and may also include additional common stocks, individual bonds, options, preferred stocks, ETFs, mutual funds, private or direct placements or annuities.

Each Strategy Portfolio carries an additional fee and/or a minimum investment as fully described below.

The relative investment philosophies, asset selection process, independent manager selection process (as applicable), general product types and anticipated trading frequency for the Strategy Portfolios are as follows:

### **U.S. Focused Strategy Portfolio**

This is a United States concentrated buy-and-hold indexed strategy with no active or tactical investment management. The asset allocation guidelines are driven by Morningstar Ibbotson Asset Allocation models. Hefty Wealth Partners will select passively managed mutual funds for this Strategy Portfolio by seeking those with the highest correlation to each respective asset and style class. The

holdings will be comprised of between 3 and 10 mutual funds meeting the following general descriptions: asset preservation; income; growth & income; growth, and aggressive growth. The holdings will be traded as conditions warrant. This strategy may also hold individual bonds, alternative investments, annuities, individual equities and preferred stocks.

### **Global Multi-Strategy Portfolio**

This is a tactical investment management strategy constructed entirely with exchange traded funds (ETFs). The strategy is comprised of five different allocations that include: Passive exposure to U.S. equity markets, quantitative based sector rotation of the underlying sectors of the U.S. market, individual country rotation exposure that is guided by relative strength and other quantitative factors, a momentum based global equity exposure, and a rotation allocation that is dictated by technical analysis tied to U.S. and global equity indices. The broad base case asset allocation of the strategy is guided by Hefty Wealth Partners and changes may take place monthly. The underlying holdings of the strategy will be selected on their ability to maintain low expenses and produce a low tracking error to the benchmark. All holdings will be passively constructed and will be tactically managed in the strategy. At any point in time, the equity allocation of the strategy will contain a minimum 35% international exposure and may contain as much as 60% given the monthly and quarterly tactical allocations of the strategy. The holdings in the strategy will be comprised of between 5-32 exchanges traded funds meetings the following descriptions: fixed income; asset preservation; income; growth & income; growth; and aggressive growth. The holdings will be traded as conditions warrant.

### **USA Multi-Strategy Portfolio**

This is a tactical investment management strategy constructed entirely with exchange traded funds (ETFs) with exposure aimed solely to U.S. markets. The strategy is comprised of four different allocations that include: Passive exposure to U.S. equity markets that is designed to include factor based investing, momentum exposure designed to drive directional indicators across major domestic indices, technical analysis focused on price, volume, and risk, and a quantitative factor aimed at rotating amongst 25 different industries in the U.S. market. The broad base case asset allocation of the strategy is guided by Hefty Wealth Partners and changes may take place monthly. The underlying holdings of the strategy will be selected on their ability to maintain low expenses and produce a low tracking error to the benchmark. All holdings will be passively constructed and will be tactically managed in the strategy. The holdings in the strategy will be comprised of between 5-25 exchanges traded funds meetings the following descriptions: fixed income; asset preservation; income; growth & income; growth; and aggressive growth. The holdings will be traded as conditions warrant.

### **Tax Advantaged ETF Strategy**

This is a passive strategy constructed solely with exchange traded funds (ETFs) and aimed at producing long-term capital gains and tax-free income from fixed income municipal bond holdings. The strategy's equity allocation contains provides a global exposure with a bias to U.S. based holdings. The underlying holdings of the strategy will be selected on their ability to maintain low expenses and produce a low tracking error to the benchmark. Systematic rebalancing will be kept at a minimum and may occur in the event that assets are swapped. All underlying fixed income holdings will be AMT free (alternative minimum tax free). The holdings in the strategy will be comprised of between 4-12 exchanges traded funds meetings the following descriptions: fixed income; asset preservation; income and growth & income.



**Passive Core Strategy**

This is a passive strategy constructed solely with exchange traded funds (ETFs) and aimed at producing long-term capital gains through global exposure. The underlying holdings of the strategy will be selected on their ability to maintain low expenses and produce a low tracking error to the benchmark. Systematic rebalancing will be kept at a minimum and may occur in the event that assets are swapped. The holdings in the strategy will be comprised of between 3-15 exchanges traded funds meeting the following descriptions: fixed income; asset preservation; income; growth & income; growth; and aggressive growth.

**Global Diversified Strategy Portfolio**

This is a tactical investment management strategy executed by overweighting and underweighting asset and style classes as well as geographical regions on an ongoing basis. The tactical process is overlaid with a continuous active management across the same asset and style classes, as well as geographical regions. 50% of the asset allocation guidelines are driven by Morningstar Ibbotson Asset Allocation models; and the other 50% is driven by internal independent research guided at qualitative and quantitative factors. Hefty Wealth Partners will select actively managed mutual funds utilized for this Strategy Portfolio by using qualitative and quantitative screening criteria as compared to internal and external research, in addition to discussions with analysts and managers. The holdings will be comprised of between 8 and 35 mutual funds meeting the following general descriptions: fixed income; asset preservation; income; growth & income; growth; and aggressive growth. The holdings will be traded as conditions warrant. This strategy may also hold individual bonds, alternative investments, annuities, individual equities and preferred stocks.

**Tax Advantaged Strategy Portfolio**

This is a tactical and active fixed income investment management strategy coupled with a passive equity strategy. The asset allocation guidelines are driven by Morningstar Ibbotson Asset Allocation models. Hefty Wealth Partners will select passively managed equity mutual funds and actively managed municipal bond mutual funds for this Strategy Portfolio by using qualitative and quantitative screening criteria as compared to internal and external research, in addition to discussions with analysts and managers. The holdings will be comprised of between 5 and 20 mutual funds meeting the following general descriptions: fixed income; asset preservation; income; and growth with income. The holdings will be traded as conditions warrant. This strategy may also hold individual bonds, alternative investments, annuities, individual equities and preferred stocks.

**Global Equity Income Strategy Portfolio**

This investment management strategy is focused upon quality and long-term sustainability of balance sheet strength relative to market fundamentals. The asset allocation guidelines are comprised of large capitalization on the individual equities and blended geographic and capitalization exposure on the ETFs. Hefty Wealth Partners will select dividend focused ETFs utilized for this Strategy Portfolio by using rigorous qualitative and quantitative screening criteria that encompasses global dividend paying equities. The holdings will be comprised of approximately 10 US equity income equities (stocks) and up to 10 ETFs. The fixed income portion of the portfolios will be comprised of municipal bond ETFs. The general descriptions are global equity income aggressive growth, global equity income growth and global equity income balanced. The holdings will be traded every 366 days. This strategy may also hold individual bonds, alternative investments, annuities, and preferred stocks.

**Equity Enhanced Core**

This is a core-satellite strategy designed to provide broader diversification across passive global equity markets. The strategy is designed to produce only long-term capital gains and seeks indirect global exposure through its individual equity holdings. Systematic rebalances will occur annually with

ad-hoc changes taking place as needed. The core component of the strategy will be comprised of no more than 5 individual ETFs while the satellite exposure will be constructed with ten equally weighted individual large capitalization equities. The total holdings in the strategy will be comprised of between 13-18 assets meeting the following descriptions: growth & income; growth; and aggressive growth.

### **Alpha Driven Strategy Portfolio**

This investment management strategy is based on a combination of quantitative and qualitative criteria aimed at relative risk, correlations, various coefficients, sector analysis, balance sheet strengths and overall market capitalization. The asset allocation guidelines are driven by quarterly data and vary between large, medium, and small capitalization style classes. Hefty Wealth Partners will internally manage this strategy incorporating fundamental, quantitative, and passive strategies. The holdings will be comprised of between 20 and 35 equities (stocks) and ETFs meeting the following general descriptions: ADS core aggressive growth; ADS core growth; and ADS core growth & income. The holdings will be traded quarterly. This strategy may also hold individual bonds, alternative investments, annuities, and preferred stocks.

### **(Small Account Solution) SAS Active Strategy Portfolio**

This is a buy-and-hold active strategy. The asset allocation guidelines will match the client's investment objective. Hefty Wealth Partners will select one actively managed mutual fund per strategy Portfolio using qualitative and quantitative screening criteria as compared to internal and external research, in addition to discussions with analysts and managers. The holdings will be comprised of one mutual fund per strategy portfolio meeting the following general descriptions: asset preservation; income; growth & income; growth; and aggressive growth. The holdings will be traded as conditions warrant.

In addition to the fees stated above, clients who select the Hefty Wealth Strategy Portfolios will pay an additional non-negotiable quarterly strategy fee based upon the percentage (%) of Portfolio Strategy assets under management, and are also subject to the following minimum investment requirements as follows:

Strategy Portfolio	Strategy Fee	Minimum Required Investment
*SAS Active	\$0 + 0.05%	\$1,000
U.S. Focused	\$50 + 0.05%	\$15,000
Global Diversified	\$100 + 0.10%	\$30,000
Tax Advantaged	\$100 + 0.10%	\$30,000
Tax Advantaged ETF	\$500 + 0.25%	\$100,000
Equity Enhanced	\$500 + 0.25%	\$100,000
Global Multi-Strategy	\$500 + 0.25%	\$100,000
USA Multi-Strategy	\$500 + 0.25%	\$100,000
Global Equity Income	\$500 + 0.25%	\$100,000
Alpha Driven	\$750 + 0.25%	\$250,000

\* SAS Active has a maximum investment amount of \$15,000.

Strategy fees for Custom Strategies are assessed on a case by case basis and range from \$0 - \$1,000 + 0.10% - 0.25%, with a minimum required investment of \$100,000.

**Please Note:** Hefty Wealth Partners will screen client accounts invested in the Hefty Wealth Strategy Portfolios, and will automatically reallocate investment assets to other strategies matching the same investment objective as follows: SAS Active accounts with over \$20,000 will be transferred to U.S. Focused; and Tactical accounts that are valued below \$30,000 are moved to U.S. Focused.

### **Asset Management Services – Hefty Wealth Portfolios Institutional Wrap Fee Program**

For our institutional clients, Hefty Wealth Partners may offer its institutional service offering on a wrap fee basis (the “Institutional Program”). For those clients, the negotiable annual Institutional Program fee is based upon a percentage (%) of the total market value and type of assets placed under Hefty Wealth Partners’ management (generally between 0.25% and 0.60%, subject to the minimum fees disclosed in Item 5 below), to be charged quarterly in advance on a tiered basis, as follows:

<u>Market Value of Portfolio</u>	<u>Annual Tiered Fee %</u>
Total Assets equal to \$1,000,000 and below	0.60%
Next Assets between \$1,000,001 and \$2,500,000	0.40%
Next Assets exceeding \$2,500,000	0.25%

**Fee Calculation:** The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client, pursuant to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (hereinafter the “Act”).

**Fee Payment:** Clients will be charged in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter. Fees are prorated for accounts opened during the quarter. An additional fee for the current quarter will be assessed if assets are deposited after the beginning of the quarter, prorated based on the number of calendar days remaining in the quarter during which the service will be in effect.

**Termination of Advisory Relationship:** A client agreement may be canceled at any time, by either party, for any reason upon receipt of prior written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

### **CrescendoMAX Direct**

When consistent with a client’s investment objectives, Hefty Wealth Partners may provide portfolio management services, on a wrap fee basis, through an automated, online investment management platform (CrescendoMAX Direct), custodied with Ameritrade. Through CrescendoMAX Direct, Hefty Wealth Partners offers clients a range of investment portfolios it has constructed and manages. Hefty Wealth Partners' wrap fee for CrescendoMAX accounts shall be 0.85% of the market value of the assets placed under Hefty Wealth Partners’ management.

Hefty Wealth Partners is the client’s investment adviser and primary point of contact with respect to CrescendoMAX Direct. Hefty Wealth Partners is solely responsible for determining the appropriateness of CrescendoMAX Direct for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis.

Hefty Wealth Partners has contracted with Orion Advisor Services and Riskalyze to provide it with the technology platform and related services for CrescendoMAX Direct. This platform enables Hefty Wealth Partners to make CrescendoMAX Direct available to clients online and includes a system that automates certain key parts of Hefty Wealth Partners’ investment process (the “System”). The System includes an online questionnaire that helps Hefty Wealth Partners determine the client’s investment objectives and risk tolerance and select an appropriate investment portfolio. Hefty Wealth

Partners will recommend a portfolio via the system in response to the client's answers to the online questionnaire. The system also includes an automated investment engine through which Hefty Wealth Partners manages the client's portfolio on an ongoing basis.

- B. Participation may cost more or less than purchasing such services separately. The fee charged by Hefty Wealth Partners for participation in the Programs may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

Depending upon the percentage wrap-fee charged by Hefty Wealth Partners, the amount of portfolio activity in the client's account, and the value of custodial and other services provided, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and/or if Hefty Wealth Partners were to negotiate transaction fees and seek best price and execution of transactions for the client's account. **Conflict of Interest.** Because Program transaction fees and/or commissions are being paid by Hefty Wealth Partners to the account custodian/broker-dealer, Hefty Wealth Partners could have an economic incentive to maximize its compensation by seeking to minimize the number of trades in the client's account. **Hefty Wealth Partners' Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective client may have regarding the corresponding conflict of interest a wrap fee arrangement may create.**

- C. The Programs' wrap fees do not include certain charges and administrative fees, including, but not limited to, transaction charges (including mark-ups and mark-downs) resulting from trades effected through or with a broker-dealer other than LPL and/or Ameritrade, transfer taxes, odd lot differentials, IRA maintenance fees, exchange fees, interest charges, American Depository Receipt agency processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts). Such fees and expenses are in addition to the Programs' wrap fee.
- D. Hefty Wealth Partners' related persons who recommend the Programs to clients do not receive compensation as a result of a client's participation in the Programs.

#### **Item 5 – Account Requirements and Types of Clients**

Hefty Wealth Partners' clients generally include individuals, high net worth individuals, charitable organizations and business entities. For the Program and the Institutional Program, Hefty Wealth Partners generally requires a \$100,000 minimum asset level. For the High Net Worth Program Hefty Wealth Partners generally requires a minimum quarterly fee of \$2,500. Please note that the combined minimum fee will never exceed 3% of assets under Hefty Wealth Partners' management. The minimum investment amounts for the respective Hefty Wealth Strategy Portfolios range between \$1,000 and \$250,000. The Hefty Direct Program generally requires minimum assets of \$5,000. Hefty Wealth Partners, in its sole discretion, may reduce the minimum asset level and/or minimum quarterly fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

#### **Item 6 – Portfolio Manager Selection and Evaluation**

- A. Under the Program, Hefty Wealth Partners does not utilize independent portfolio managers. Hefty Wealth Partners will provide the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Therefore, conflicts of interest present in other wrap-fee

programs that make both affiliated and unaffiliated portfolio managers available do not exist in this Program.

- B. Hefty Wealth Partners acts as the portfolio manager for the Program. Inasmuch as the execution costs for transactions effected in the client account will be paid by Hefty Wealth Partners, a conflict of interest arises in that Hefty Wealth Partners may have a disincentive to trade securities in the client account. In addition, the amount of compensation received by Hefty Wealth Partners as a result of the client's participation in the Program may be more than what Hefty Wealth Partners would receive if the client paid separately for investment advice, brokerage and other services..

**Please Note:** When managing a client's account on a wrap fee basis, Hefty Wealth Partners shall receive as payment for its asset management services, the balance of the wrap fee after all other costs (including account transaction fees) incorporated into the wrap fee have been deducted. **Accordingly, Hefty Wealth Partners has a conflict of interest because it could have an economic incentive to maximize its compensation by seeking to minimize the number of transactions/total costs in the client's account. Hefty Wealth Partners' Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective client may have regarding the corresponding conflict of interest a wrap fee arrangement may create**

- C. Hefty Wealth Partners also offers the following services:

**Playbook and Coaching Sessions**

CrescendoMAX Direct participants may, for a separate and additional fee, elect to receive access to certain financial and economic planning tools available through the CrescendoMAX automated platform. In addition to receiving access to these tools, these CrescendoMAX participants will also have the ability to schedule telephone planning sessions with certain Hefty Wealth Partners professionals to discuss general financial planning concepts and issues.

**Financial Planning and Consulting Services**

Financial planning and consulting helps clients to identify long-term financial goals intended to be achieved through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. Hefty Wealth Partners provides financial planning and consulting services, which focus upon a client's overall financial situation. Before engaging Hefty Wealth Partners to provide financial planning or consulting services, clients may be required to enter into a Financial Planning and Consulting Agreement with Hefty Wealth Partners setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client before Hefty Wealth Partners commencing services. If requested by the client, Hefty Wealth Partners may recommend the services of other professionals for implementation purposes, including Hefty Wealth Partners' representatives in their individual capacities as registered representatives of LPL. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Hefty Wealth Partners.

**Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** Each client is advised that it remains the client's responsibility to promptly notify Hefty Wealth Partners if there is ever any change in client's

financial situation or investment objectives for the purpose of reviewing, evaluating or revising Hefty Wealth Partners' previous recommendations and/or services.

Hefty Wealth Partners offers three basic forms of financial planning and consulting services: "Legacy for Life® Services;" "Financial Planning," and "Stand-Alone Financial Consulting Services."

#### Legacy for Life® Services

Hefty Wealth Partners provides financial planning and/or estate planning services to individual clients through its Legacy for Life® Program in which financial plans are updated as often as daily; but no less frequently than weekly, by automatically downloading the client's various investment accounts into Hefty Wealth Partners' financial planning software. Depending on the scope of the engagement, areas covered through Legacy for Life® may include, but are not necessarily limited to: retirement planning, major purchase planning, education planning, estate planning, small business planning, risk management planning, corporate services, and consulting for non-for-profit organizations.

In certain instances where clients do not meet Hefty Wealth Partners' advisory fee minimum requirements, Hefty Wealth Partners may make its Legacy for Live ® Services and Financial Planning Services available through a separate service agreement.

To initiate the Legacy for Life® engagement, Hefty Wealth Partners will meet with the client to determine the scope of services and financial planning topics to be covered. Once defined and agreed upon, the client and Hefty Wealth Partners will enter into a Legacy for Life® - Financial Planning Agreement.

#### Financial Planning Services

Hefty Wealth Partners provides financial planning services to individual clients through its Financial Planning and Hefty Direct Programs in which financial plans are updated as often as daily; but no less frequently than weekly, by downloading the client's various investment accounts into Hefty Wealth Partners' financial planning software. Depending on the scope of the engagement, areas covered through Financial Planning Services may include, but are not necessarily limited to: retirement planning, major purchase planning, education planning and risk management planning.

In certain instances where clients do not meet Hefty Wealth Partners' advisory fee minimum requirements, Hefty Wealth Partners may make Financial Planning Services available through a separate service agreement

To initiate the Financial Planning Services engagement, Hefty Wealth Partners will meet with the client to determine the scope of services and financial planning topics to be covered. Once defined and agreed upon, the client and Hefty Wealth Partners will enter into a Financial Planning Agreement.

#### Stand-Alone Financial Consulting Services

Hefty Wealth Partners may also provide financial planning and consulting services on a one-time-only basis. Topics covered as part of these services may include any particular issue of concern to the client as agreed to between the Client and Hefty Wealth Partners, which generally include retirement planning, major purchase planning, education planning, estate planning, small business planning, risk management planning, corporate services, consulting for non-for-profit organizations and estate settlement.

### **Miscellaneous**

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. As indicated above, to the extent requested by a client, Hefty Wealth Partners may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Hefty Wealth Partners **does not** serve as an attorney or accountant, and no portion of its services should be construed as legal or accounting services. Accordingly, Hefty Wealth Partners **does not** prepare estate planning documents or tax returns. To the extent requested by a client, Hefty Wealth Partners may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance agents, etc.), including representatives of Hefty Wealth Partners in their separate individual capacities as representatives of LPL, a FINRA member broker-dealer and/or as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Hefty Wealth Partners and/or its representatives.

**Please Note:** If the client engages any recommended unaffiliated professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note-Conflict of Interest:** The recommendation by Hefty Wealth Partners' representative that a client purchase a securities or insurance commission product through Hefty Wealth Partners' representative in their separate and individual capacity as a registered representative of LPL and/or as an insurance agent, presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment or insurance products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any securities or insurance commission products through such a representative. Clients are reminded that they may purchase securities and insurance products recommended by Hefty Wealth Partners through other, non-affiliated registered representatives of a broker-dealer and/or insurance agents. .

### **Trade Error Policy**

Hefty Wealth Partners has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Hefty Wealth Partners to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by Hefty Wealth Partners if the error was caused by our Firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. Hefty Wealth Partners may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons). Hefty Wealth Partners and its supervised persons will never retain any portion of any gains made as a result of trade error corrections or profit in any way from trade errors. If the gain does not remain in the account and LPL is the custodian, LPL as the broker/dealer, will maintain gains that may result from correcting a trade error and in some instances may use such gains to offset overall losses LPL incurs from trading errors.

Cash Positions. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Hefty Wealth Partners may maintain cash positions for defensive purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating Hefty Wealth Partners' advisory fee. Please Further Note: When the account is holding cash positions, those cash positions will be subject to the same fee schedule as set forth above for fixed income. Hefty Wealth Partners' Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective client may have regarding the above fee billing practice.

Retirement Plan Rollovers – No Obligation / Potential for Conflict of Interest. A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If the Registrant recommends that a client roll over their retirement plan assets into an account to be managed by the Registrant, such a recommendation creates a conflict of interest if the Registrant will earn a new (or increase its current) advisory fee as a result of the rollover. To the extent that Registrant recommends that clients roll over assets from their retirement plan to an IRA managed by Registrant, then Registrant represents that it and its investment adviser representatives are fiduciaries under the Employment Retirement Income Security Act of 1974 ("ERISA"), or the Internal Revenue Code, or both. **No client is under any obligation to roll over retirement plan assets to an account managed by Registrant. The Registrant's Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective client may have regarding the conflict of interest presented by such a rollover recommendation.**

ERISA / IRC Fiduciary Acknowledgment. If the client is: (i) a retirement plan ("Plan") organized under ERISA; (ii) a participant or beneficiary of a Plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (iii) the beneficial owner of an IRA acting on behalf of the IRA; or (iv) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then the Registrant represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any investment advice provided by the Registrant or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account.

Sub-Advisory Engagements. Hefty Wealth Partners may serve as a sub-advisor to unaffiliated registered investment advisors according to the terms and conditions of a written Sub-Advisory Agreement. With respect to its sub-advisory services, the unaffiliated investment advisors that engage the Firm's sub-advisory services maintain both the initial and ongoing day-to-day relationship with the underlying client, including initial and ongoing determination of client suitability for Hefty Wealth Partners' designated investment strategies and/or programs. If the custodian/broker-dealer is determined by the unaffiliated investment adviser, Hefty Wealth Partners will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. As a result, clients may 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 through alternative clearing arrangements recommended by Hefty Wealth Partners. Higher transaction costs adversely impact account performance.



Use of Mutual Funds. While Hefty Wealth Partners may recommend allocating investment assets to mutual funds that are not available directly to the public, Hefty Wealth Partners may also recommend that clients allocate investment assets to publically-available mutual funds that the client could obtain without engaging Hefty Wealth Partners as an investment advisor. However, if a client or prospective client determines to allocate investment assets to publically-available mutual funds without engaging Hefty Wealth Partners as an investment adviser, the client or prospective client would not receive the benefit of Hefty Wealth Partners' initial and ongoing investment advisory services.

Use of Mutual and Exchange Traded Funds. Most mutual funds and exchange traded funds are available directly to the public. Thus, a prospective client can obtain many of the funds that may be utilized by Hefty Wealth Partners independent of engaging Hefty Wealth Partners as an investment advisor. However, if a prospective client determines to do so, he/she will not receive the Hefty Wealth Partners' initial and ongoing investment advisory services. **Please Note:** In addition to Hefty Wealth Partners' investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

Portfolio Activity. Hefty Wealth Partners has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Hefty Wealth Partners will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Hefty Wealth Partners determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Hefty Wealth Partners will be profitable or equal any specific performance level(s).

eMoney Advisor Platform. Hefty Wealth Partners may provide its clients with access to an online platform hosted by "eMoney Advisor" ("eMoney"). The eMoney platform allows a client to view their complete asset allocation, including those assets that Hefty Wealth Partners does not manage (the "Excluded Assets"). Hefty Wealth Partners does not provide investment management, monitoring, or implementation services for the Excluded Assets. Therefore, Hefty Wealth Partners shall not be responsible for the investment performance of the Excluded Assets. Rather, the client and/or their advisor(s) that maintain management authority for the Excluded Assets, and not Hefty Wealth Partners, shall be exclusively responsible for such investment performance. The client may choose to engage Hefty Wealth Partners to manage some or all of the Excluded Assets pursuant to the terms and conditions of an *Investment Advisory Agreement* between Hefty Wealth Partners and the client. The eMoney platform also provides access to other types of information, including financial planning concepts, which should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by Hefty Wealth Partners. Finally, Hefty Wealth Partners shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the eMoney platform without Hefty Wealth Partners' assistance or oversight.

Client Obligations. In performing its services, Hefty Wealth Partners shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify Hefty Wealth Partners if there is ever any change in his/her/its financial situation or

investment objectives for the purpose of reviewing/evaluating/revising Hefty Wealth Partners' previous recommendations and/or services.

Disclosure Statement. A copy of Hefty Wealth Partners' written Brochure as set forth on Part 2A, Part 2A Appendix 1 and Part 2B of Form ADV (as applicable) shall be provided to each client prior to, or contemporaneously with, the execution of the applicable form of client agreement.

Performance-Based Fees and Side-By-Side Management (ADV Part 2A, Item 6)

Neither Hefty Wealth Partners, nor any supervised person of Hefty Wealth Partners accepts performance passed fees.

Methods of Analysis, Investment Strategies and Risk of Loss (ADV Part 2A, Item 8A)

Hefty Wealth Partners' primary method of security analysis is a blend of fundamental, quantitative and technical analysis. Each form of analysis is described below:

Fundamental Analysis

This method attempts to measure a security's intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price to determine what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

Technical Analysis

This method attempts to measure a security's value by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Quantitative Analysis

This method attempts to measure a security's risk and value by analyzing it's relative metrics to the broad market. Such metrics include standard deviation, correlations, expected return metrics, balance sheet ratio analysis, and overall outputs tied to multiple regression analysis.

Hefty Wealth Partners uses the following investment strategies when implementing investment advice given to clients:

Long Term Purchases

This refers to investments that are purchased with the intention of being held for at least one year.

Short Term Purchases

This refers to investments that are purchased with the intention of being sold within one year.

### Option Writing

Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time. Option writing includes covered options, uncovered options, or spreading strategies.

Hefty Wealth Partners' asset allocation strategies have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, such as Hefty Wealth Partners' asset allocation programs, with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is applicable to Hefty Wealth Partners' management of client assets:

1. Initial Interview – at the opening of the account, Hefty Wealth Partners, through its designated representatives, shall obtain from the client information sufficient to determine the client's financial situation and investment objectives;
2. Individual Treatment - the account is managed on the basis of the client's financial situation and investment objectives;
3. Quarterly Notice – at least quarterly Hefty Wealth Partners shall notify the client to advise Hefty Wealth Partners whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
4. Annual Contact – at least annually, Hefty Wealth Partners shall contact the client to determine whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
5. Consultation Available – Hefty Wealth Partners shall be reasonably available to consult with the client relative to the status of the account;
6. Quarterly Report – the client shall be provided with a quarterly report for the account for the preceding period;
7. Ability to Impose Restrictions – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct Hefty Wealth Partners not to purchase certain mutual funds;
8. No Pooling – the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;
9. Separate Account - a separate account is maintained for the client with the Custodian;
10. Ownership – each client retains indicia of ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

Hefty Wealth Partners believes that its annual investment management fee is reasonable in relation to: (1) the advisory services provided under the *Investment Advisory Agreement*, and (2) the fees charged by other investment advisers offering similar services/programs. However, Hefty Wealth Partners' annual investment management fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to Hefty Wealth Partners' annual investment management fee, the client will also incur charges imposed directly at the mutual and exchange traded fund level (e.g., management fees and other fund expenses). **Please Note:** Hefty Wealth Partners' investment programs may involve above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

**Please Note: Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be

assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Hefty Wealth Partners) will be profitable or equal any specific performance level(s).

Voting Client Securities (ADV Part 2A, Item 17)

Hefty Wealth Partners does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Hefty Wealth Partners to discuss any questions they may have with a particular solicitation.

**Item 7 – Client Information Provided to Portfolio Managers**

Because only representatives of Hefty Wealth Partners serve as portfolio managers, those representatives or their assistants are responsible for gathering all information provided by clients. Hefty Wealth Partners' representatives will interview and work with clients to gather all information needed relative to their investment objectives and needs in order to provide management services through Program. Clients are reminded to contact their representative whenever there are changes to their financial situation that will impact or materially influence the way Hefty Wealth Partners manages accounts.

**Item 8 – Client Contact with Portfolio Managers**

Because only Hefty Wealth Partners representatives serve as portfolio managers, there are no restrictions placed on clients' ability to contact and consult with their portfolio managers. It is the policy of Hefty Wealth Partners to provide an "open channel" of communication between representatives and their clients. Clients are encouraged to contact their representative whenever they have questions about the management of their account.

**Item 9 – Additional Information**

A.

Disciplinary Information (ADV Part 2A, Item 9)

Hefty Wealth Partners has not been the subject of any disciplinary actions.

Other Financial Industry Activities and Affiliations (ADV Part 2A, Item 10)

Certain of Hefty Wealth Partners' management persons are registered representatives of LPL.

Neither Hefty Wealth Partners, nor its representatives are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Licensed Insurance Agents

Certain of Hefty Wealth Partners' representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. Clients can engage those individuals, in an individual capacity, to effect insurance transactions on a commission basis.

**Conflict of Interest:** The recommendation by Hefty Wealth Partners' representatives, that a client purchase an insurance commission product presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Hefty Wealth Partners' representatives. Clients are reminded that they may purchase insurance products recommended by Hefty Wealth Partners through other, non-affiliated insurance agents. Hefty Wealth Partners' Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective may have regarding the above conflict of interest.

**Registered Representative of a Broker/Dealer**

Certain of Hefty Wealth Partners' representatives are registered representatives of LPL, a registered broker/dealer, member SIPC/FINRA. Clients can choose to engage representatives Hefty Wealth Partners, in their individual capacities, to effect securities brokerage transactions on a commission basis.

**Conflict of Interest:** The recommendation by Hefty Wealth Partners' representatives that a client purchase a securities commission product presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any securities commission products from Hefty Wealth Partners' representatives. Clients are reminded that they may purchase securities commission products through other, non-affiliated registered representatives. Hefty Wealth Partners' Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective may have regarding the above conflict of interest.

Hefty Wealth Partners does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

B.

**Code of Ethics, Participation in Client Transactions and Personal Trading (ADV Part 2A, Item 11)**

Hefty Wealth Partners maintains an investment policy relative to personal securities transactions. This investment policy is part of Hefty Wealth Partners' overall Code of Ethics, which serves to establish a standard of business conduct for all of Hefty Wealth Partners' representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Hefty Wealth Partners also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Hefty Wealth Partners or any person associated with Hefty Wealth Partners.

Neither Hefty Wealth Partners nor any related person of Hefty Wealth Partners recommends, buys, or sells for client accounts, securities in which Hefty Wealth Partners or any related person of Hefty Wealth Partners has a material financial interest.

Hefty Wealth Partners and/or representatives of Hefty Wealth Partners may buy or sell securities that are also recommended to clients. This practice may create a situation where Hefty Wealth Partners and/or representatives of Hefty Wealth Partners are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as

“scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Hefty Wealth Partners did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of Hefty Wealth Partners’ clients) and other potentially abusive practices.

Hefty Wealth Partners has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Hefty Wealth Partners’ “Access Persons”. Hefty Wealth Partners’ securities transaction policy requires that Access Person of Hefty Wealth Partners must provide the Chief Compliance Officer or his/her designee with a written report of the their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date Hefty Wealth Partners selects; provided, however that at any time that Hefty Wealth Partners has only one Access Person, he or she shall not be required to submit any securities report described above.

Hefty Wealth Partners and/or representatives of Hefty Wealth Partners may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Hefty Wealth Partners and/or representatives of Hefty Wealth Partners are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above, Hefty Wealth Partners has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Hefty Wealth Partners’ Access Persons.

#### Review of Accounts (ADV Part 2A, Item 13)

For those clients who engage in the Program, Hefty Wealth Partners’ representatives conduct account reviews on an ongoing basis. All clients are advised that it remains their responsibility to advise Hefty Wealth Partners of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Hefty Wealth Partners on an annual basis.

Hefty Wealth Partners may conduct account reviews on an-other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

During any month that there is activity in a Hefty Wealth Portfolios managed account (and no less frequently than quarterly); the client receives an account statement, from LPL and/or Ameritrade, showing account activity as well as positions held in the account at month end. Additionally, the client receives a confirmation of each transaction that occurs within the account unless the transaction is the result of a systematic purchase, redemption or exchange. The client will also receive from their custodian a detailed quarterly report showing performance, positions, and activity. All account data and statements are also generally available on-line through the account view portal provided by their custodian. In addition, Hefty Wealth Partners may provide newsletters covering general financial planning and investment topics.

Client Referrals and Other Compensation (ADV Part 2A, Item 14)  
Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Hefty Wealth Partners may receive from LPL and/or Ameritrade (or another broker-dealer/custodian, investment platform, unaffiliated investment manager, and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist Hefty Wealth Partners to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Hefty Wealth Partners may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Hefty Wealth Partners in furtherance of its investment advisory business operations.

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

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

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

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

Certain of the support services and/or products that may be received may assist Hefty Wealth Partners in managing and administering client accounts. Others do not directly provide such

assistance, but rather assist Hefty Wealth Partners to manage and further develop its business enterprise.

Hefty Wealth Partners' clients do not pay more for investment transactions effected and/or assets maintained at LPL and/or Ameritrade as a result of this arrangement. There is no corresponding commitment made by Hefty Wealth Partners to LPL and/or Ameritrade or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

Hefty Wealth Partners also receives certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisors. Specifically, the Additional Services include payment to third party vendors toward the cost of holding marketing events attended by Hefty Wealth Partners' principals and certain of its clients; and/or Hefty Wealth Partners employee events. Over last year, the following entities (each, a "Contributing Entity" and collectively, the "Contributing Entities") attended and contributed the following approximate amounts toward the costs of such events: Goldman Sachs: \$854, Blackrock: \$2,000, JP Morgan: \$500, State Street: \$200, and Lincoln Financial: \$500. All of these Additional Services are non-recurring and individually negotiated. Hefty Wealth Partners does not expect to receive these Additional Services again; however, Hefty Wealth Partners reserves the right to negotiate for these Additional Services in the future. The Contributing Entities provide the Additional Services to Hefty Wealth Partners in their respective sole discretion and at their respective own expense. Hefty Wealth Partners does not pay any fees or agree to any express reciprocation benefitting any Contributing Entity for the Additional Services. Hefty Wealth Partners and the Contributing Entities have not entered into any written agreement to govern the Additional Services.

Hefty Wealth Partners' receipt of Additional Services raises conflicts of interest. In providing Additional Services to Hefty Wealth Partners, the Contributing Entities most likely consider the amount and profitability of the assets in, and trades placed for, Hefty Wealth Partners' client accounts to determine if they want to provide the Additional Services moving forward. Each Contributing Entity has the sole discretion to not offer these Additional Services in the future. Consequently, in order to be able to negotiate for these Additional Services, Hefty Wealth Partners may have an incentive to recommend to its Clients that they invest in products and/or utilize the services offered by the Contributing Entities. However, Hefty Wealth Partners' receipt of Additional Services does not diminish its duty to act in the best interests of its clients, including seeking best execution of trades for client accounts. Hefty Wealth Partners therefore reminds its clients that they may receive similar products and/or services from other entities besides the Contributing Entities

**Hefty Wealth Partners' Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.**

Hefty Wealth Partners does not compensate, directly or indirectly, any person, other than its representatives, for client referrals.

#### Financial Information (ADV Part 2A, Item 18)

Hefty Wealth Partners does not solicit fees of more than \$1,200, per client, six months or more in advance.

Hefty Wealth Partners is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.



Hefty Wealth Partners has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: Hefty Wealth Partners' Chief Compliance Officer, Christina Martinez, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**