



HILL INVESTMENT GROUP

Take the long view®

## Disclosure Brochure

### Item 1 – Cover Page

This Brochure provides information about the qualifications and business practices of Hill Investment Group, LLC (“HIG”). If you have any questions about the contents of this Brochure, please contact us at (314) 448-4023. 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.

HIG is a registered investment advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information through which you can determine to hire or retain an Advisor.

HIG provides investment advisory services under the Hill Investment Group name, as well as under the Hillfolio and Hilltop Family Office names. Hillfolio and Hilltop Family Office are DBA (“doing business as”) of Hill Investment Group, LLC.

### Locations and Contact Information

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Additional information about HIG is also available via the SEC’s web site [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for HIG is 136452. The SEC’s web site also provides information about any persons affiliated with HIG who are registered, or are required to be registered, as investment advisor representatives of HIG.



## *Item 2 - Material Changes*

This Item of the Brochure will discuss only specific material changes that are made to the Brochure since our last annual update and provide clients with a summary of such changes. The last annual update of our brochure was March 28, 2020.

☐ We have updated outside compensation (Item 14).

**Date of Brochure: August 20, 2020**

**Date of Most Recent Annual Updating Amendment: March 28, 2020**

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, you may request our brochure by contacting Nell Swanson Schiffer at (314) 448-4023.

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## *Item 4 – Advisory Business*

Hill Investment Group, LLC (“HIG”) has been providing advisory services since 2005. HIG is principally owned by Matt Hall. Rick Hill, Henry Bragg, and John Reagan have minority ownership. HIG serves four main client segments: Hillfolio, Hill, Hilltop, and Hill Institutional. Some of the segments are referred to specifically below. Where HIG is used, the information applies to all segments. As of December 2019, HIG manages \$677,922,107 on a discretionary basis.

### *Investment Management and Financial Planning Services: Hill, Hilltop*

HIG determines, with the client, his or her investment objectives and investor risk profile. HIG designs a written investment policy statement based on the client’s investing objectives and risk tolerance. HIG uses investment and portfolio allocation software to evaluate alternative portfolio designs. HIG evaluates the client’s existing investments with respect to the client’s investment policy statement. HIG works with new clients to develop a plan to transition from the client’s existing portfolio to the portfolio recommended by HIG. HIG continuously monitors the client’s portfolio holdings and overall asset allocation strategy and holds regular review meetings with the client regarding the account as necessary.

HIG typically creates a portfolio of no-load mutual funds and may use model portfolios if the models match the client’s investment policy. HIG allocates the client’s assets among various investments taking into consideration the client’s overall risk profile. HIG primarily recommends portfolios consisting of mutual funds offered by Dimensional Fund Advisors (DFA), Vanguard, Bridgeway, and AQR. HIG’s recommended mutual funds follow a passive asset class investment philosophy with low holdings turnover. Although purchasing individual equity securities is never a part of our recommended investment strategy, client portfolios may include individual equity securities with significant unrealized capital gains, or held for sentimental purposes. HIG manages mutual fund and equity portfolios on a discretionary basis.

HIG may also recommend fixed income securities to advisory clients, which consist of managed accounts of individual bonds. HIG requests discretionary authority from advisory clients to manage equity and fixed income portfolios, including the discretion to retain a third-party fixed income sub-advisor.

### *Investment Management and Financial Planning Services: Hillfolio*

HIG provides portfolio management services for some of its clients through a service line branded as Hillfolio. Hillfolio is registered as a DBA (doing business as) for HIG.

Hillfolio uses Institutional Intelligent Portfolios™, an automated, online investment management platform for use by independent investment advisors and sponsored by Schwab Wealth Investment Advisory, Inc (“SWIA”). Schwab is a FINRA member broker dealer.

Hillfolio uses either an online questionnaire or client interview to determine the client’s investment objectives and investor risk profile, selecting an appropriate investment strategy and portfolio.



Hillfolio allocates the client's assets among various investments taking into consideration the overall risk profile of client, occasionally employing the use of model portfolios. Hillfolio primarily recommends portfolios consisting of cash and no-load mutual funds. Hillfolio primarily recommends portfolios consisting of mutual funds or ETFs offered by Dimensional Fund Advisors (DFA), Vanguard, Bridgeway, and AQR. Hillfolio's recommended funds follow a passive asset class investment philosophy with low holdings turnover.

Hill contracts Schwab for the technology platform, related trading and account management services for Hillfolio. The platform includes automated rebalancing and tax-loss harvesting (if the client is eligible and elects). Specific disclosures related to Hillfolio are described in the Hillfolio Full Disclosure, available on the Hillfolio website. Schwab's role with Hillfolio client care is limited to delivering the Disclosure Brochure and ensuring the platform operates as described. Clients do not pay brokerage commissions or any other fees to Schwab as part of Hillfolio.

#### *Investment Management Services: Hill Institutional*

HIG provides advisory services to trusts, institutions, and participant-directed employee retirement benefit plans through a service line branded Hill Institutional. HIG analyzes the plan's current investment platform and assists the plan in creating an investment policy statement, which defines the investment offering and restrictions that may be imposed. HIG recommends investment options to achieve the plan's objectives, provides sponsor education, and monitors the performance of the plan's investment vehicles. HIG recommends changes in the plan's investments vehicles and investment policy as needed.

## *Item 5 – Fees and Compensation*

### *Hillfolio, Hill, Hilltop*

The table below details the investment management fee schedule for Hillfolio, Hill, and Hilltop. The minimum annual fee is \$1,700 per year for Hillfolio, \$17,000 per year for Hill.

	From	To	%
\$	-	\$ 5,000,000	0.85
\$	5,000,000	\$ 10,000,000	0.75
\$	10,000,000	\$ 50,000,000	0.55
\$	50,000,000	\$ 100,000,000	0.45
\$	100,000,000	+	0.35

Hilltop services are offered by invitation only based on a client's complexity. The fee for Hilltop advanced planning services ranges from \$10,000 to \$50,000 per quarter and is charged in addition to asset management fees. The fee for advanced planning may be waived depending on investment management assets. The fee is collected quarterly, in advance, and reassessed annually.



### *Hill Institutional*

The annual fee for asset management services will be .50%, or 50 BPS, of assets under management. The minimum annual fee for Hill Institutional is \$5,000.

### *Additional Information: Hillfolio*

Hillfolio clients are invoiced in advance at the beginning of each calendar month based upon the value of the client's account at the end of the previous month.

HIG will request authority from the client to receive monthly payments directly from the client's account held by an independent custodian. Clients may provide written limited authorization to HIG withdraw fees from the account.

All fees are calculated as described above and are not charged on the basis of a share of capital gains upon or capital appreciation of an advisory client's funds. A client agreement may be canceled at any time, by either party, for any reason with 30 days written notice. 30 days after written notice will be considered the official termination date. Upon termination of any account, prepaid, unearned fees can be promptly refunded *pro rata*.

All fees paid to HIG for investment advisory services are separate and distinct from the fees and expenses charged by ETFs and mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in ETFs or mutual funds directly, without the services of HIG. In that case, the client would not receive the services provided by HIG which are designed, among other things, to assist the client in determining which ETFs or mutual funds are most appropriate to each client's financial condition and objectives. DFA, Bridgeway, and AQR funds also may not be available to the client directly. Accordingly, the client should review both the fees charged by the funds and the fees charged by HIG to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

As described in Item 4 Advisory Business, clients do not pay fees or brokerage commissions or to Schwab as part of Hillfolio. Schwab receives other revenue in connection with Hillfolio, as described in this Disclosure Brochure. Brokerage arrangements are further described below in Item 12 Brokerage Practices.

### *Additional Information: Hill, Hilltop*

Clients are invoiced in advance at the beginning of each calendar quarter based upon the value of the client's account at the end of the previous quarter. Market value is based on independent third-party



sources. Client account balances on which HIG calculates fees may vary slightly from custodial statements due to slight differences in accrued interest calculations between the custodian and the account reporting software.

HIG will request authority from the client to receive quarterly payments directly from the client's account held by an independent custodian. Clients may provide written limited authorization to HIG withdraw fees from the account.

All fees are calculated as described above and are not charged on the basis of a share of capital gains upon or capital appreciation of an advisory client's funds. A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. 30 days after written notice will be considered the official termination date. Upon termination of any account, prepaid, unearned fees can be promptly refunded *pro rata*.

All fees paid to HIG for investment advisory services are separate and distinct from the fees and expenses charged by ETFs and mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in ETFs or mutual funds directly, without the services of HIG. In that case, the client would not receive the services provided by HIG which are designed, among other things, to assist the client in determining which ETFs or mutual funds are most appropriate to each client's financial condition and objectives. DFA, Bridgeway, and AQR funds also may not be available to the client directly. Accordingly, the client should review both the fees charged by the funds and the fees charged by HIG to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

HIG's fees are exclusive of brokerage commissions and transaction fees. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to HIG's fee, and HIG shall not receive any portion of these commissions, fees, and costs.

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

HIG does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of any portion of the funds of an advisory client.

## ***Item 7 – Types of Clients***

HIG manages investment portfolios for individuals, families, qualified retirement plans, trusts, and small businesses.



Hill generally requires a minimum account of \$200,000 for Hillfolio investment management and financial planning services, and a minimum fee of \$1,700.

HIG generally requires a minimum account of \$2,000,000 for Hill investment management and financial planning services, and a minimum fee of \$17,000.

HIG offers Hilltop services by invitation only based on a client's complexity. The fee for Hilltop advanced planning services ranges from \$10,000 to \$50,000 per quarter and is charged in addition to asset management fees. The advanced planning fee may be waived depending on investment management assets. The fee is collected quarterly, in advance, reassessed annually.

HIG generally requires a minimum annual fee for Hill Institutional of \$5,000, which includes investment management and financial planning services.

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

### *Methods of Analysis and Investment Strategy*

HIG's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. HIG's investment approach is firmly rooted in the belief that markets are "efficient" over long periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. HIG recommends diversified portfolios, principally through the use of passively managed, asset-class mutual funds and/or ETFs. HIG selects or recommends portfolios of securities, principally broadly traded open end mutual funds, ETFs, or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, HIG's investment advice seeks to limit risk through broad diversification among asset classes. HIG's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that HIG's strategy seeks to minimize.

In the implementation of investment plans, HIG primarily uses mutual funds and, as appropriate, portfolios of conservative fixed income securities. HIG may also use ETFs to represent a market sector.

HIG's strategies do not use securities that we believe classify as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage costs and taxes.

Clients may hold or retain securities that are not recommended by HIG in the accounts where HIG has discretion. If securities in the client's account are held at the instruction of the client and are not acquired or maintained according to HIG's recommendation, the client acknowledges that HIG has not reviewed, investigated or examined these non-recommended securities, and that HIG hereby disclaims any responsibility for the client's investment decisions with respect to these securities. HIG can incorporate and





manage non-recommended securities or assets as a part of the client's overall portfolio and risk profile as part of its services. HIG is compensated for advice regarding such assets through its standard fee schedule.

HIG receives supporting research from third parties, including experts affiliated with DFA, Vanguard, AQR, Schwab, Bridgeway, among others. HIG uses funds offered by DFA, Vanguard, AQR, Schwab, Bridgeway, and others in client portfolios. These funds follow a passive asset class investment philosophy with low holdings turnover. DFA, Vanguard, AQR, Schwab, and Bridgeway provide historical market analysis, risk/return analysis, and continuing education to HIG.

### *Analysis of a Client's Financial Situation*

In developing investment plans for clients, including the recommendation of an appropriate asset allocation, HIG relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, HIG may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- The risk that tax rates will be higher than was assumed in the analysis

### *Risk of Loss*

**Investing in securities involves risk of loss that clients should be prepared to bear.** All investments present the risk of loss of principal—the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even if the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs used by HIG may include domestic and international equities, real estate investment trusts (REITs), corporate and government fixed income securities, and commodities. Equity securities may include large, medium and small capitalization stocks. Mutual funds and ETFs invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in HIG's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, and emerging markets funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.



Certain funds used by HIG may contain international securities. Investing outside the United States involves risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries. More information about the risks of any particular market sector can be reviewed in the respective mutual fund prospectus.

### *Item 9 – Disciplinary Information*

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

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

HIG has no other financial industry activities or affiliations.

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

HIG has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. HIG's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth HIG's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with HIG may buy or sell securities for their personal accounts identical to, and/or different from those recommended to clients. It is the expressed policy of HIG that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, HIG requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and transaction reports to the firm's principal. HIG also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

HIG's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. HIG requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

HIG will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

### *Item 12 – Brokerage Practices*

*Investment Management Services: Hillfolio, Hill, Hilltop*



HIG participates in the Schwab Advisor Services (SAS) program offered to independent investment advisors by Charles Schwab & Company, Inc. ("Schwab"). Through Schwab Advisor Services, Schwab provides HIG and our clients with institutional brokerage services, trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab is a FINRA member broker dealer.

As discussed in Item 4, HIG contracts Schwab for the technology platform and related trading and account management services for Hillfolio. Clients do not pay brokerage commissions or any other fees to Schwab as part of Hillfolio.

The Schwab brokerage program will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. HIG regularly reviews these programs to ensure that HIG's recommendations are consistent with its fiduciary duty to achieve best execution. These trading platforms are essential to HIG's service arrangements and capabilities. As part of these programs, HIG receives benefits that it would not receive if it did not offer investment advice and use Schwab as a custodian.

HIG recommends the use of fixed income funds for most clients. HIG exercises authority to arrange client transactions in fixed income securities. HIG has the ability to purchase individual fixed income securities when it is best for the client. HIG has established a prime brokerage account relationship with Schwab through which it may purchase fixed income products directly from third parties and maintain custody at Schwab. In this situation, HIG will seek to select those brokers or dealers that will provide the best services at the lowest transaction costs possible. The reasonableness of brokerage costs, commissions and markup/mark downs is based on the broker dealer's ability to provide professional services, competitive execution, and other services that will help HIG in providing investment management services to clients. Client trades in fixed income securities may be aggregated with trades for other advisory clients to achieve better pricing and commission costs. All trades, including for fixed income, are allocated in the best interest of the client as set forth in HIG's policy and procedures manual. Where there is a limited supply of a security, HIG will allocate investment opportunities among its clients in a fair and reasonable manner.

Clients may provide this authority to a third-party fixed income sub-advisor retained by HIG on the client's behalf by designating the fixed income sub-advisor with trading authority over the client's brokerage account. HIG will provide clients with the Disclosure Brochure (Form ADV Part 2) of the fixed income sub-advisor used.

Schwab does not charge clients a custody fee and is not compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the broker or that settle into the clients' accounts at the broker. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker.

HIG generally does not aggregate any client transactions for mutual funds or ETFs. Client accounts are



individually reviewed and managed, and, in almost all circumstances, transaction costs are not saved by aggregating orders in which HIG arranges transactions.

HIG does not have any arrangements to compensate any broker dealer for client referrals.

HIG may also recommend no-load annuity products and other specialty products, for which HIG receives no commission or other sales-related compensation.

When trading client accounts, errors may periodically occur. HIG does not retain any client trade error gains. HIG makes clients whole with respect to any trade error losses incurred by the client and caused by HIG.

### *Hill Institutional*

Hill does not arrange for the execution of securities transactions for plans as a part of this service. Transactions are executed directly through employee plan participation.

## *Item 13 – Review of Accounts*

### *Hillfolio, Hill, Hilltop*

Account assets are supervised continuously and formally reviewed regularly by the members of HIG. The review process contains each of the following elements:

- assessing client goals and objectives;
- evaluating the employed strategy(ies);
- monitoring the portfolio(s); and
- addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a specific client request;
- a change in client goals and objectives;
- tax loss harvesting opportunities;
- an imbalance in a portfolio asset allocation; and
- market/economic conditions.

For Hill and Hilltop fixed income portfolios, certain account review responsibilities may be delegated to a third-party fixed income sub-advisor as described earlier in this document.

Hill and Hilltop clients will receive quarterly performance reports that summarize the client's account and asset allocation. Hillfolio, Hill, and Hilltop clients also receive monthly or quarterly statements from their account custodian, which will outline the client's current positions and current market value.

### *Hill Institutional*



Plan assets are generally reviewed on a quarterly basis, according to the standards and situations described above for investment management accounts.

Hill Institutional accounts receive monthly or quarterly statements from their plan administrator. Hill may provide additional reports and recommendations to plan sponsors based on its review of plan asset performance or specific client requests.

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

As indicated under the disclosure for Item 12, Schwab provides HIG with access to services generally available only to institutional investors. The services include brokerage, custody, research, and access to mutual funds and other investments that otherwise would require a significantly higher minimum initial investment.

HIG is exempt from paying fees for these services with Schwab because at least \$10 million of client assets are held at Schwab.

These services benefit HIG but may not benefit its clients' accounts. Many of the products and services assist HIG in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of HIG's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services are used to service all or a substantial number of HIG's accounts.

Mutual fund companies and custodians; including DFA, AQR, Bridgeway, Vanguard and Schwab; provide continuing education for HIG personnel. Schwab may also make available to HIG other services intended to help HIG manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

These services are designed to assist HIG plan and design its services for clients. These companies may occasionally pay for HIG employees' continuing education which may include conference admission, airfare, or hotel accommodations.

Clients should be aware that economic benefits from a custodian or mutual fund company create a potential conflict of interest, as these benefits may influence HIG's recommendation of this custodian or mutual fund company over one that does not furnish similar services. HIG attempts to mitigate this potential conflict by performing regular reviews of the services provided by custodians and mutual fund companies, and by ensuring that clients are receiving the best possible value.



HIG does not enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers.

DFA, through its web-based service, may provide referrals of investor clients to HIG. DFA makes such referrals to many investment advisors based upon the geographic location of the prospective client and minimum AUM levels. DFA is not compensated for these referrals by HIG. DFA does not provide any other referral help to HIG.

HIG may, via written arrangement, retain third parties to act as solicitors for HIG's investment management services. All compensation with respect to the foregoing will be fully disclosed to each client. HIG will ensure each solicitor is properly registered in all appropriate jurisdictions. All referral activities will be conducted in accordance with Rule 206(4)-3 under the Advisers Act, where applicable.

### *Item 15 – Custody*

Under government regulations, we are deemed to have custody of a client's assets if the client authorizes us to deduct our advisory fees directly from the client's account and/or to perform third-party transfers. This is the case for accounts enrolled in Hillfolio, Hill, and Hilltop. Schwab, JP Morgan, Vanguard, Missouri MOST, or Utah 529 maintain actual custody of clients' assets. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. HIG urges clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### *Item 16 – Investment Discretion*

Investment management clients are requested to provide HIG with written authority to determine which securities, and the amounts of securities, that are bought or sold. Any limitations on discretionary authority shall be included in the client's advisory agreement or added as an addendum. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

### *Item 17 – Voting Client Securities*

#### *Hill, Hilltop*

Upon request, HIG will accept the authority to vote proxies on behalf of clients. HIG's voting of proxies will be consistent with the investor's stated goals. Clients may obtain a copy of the firm's complete proxy voting policies and procedures upon written request to HIG. HIG maintains records of proxy voting materials and voting activity and clients may request, in writing, information on how proxies have been voted.



Clients should note that HIG will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements or bankruptcies. If desired, clients may direct HIG to transmit copies of class action notices to the client or a third party. Upon such direction, HIG will make commercially reasonable efforts to forward such notices in a timely manner.

### *Hillfolio*

Clients enrolled in Hillfolio designate Schwab to vote proxies for the funds held in their accounts. Additional information about this arrangement is available in the Hillfolio Disclosure Brochure.

## *Item 18 – Financial Information*

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about HIG's financial condition. HIG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.