



Form ADV Part 2A  
Firm Brochure

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**ITEM 1: COVER PAGE**

This Form ADV Part 2A Brochure ("Brochure") provides information about the qualifications and business practices of Hibernia Wealth Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 225-778-7972. 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. Registration with the SEC does not imply that any individual providing investment advisory services on behalf of Hibernia Wealth Partners possesses a certain level of skill or training.

Additional information about Hibernia Wealth Partners, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2: MATERIAL CHANGES**

Since this brochure was last updated on August 22, 2022, the following material changes have been made:

- The Firm changed its legal name as registered with the U.S. Securities and Exchange Commission (“SEC”) from PSHWM, LLC doing business as (DBA) Hibernia Wealth Management to Hibernia Wealth Partners, LLC.
- The Firm has updated this brochure’s “Item 4: Advisory Business” section to reflect the services currently being offered to clients, including new services.
- The Firm has updated this brochure’s “Item 5: Fees and Compensation” section to reflect the fee structures currently being offered to clients, including new services.

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## **ITEM 4: ADVISORY SERVICES**

Hibernia Wealth Partners, LLC (“HWP,” the “Adviser” or the “Firm”) is a U.S. Securities & Exchange Commission (“SEC”) registered investment adviser and is a privately held limited liability company organized under the laws of Louisiana. HWP was approved for registration by the SEC on May 5, 2022. Paul V. Saltaformaggio is the founder, owner, managing member, and Chief Compliance Officer (“CCO”) of HWP. The Adviser and its operations are solely under his control.

HWP manages assets on a discretionary basis and non-discretionary basis. As of 12/31/22, the total amount of discretionary assets under management was \$219,194,262, and zero non-discretionary assets under management.

### **Types of Advisory Services**

#### **INVESTMENT ADVISORY SERVICES**

HWP offers investment advisory/asset management services to advisory Clients. HWP will offer Clients ongoing management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring, and the overall investment program will be based on the above factors.

##### **Discretionary**

When the Client elects to use HWP on a discretionary basis, the Client will sign a limited trading authorization or equivalent allowing HWP to determine the securities to be bought or sold and the amount of the securities to be bought or sold. HWP will have the authority to execute transactions in the account without seeking Client approval on each transaction.

##### **Non-Discretionary**

When the Client elects to use HWP on a non-discretionary basis, HWP will determine the securities to be bought or sold and the amount of the securities to be bought or sold. However, HWP will obtain prior Client approval on each and every transaction before executing any transaction.

HWP may also select and appoint one or more Sub-Advisor(s) to provide Sub-Advisor Services to Client’s Account. Such Sub-Advisor Services will be as determined by HWP. Such Sub-Advisor(s), in providing Sub-Advisor Services, shall have all of the same authority relating to the management, including fee deduction authority, of Client’s Account as is granted to HWP. In addition, at HWP’s discretion, HWP may grant such Sub-Advisor(s) full authority to further delegate such discretionary investment authority to other Money Managers. Client will agree to such authority within HWP’s Advisory Agreement. All fees paid by Client to HWP are inclusive of the fees paid to Sub-Advisor.

##### **Third-Party Management**

When deemed appropriate for the Client, HWP may recommend that Clients utilize the services of a Third-Party Manager (TPM) to manage a portion of, or all of the Client’s portfolio. All TPMs that HWP recommends must be Registered Investment Advisors with the SEC or with the appropriate state authority(ies).

After gathering information about your financial situation and objectives, an investment advisor representative of our firm will make recommendations regarding the suitability of a TPM or investment style based on, but not limited to, your financial needs, investment goals, tolerance for risk, and investment objectives. Upon selection of a TPM(s), we will monitor the performance of the TPM(s) to ensure their performance and investment style remains aligned with your investment goals and objectives.

In such circumstances, HWP receives solicitor fees from the TPM. We act as the liaison between the Client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. We help the Client complete the necessary paperwork of the TPM and provide ongoing services to the Client. Ongoing services include but are not limited to:

- Provide information to each Client concerning the investment advisor services offered by TPM and the fee schedule of such services.
- Deliver the Form ADV Part 2, Privacy Notice, Form CRS, and Disclosure Statement to the Client, as applicable.
- Meet with the Client to discuss any changes in status, objectives, time horizon or suitability.
- Update the TPM with any changes in Client status which is provided to HWP by the Client.

Clients placed with TPM will be billed in accordance with the TPM's Fee Schedule which will be disclosed to the Client prior to signing an agreement.

## FINANCIAL PLANNING AND CONSULTING

Financial planning services include an evaluation of a Client's current and future financial state and will be provided by using currently known variables to predict future cash flows, asset values and withdrawal plans. HWP will use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing financial plans. Topics generally reviewed in a financial plan may include but are not limited to:

- **Personal net worth statement:** A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
- **Cash flow analysis:** An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
- **Retirement strategy:** A strategy for achieving retirement independent of other financial priorities. Including a strategy for accumulating the required retirement capital and its planned lifetime distribution.
- **Long-term investment plan:** Build a customized asset allocation strategy based on specific investment objectives and a risk profile. This strategy sets guidelines for selecting, buying, and selling investments and establishing benchmarks for performance review.
- **Tax reduction strategy:** Identify ways to minimize taxes on personal income to the extent permissible by the tax code. The strategy should include identification of tax favored investment vehicles that can reduce taxation of investment income.
- **Estate preservation:** Help update accounts, review beneficiaries for retirement accounts and life insurance, provide a second look at your current estate planning documents, and prompt you to update your plan when the legal environment changes or you have major life events such as a marriage, death, or births.

If a conflict of interest exists between the interests of HWP and the interests of the Client, the Client is under no obligation to act upon HWP's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to affect the transaction through HWP. Financial plans will be completed and delivered within ninety (90) days contingent upon timely delivery of all required documentation.

## ERISA PLAN SERVICES

HWP offers service to qualified and non-qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. HWP may act as a 3(21):

Limited Scope ERISA 3(21) Fiduciary. HWP acts as a limited scope ERISA 3(21) fiduciary that can advise, help, and assist plan sponsors with their investment decisions. As an investment advisor HWP has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using HWP can help the plan sponsor delegate liability by following a diligent process.

### 1. Fiduciary Services are:

- Provide investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Clients will make the final decision regarding the initial selection, retention, removal, and addition of investment options. HWP acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility of providing all notices to the Plan participants required under ERISA Section 404(c)-(5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with the Client on a periodic basis to discuss the reports and the investment recommendations.

### 2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands HWP's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, HWP is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. HWP will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

HWP may provide these services or, alternatively, may arrange for the Plan's other providers to

offer these services, as agreed upon between HWP and Client.

3. HWP has no responsibility to provide services related to the following types of assets (“Excluded Assets”):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in the calculation of Fees paid to HWP on the ERISA Agreement. Specific services will be outlined in detail for each plan in the 408(b)2 disclosure.

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. These restrictions may, however, prohibit engagement with HWP.

## WRAP FEE PROGRAM

HWP offers Wrap-Fee Program to simplify the payment of management fees and brokerage expenses. The wrap fee includes the brokerage expenses (i.e., commissions, ticket charges, etc.) of the account as well as our management fee. For further details, please see Hibernia Wealth Partners, LLC ADV Form 2A, Appendix 1, Wrap Fee Program Brochure. Wrap Fee and Non-Wrap Fee accounts are managed on an individualized basis according to the client’s investment objectives, financial goals, risk tolerance, etc. HWP does not manage Wrap Fee accounts in a different manner than Non-Wrap fee accounts. As further described in the Hibernia Wealth Partners, LLC ADV Form 2A, Appendix 1, Wrap Fee Program Brochure. HWP receives a portion of the Wrap Fee for services provided.

The benefits under a wrap fee program depend, in part, upon the size of the account, the costs associated with managing the account, and the frequency or type of securities transactions executed in the account. For example, a wrap fee program may not be suitable for all accounts, including but not limited to accounts holding primarily, and for any substantial period of time, cash or cash equivalent investments, fixed income securities or no-transaction-fee mutual funds, or any other type of security that can be traded without commissions or other transaction fees.

In order to evaluate whether a wrap (or bundled) fee arrangement is appropriate for you, you should compare the agreed-upon Wrap Program Fee and any other costs associated with participating in our Wrap Fee Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage and execution costs, and custodial services comparable to those provided under the Wrap Fee Program.

## **ITEM 5: FEES AND COMPENSATION**

### **FEE SCHEDULES**

### INVESTMENT ADVISORY SERVICES

Advisory fees are negotiable and vary by client. Most fees range from 1-3% annually based on a multiple of factors including the complexity of services provided, the level of assets to be managed, and the overall



relationship with Hibernia. The exact fee for services will be agreed upon and listed in the Investment Advisory Agreement prior to services being provided.

Account fees are deducted from your account by the qualified custodian. HWP facilitates the billing process. Clients must consent in advance to the direct debiting of your fees from the account by signing the Investment Advisory Agreement. Custodians deliver account statements directly to clients at least quarterly. Account statements show all disbursements from client account(s). Clients are encouraged to review your account statements for accuracy.

When purchasing securities and investment products away from Hibernia, partial withdrawals or additional deposits may result in a prorated refund or credit of fees to your account(s). Fee adjustments for partial withdrawals and additional deposits may be calculated in arrears on the next quarterly period billing cycle. Fee adjustments will be calculated based on the value at the time of the additional deposit or partial withdrawal.

#### FEE SCHEDULE FOR ACCOUNTS HELD AT CHARLES SCHWAB:

For client accounts held with Charles Schwab, Inc. (“Schwab”), fees are billed quarterly in arrears based on the average daily balance of accounts for the preceding quarter. The fee charged is one-quarter of the annual fee percentage. For accounts terminated prior to the of any given quarter, fees will be calculated based on actual number of days in the quarter when the account was under HWP management. The account value includes cash but excludes restricted or self-directed assets.

#### FEE SCHEDULE FOR ACCOUNTS HELD AT LPL FINANCIAL:

For client accounts held with LPL Financial, Inc (“LPL”), fees are billed quarterly per account and paid in advance. The fee charged is one-quarter of the annual fee percentage. Advisory fees for accounts opened on a day other than the first day of the calendar quarter will be prorated based on the number of days remaining in the calendar quarter. Terminated accounts are entitled to a prorated refund of any pre-paid quarterly fee based upon the number of days remaining in the billing quarter. The account value includes cash but excludes restricted or self-directed assets.

#### THIRD PARTY MANAGEMENT

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

#### FINANCIAL PLANNING AND CONSULTING

HWP charges an hourly, ongoing, and/or fixed fee for financial planning and consulting. Prior to the planning process the Client will be provided an estimated plan fee which will be based on the complexity of the engagement. For hourly and fixed fee arrangements, services will be completed and delivered within ninety (90) days contingent upon timely delivery of all required documentation. HWP reserves the right to



waive the fee should the Client implement the plan through HWP.

#### HOURLY FEES

Hourly Fee Services are offered based on an hourly fee of \$500 per hour. Hourly fees for financial plans are billed 50% in advance with the balance due upon plan delivery. Hourly fees are based on initial estimates of hours required to create and deliver the plan and billed based on actual time used to complete the plan.

#### FIXED FEES

Fixed Fee Services are offered with prices ranges depending on the complexity of the engagement. Fees are billed 50% in advance with the balance due upon plan delivery.

#### ONGOING FEES

Ongoing Fee Services are offered based on an annual fee and charged either monthly or quarterly depending on the Client's election. Fees are billed in advance of each billing period. Ongoing Fee Services will continue year over year until canceled, in writing, by either HWP or the Client.

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

#### ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and shall not exceed 1%. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets) on the last business day of the previous quarter.

The fee schedule, which includes compensation of HWP for the services is described in detail in the ERISA Plan Agreement. The Plan is obligated to pay the fees; however the Plan Sponsor may elect to pay the fees. Clients may elect to be billed directly or have fees deducted from Plan Assets. HWP does not reasonably expect to receive any additional compensation, directly or indirectly, for its services. If additional compensation is received, HWP will disclose this compensation, the services rendered, and the payer of compensation.

#### **Payment of Fees**

- Investment Advisory Fees are deducted directly from the Client's Account.
- For TPM services, the method of payment will be disclosed in the TPM's Form ADV Part 2.
- Financial Planning and Consulting Fees are generally invoiced directly to the Client but may also be deducted from another account managed by HWP.
- ERISA Fees are deducted directly from the Client's Account.

HWP, in its sole discretion, may charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional

assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

For all services, Clients may terminate their engagement with HWP within five (5) business days of signing an Agreement with no obligation and without penalty. After the initial (5) business days, the Agreement may be terminated by HWP with thirty (30) days written notice to Client and by the Client at any time with written notice to HWP. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. In the case of hourly engagements, fees will be prorated based on the work completed at the stated hourly rate. All unpaid earned fees will be due to HWP, and all unearned fees will be refunded to the Client. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

### **Additional Fees**

Custodians may charge brokerage commissions, transaction fees, and other related costs on the purchases or sales of mutual funds, equities, bonds, options, margin interest, and exchange-traded funds. Mutual funds, money market funds, and exchange-traded funds may also charge internal management fees, which are disclosed in the fund's prospectus. HWP does not receive any compensation from these fees. All of these fees are in addition to the management fee you pay to HWP. For more details on the brokerage practices, see Item 12 of this brochure.

### **External Compensation for the Sale of Securities**

Certain IARs of HWP are also associated with LPL Financial as broker-dealer registered representatives ("dually registered persons"). In their capacity as registered representatives of LPL, certain dually registered persons may earn commissions for the sale of securities or investment products that they recommend for brokerage clients. They do not earn commissions on the sale of securities or investment products recommended or purchased in advisory accounts through HWP. Clients have the option of purchasing many of the securities and investment products we make available to you through another broker-dealer or investment adviser. However, when purchasing these securities and investment products away from HWP, you will not receive the benefit of the advice and other services we provide.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Hibernia does not charge performance fees. Hibernia does not engage in Side-By-Side Management.

## **ITEM 7: TYPES OF CLIENTS**

Hibernia provides investment advisory services to individuals, high-net-worth individuals, trusts, corporations, ERISA subject investors, and other institutional investors. Hibernia does not require a minimum asset amount for financial planning or hourly consulting.

For TPMs, the TPM sponsor typically establishes a minimum account value, which will be set out in the account opening documents with the TPM sponsor.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS**

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

Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns. Security analysis methods may include:

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Charting analysis strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are twofold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various assets.

In developing a financial plan for a Client, HWP's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the SEC.

TPMs utilized by HWP may use various methods of analysis to determine the proper strategy for the Client referred and these will be disclosed in the TPM's Form ADV Part 2. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns. Other strategies utilized by TPMs may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options, or spreading strategies).

### Investment Strategy

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to HWP. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

### Risks of Investments and Strategies Utilized

**Investing in securities involves risk of loss that Clients should be prepared to bear. HWP's investment approach constantly keeps the risk of loss in mind. Investors may face the following investment risks:**

**General Investment and Trading Risks.** Clients may invest in securities and other financial instruments

using strategies and investment techniques with significant risk characteristics. The investment program utilizes such investment techniques as option transactions, margin transactions, short sales, leverage, and derivatives trading, the use of which can, in certain circumstances, maximize the adverse impact to which a Client may be subject.

**Interest-rate Risk.** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

**Inflation Risk.** When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.

**Currency Risk.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

**Reinvestment Risk.** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

**Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

**Management Risk.** The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the Client's portfolio may suffer.

**Cybersecurity Risk.** HWP and its service providers may be subject to operational and information security risks resulting from cyberattacks. Cyberattacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cybersecurity attacks affecting HWP, and its service providers may adversely impact Clients. For instance, cyberattacks may interfere with the processing of transactions, cause the release of private information about Clients, impede trading, subject HWP to regulatory fines or financial losses, and cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which Clients may invest in, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions. Cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost and reputational damages, and loss from damage or interruption of systems. Although HWP has established its systems to reduce the risk of these incidents from coming to fruition, there is no guarantee that these efforts will always be successful, especially considering that HWP does not directly control the cybersecurity measures and policies employed by third party service providers.

**Options Trading.** The risks involved with trading options are that they are very time sensitive investments. An options contract is generally for a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership.

**Trading on Margin.** In a cash account, the risk is limited to the amount of money that has been invested. In a margin account, risk includes the amount of money invested plus the amount that has been loaned. As market conditions fluctuate, the value of marginable securities will also fluctuate, causing a change in the overall account balance and debt ratio. As a result, if the value of the securities held in a margin account depreciates, the Client will be required to deposit additional cash or make full payment of the margin loan

to bring the account back up to maintenance levels. Clients who cannot comply with such a margin call may be sold out or bought in by the brokerage firm.

**Exchange-Traded Funds.** ETFs are a type of index fund bought and sold on a securities exchange. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: (i) the risk that their prices may not correlate perfectly with changes in the underlying reference units; and (ii) the risk of possible trading halts due to market conditions or other reasons that, in the view of the exchange upon which an ETF trades, would make trading in the ETF inadvisable.

**Mutual Fund Risks.** An investment in mutual funds could lose money over short or even long periods. A mutual fund's share price and total return are expected to fluctuate within a wide range, like the fluctuations of the overall stock market.

**Common Stocks and Equity-Related Securities.** Certain ETFs or mutual funds hold common stock. Prices of common stock react to the economic condition of the company that issued the security, industry and market conditions, and other factors which may fluctuate widely. Investments related to the value of stocks may rise and fall based on an issuer's actual and anticipated earnings, changes in management, the potential for takeovers and acquisitions, and other economic factors. Similarly, the value of other equity-related securities, including preferred stock, warrants, and options may also vary widely.

**Small- and Mid-Cap Risks.** Certain ETFs and mutual funds hold securities of small- and mid-cap issuers. Securities of small-cap issuers may present greater risks than those of large-cap issuers. For example, some small- and mid-cap issuers often have limited product lines, markets, or financial resources. They may be subject to high volatility in revenues, expenses, and earnings. Their securities may be thinly traded, may be followed by fewer investment research analysts, and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of small- and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments, and to market rumors than are the market prices of large-cap issuers.

**Futures, Commodities, and Derivative Investments.** Certain ETFs and mutual funds hold commodities, commodities contracts, and/or derivative instruments, including futures, options, and swap agreements. The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of commodities, futures and options contracts, and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of futures, options, and swap agreements also depends upon the price of the commodities underlying them. In addition, Client assets are subject to the risk of the failure of any of the exchanges on which its positions trade or of its clearinghouses or counterparties.

**Highly Volatile Markets.** The prices of financial instruments can be highly volatile. Price movements of forward and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Clients are also subject to the risk of failure of any of the exchanges on which their positions trade or of their clearinghouses.

**Non-U.S. Securities.** Certain ETFs and mutual funds hold securities of non-U.S. issuers. Investments in securities of non-U.S. issuers pose a range of potential risks which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility, and market manipulation. In addition, less



information may be available regarding securities of non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards, and requirements comparable to or as uniform as those of U.S. issuers.

**Emerging Markets.** Certain ETFs and mutual funds hold securities of emerging markets issuers. In addition to the risks associated with investments outside of the United States, investments in emerging markets (i.e., the developing countries) may involve additional risks. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices, and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices.

**Capitalization Risks.** Investing in Companies within the same market capitalization category carries the risk that the category may be out of favor due to current market conditions or investor sentiment.

**Market Risks.** Turbulence in the financial markets and reduced liquidity may negatively affect the Companies, which could have an adverse effect on each of them. If the securities of the Companies experience poor liquidity, investors may be unable to transact at advantageous times or prices, which may decrease the Company's returns. In addition, there is a risk that policy changes by central governments and governmental agencies, including the Federal Reserve or the European Central Bank, which could include increasing interest rates, could cause increased volatility in financial markets, which could have a negative impact on the Companies. Furthermore, local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the Companies. For example, the rapid and global spread of a highly contagious novel coronavirus respiratory disease, designated COVID-19, has resulted in extreme volatility in the financial markets and severe losses; reduced liquidity of many Companies' securities; restrictions on international and, in some cases, local travel; significant disruptions to business operations (including business closures); strained healthcare systems; disruptions to supply chains, consumer demand and employee availability; and widespread uncertainty regarding the duration and long-term effects of this pandemic. Some sectors of the economy and individual issuers have experienced particularly large losses. In addition, the COVID-19 pandemic may result in a sustained economic downturn or a global recession, domestic and foreign political and social instability, damage to diplomatic and international trade relations and increased volatility and/or decreased liquidity in the securities markets. The Companies' values could decline over short periods due to short-term market movements and over longer periods during market downturns.

**Inverse and Leveraged Products.** HWP may recommend and engage in trading with leveraged and inverse products. These products are aggressive in nature and carry unusual and significant risk. They are not appropriate for inexperienced investors. These products are intended to be used/traded daily. Most leveraged and inverse ETFs reset on a daily basis and have published prospectuses that state (1) they're designed to achieve their stated objective within one day, (2) clients can lose all of their investment potentially in one day, and (3) holding these securities for periods longer than one day could lead to losses even if the underlying index moves in the anticipated direction. Regulatory organizations, such as FINRA & SEC, have released alerts stating that inverse and leveraged ETFs that reset daily typically are not suitable for retail investors who plan to hold them longer than one day. Managers may hold these products in client accounts for periods of time significantly greater than one day. Investors with holding periods longer than a day expose themselves to substantial risk as the holding period returns will deviate from the returns to a leveraged or inverse investment in the index. It is possible for an investor in a leveraged ETF to experience

negative returns even when the underlying index has positive returns.

**Penny Stock Risks.** Generally, Penny Stocks are low-priced shares of small companies that are not traded on an exchange. Penny Stocks typically trade over-the-counter, such as on the OTC Bulletin Board or Pink Sheets. Penny Stocks, unlike listed stocks, are not subject to SEC reporting requirements or the listing standards of stock exchanges. Because of this, information about the Penny Stock companies can be difficult to find and verify. Penny Stocks also have lower liquidity as they are traded less frequently. This also leads to higher volatility. For these reasons, Penny Stocks are considered to be speculative investments and Clients who trade in penny stocks should be prepared for the possibility that they may lose their entire investment, or an amount in excess of their investment if they purchased Penny Stocks on margin.

**Variable Annuity Risk.** A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate, and the remainder of the funds accumulated are forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds and mutual funds do. Some variable annuities offer "bonus credits." These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges), the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

**Alternative Investments.** When appropriate for a Client's objective, risk tolerance and qualifications, HWP recommends the client participate in private issues, such as single purpose vehicles, funds of funds, private equity, and hedge funds. These are usually structured as limited partnerships with differing minimum investments, liquidity, fees and carries.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment with HWP.**

## **ITEM 9: DISCIPLINARY INFORMATION**

HWP and its management have not been involved in any criminal or civil actions, administrative or self-regulatory enforcement proceedings, nor any legal or disciplinary events that are material to a Client's or prospective Client's evaluation of HWP or the integrity of its management.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**



Most Hibernia IARs are Dually Registered Persons. LPL Financial is a broker-dealer that is independently owned and operated and is not affiliated with HWP. Clients may maintain multiple accounts with an IAR, some of which are subject to an investment advisory relationship through HWP, while others may operate under a brokerage relationship through LPL. Clients are under no obligation to purchase or sell securities through IARs. However, if a client chooses to implement the recommendations, commissions may be earned by IARs as RRs of LPL for brokerage transactions in addition to any fees paid for advisory services. Commissions may be higher or lower at LPL than at other broker/dealers.

IARs have a conflict of interest by having clients purchase securities and/or insurance related products through LPL in that the higher their production with LPL the greater potential for obtaining a higher payout on commissions earned. Further, IARs may be restricted to only offering those products and services that have been reviewed and approved for offering to the public through LPL. The amount of time spent by each IAR offering securities products on a commission basis as a RR of LPL will vary. Some IARs may spend significantly more or less time offering commissionable products and services through LPL.

As discussed previously, certain associated persons of HWP are RRs of LPL Financial. As a result of this relationship, LPL may have access to certain confidential information (e.g., financial information, investment objectives, transactions, and holdings) about HWP's clients, even if the client does not establish an account through LPL Financial. If you would like a copy of the LPL Financial Privacy Policy, please contact our Chief Compliance Officer at 225-778-7972.

Certain employees of HWP are Dually Registered Persons. LPL Financial is a broker-dealer that is independently owned and operated and is not affiliated with HWP. Please refer to Item 12 for a discussion of the benefits HWP may receive from LPL Financial and the conflicts of interest associated with receipt of such benefits.

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

HWP IARs registered with LPL may offer insurance products and services for which commissions will be paid. IARs and other related persons of HWP (defined as any advisory affiliate and any person that is under common control with HWP) may be licensed with various insurance companies. HWP, its IARs and related persons have a conflict of interest when recommending clients purchase insurance products, as commissions may be earned in addition to fees for advisory services. Clients are not obligated to purchase insurance products through HWP or its IARs. Some IARs may spend significantly more or less time offering insurance products and services. The principal business of HWP is not to offer insurance products and services. Less than 10% of HWP's resources are dedicated to insurance business.

IAR's may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials and/or client statements. The client should understand that the businesses are legal entities of the IAR and not of HWP. The IARs are under the supervision of HWP, and the advisory services of the IAR are provided through HWP. HWP has these arrangements with the business entities listed in Schedule D of Form ADV.

HWP will assist clients with evaluating their financial situation, identifying one or more third-party managers, and selecting a third-party manager's service. Additionally, on an ongoing basis, HWP will be available to answer questions clients may have regarding their managed account and act as the communication conduit between the client and the manager. HWP will periodically meet with the client to evaluate the client's account and third-party manager.

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

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

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

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING**

### Code of Ethics and Personal Trading

As an investment adviser registered with the SEC, HWP has a fiduciary obligation to clients to act in the best interest of its clients at all times and to always place the client's interests first and foremost. HWP takes its compliance and regulatory obligations seriously and requires all staff to comply with such rules and regulations, as well as HWP's policies and procedures. In accordance with this goal, HWP strives to handle clients' non-public information in a manner intended to prevent it from falling into hands that have no business reason to know such information. A copy of the HWP Privacy Notice is provided to clients. In addition, HWP maintains a Code of Ethics for its IARs, supervised persons, and staff.

The Code of Ethics contains provisions for standards of business conduct designed to help ensure compliance with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about client transactions. Further, HWP's Code of Ethics establishes HWP's expectations for business conduct.

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

A copy of our Code of Ethics will be provided to any client or prospective client upon request. You may contact our Chief Compliance Officer at 225-778-7972.

### Participation or Interest in Client Transactions

Most HWP IARs are Dually Registered Persons and must execute securities transactions through LPL unless those IARs obtain authorization from LPL to execute securities transactions through another broker-dealer.

Related persons of HWP may buy or sell securities identical to those securities recommended to clients.

Therefore, related persons may have an interest or position in certain securities that are also recommended and bought or sold to clients. Related persons will not put their interests before a client's interest. IARs may not trade ahead of their clients or trade in such a way as to obtain a better price for themselves than for their clients. HWP is required to maintain a list of all securities holdings for its associated persons. Further, associated persons are prohibited from trading on non-public information or sharing such information. Clients have the right to decline any investment recommendation. HWP and its associated persons are required to conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

HWP has established the following restrictions in order to meet its fiduciary responsibilities:

- IARs shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of their affiliation with HWP unless the information is also available to the investing public upon a reasonable inquiry. No person shall prefer their own interest to that of the advisory client.
- All clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.
- HWP emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where a third-party advisory service is granted discretionary authority in the client's account.
- HWP requires that all individuals 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 termination.

This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of HWP's clients, trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above.

Open-end mutual funds and/or the investment sub-accounts, which may comprise a variable life insurance product, are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or variable insurance products by IARs are not likely to have an impact on the prices of the fund shares in which clients invest and are, therefore, not prohibited by HWP's investment policies and procedures. In accordance with Section 204A of the Investment Advisers Act of 1940, HWP also maintains and enforces written policies and procedures reasonably designed to prevent the misuse of non-public information by HWP or any person associated with HWP.

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

If the client decides to implement the financial plan or consulting advice through an advisory program or service, at the time of engagement, the IAR will provide the client with a Brochure, client agreement, and other account paperwork that contain specific information about fees and compensation that the IAR and HWP will receive in connection with that program. The Brochures are also available at

[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

If the client desires instead to purchase securities in a brokerage account through IAR acting as a RR of LPL, both LPL and IAR will receive brokerage-related compensation for those services (e.g., commissions and/or trail fees). IAR receives a percentage portion of the brokerage-related compensation. Information regarding such brokerage compensation is provided at the time of a brokerage transaction.

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

The client should understand that HWP and IAR, as either an IAR or a RR of LPL, may perform advisory and/or brokerage services for various other clients and that HWP and IAR may give advice or take actions for those other clients that differ from the advice given to the client. The timing or nature of any action taken for the account may also be different.

## **ITEM 12: BROKERAGE PRACTICES**

HWP does not maintain custody of your assets (that we manage/on which we advise), although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account. Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients select either Schwab or LPL as their qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we/you instruct them to. While Schwab is a recommended custodian/broker-dealer, you will decide which custodian to use and will open your account directly with the selected custodian by entering into an account agreement with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14. You should consider these conflicts of interest when selecting your custodian.

LPL Financial is the other broker-dealer selected by HWP for the conduct of its commission-based brokerage business and to provide custodial services for advisory accounts held on LPL platforms. Factors considered in selecting LPL include the stability and size of LPL, along with the variety of programs and flexibility in commission rates IARs may charge. HWP receives referral bonuses from LPL, which are based on the trailing 12-month commission production history of newly hired IARs, as well as a percentage portion of the commissions and bonuses the IARs generate at LPL. HWP has also selected Fidelity Brokerage Services, Charles Schwab, and TD Ameritrade as broker-dealers to provide custody services for advisory accounts in specific cases where the client would be best served. Factors considered in selecting these firms include stability, reputations, trading platforms, and continuing with a current custodian.

### **Recommendation of LPL**

HWP may request that clients establish a brokerage account with LPL Financial to maintain custody of client’s assets and to effect trades for their accounts. LPL provides brokerage and custodial services to independent investment advisory firms, including HWP. For HWP’s accounts custodied at LPL Financial, LPL generally is compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL or that settle into LPL. For IRA accounts, LPL Financial generally charges account maintenance fees. In addition, LPL also charges clients miscellaneous fees and charges, such as account transfer fees.

Clients should also understand that LPL Financial is responsible under FINRA rules for supervising certain business activities of HWP and its Dually Registered Persons that are conducted through broker-dealers and custodians other than LPL Financial. LPL Financial charges a fee for its oversight of activities conducted through these other broker-dealers and custodians. This arrangement presents a conflict of interest because HWP has a financial incentive to recommend the use of LPL Financial rather than other broker-dealers or custodians in order to avoid incurring the oversight fee.

Transition Assistance Benefits. LPL Financial provides various benefits and payments to Dually Registered Persons that are new to the LPL Financial platform to assist them with the costs (including foregone revenues during account transition) associated with transitioning their businesses to the LPL Financial platform (collectively referred to as “Transition Assistance”). The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including (but not necessarily limited to) providing working capital to assist in funding the Dually Registered Person’s business, satisfying any outstanding debt owed to the Dually Registered Person’s prior firm, offsetting account transfer fees (“ACATs”) payable to LPL Financial as a result of the Dually Registered Person’s clients transitioning to LPL’s custodial platform, technology set-up fees, marketing and mailing costs, stationary and licensure transfer fees, moving expenses, office space expenses, staffing support, and termination fees associated with moving accounts.

The amount of the Transition Assistance payments are often significant in relation to the overall revenue earned or compensation received by the Dually Registered Person at their prior firm. Such payments are generally based on the size of the Dually Registered Person’s business established at the prior firm and/or assets under custody. Please refer to the relevant ADV Part 2B Brochure Supplement for more information about the specific Transition Payments your IAR receives.

Transition Assistance payments and other benefits are provided to associated persons of HWP in their capacity as registered representatives of LPL Financial. However, the receipt of Transition Assistance by such Dually Registered Persons creates a conflict of interest relating to HWP’s advisory business. In certain instances, the receipt of such benefits is dependent on a Dually Registered Person maintaining its clients’ assets with LPL Financial, and therefore HWP has an incentive to recommend that clients maintain their account with LPL Financial in order to generate such benefits.

HWP attempts to mitigate these conflicts of interest by evaluating and recommending that clients use LPL Financial’s services based on the benefits that such services provide to our clients rather than the Transition Assistance earned by any particular dually registered person. HWP considers LPL Financial’s stability and size, along with the variety of programs and flexibility in commission rates IARs may charge when recommending or requiring that clients maintain accounts with LPL. However, clients should be aware of this conflict and take it into consideration in making a decision regarding whether to custody their assets in a brokerage account at LPL Financial.

### Recommendation of Schwab

HWP may recommend that clients establish brokerage accounts with the Schwab Advisor Services division of Schwab, a registered broker-dealer, and member SIPC, to maintain custody of client’s assets and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of the IAR’s clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. HWP is independently owned and operated and not affiliated with Schwab.

Schwab provides HWP with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment



advisors on an unsolicited basis, at no charge to them, so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services.

Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research (including that in the form of advice), analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For HWP client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to HWP other products and services that benefit HWP but may not benefit its clients' accounts. These benefits may include national, regional, or HWP-specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of HWP by Schwab Advisor Services personnel (including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment), some of which may accompany educational opportunities. Other of these products and services assist HWP in managing and administering clients' accounts. These include software and other technology (and related technological training) 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 access to research, pricing information, and other market data; facilitate payment of HWP's fees from its clients' accounts; and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of HWP's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to HWP other services intended to help HWP manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance, and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to HWP by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to HWP. While, as a fiduciary, HWP endeavors to act in its client's best interests, HWP's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to HWP of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a conflict of interest.

### Best Execution

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

HWP is assessed an "oversight fee" by LPL Financial based on all assets held away from LPL. This fee is

passed on to the IAR of record. This is a conflict of interest because IARs have a financial incentive to recommend the use of LPL Financial as the broker-dealer custodian for client accounts to avoid being assessed this fee.

In connection with TPM programs, the TPM sponsor may require that clients direct brokerage to a broker-dealer, including the TPM sponsor, or broker-dealer affiliated with the TPM sponsor. Clients should understand that not all advisors require their clients to direct brokerage. By directing brokerage to a broker, clients may be unable to achieve the most favorable execution of client transactions and may pay more in transaction charges than other broker-dealer firms. Therefore, directed brokerage may cost clients more money. For more information about the brokerage practices of a TPM sponsor, clients should refer to the Disclosure Brochure for the applicable TPM.

In some cases, TPMs pay additional marketing payments to HWP, its employees and/or IARs to cover fees to attend conferences or reimbursement of expenses for workshops, seminars presented to IAR's clients, or advertising, marketing, or practice management. This is a conflict of interest in that IAR's have an incentive to recommend a TPM for which they may receive additional marketing payments, which are commonly referred to as "directed brokerage"). Directed brokerage represents situations in which HWP provides advisory services but the client determines which broker-dealer is responsible for trade execution of orders. As a result, HWP does not have obligations regarding best execution and investors selecting directed brokerage arrangements may not benefit from opportunities existing in connection to trading that non-directed brokerage investors may participate in.

### Aggregation

When a Client authorizes discretionary management, HWP is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of HWP. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a prorated basis. If aggregation is not allowed or infeasible and individual transactions occur (e.g., withdrawal or liquidation requests, odd-late trades, etc.) an account could potentially be assessed higher costs or less favorable prices than those where aggregation has occurred. HWP will always attempt to aggregate orders whenever it has the opportunity to do so.

## **ITEM 13: REVIEW OF ACCOUNTS**

### Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Account reviews are performed at least annually by an IAR of HWP. Account reviews are performed more frequently when market conditions dictate. Reviews of Client accounts include, but are not limited to, a review of Client documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target allocations of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

Financial plans are updated as requested by the Client and pursuant to a new or amended agreement, HWP suggests updating at least annually.

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

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.



## Content and Frequency of Regular Reports

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by the Client's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs. HWP may also send periodic or other event-inspired reports based on market or portfolio activity. Reports will generally be provided in electronic format.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

### Client Referrals

HWP enters into agreements with individuals or organizations that refer Clients to HWP in exchange for compensation. All such agreements will be in writing and comply with the requirements of the applicable state and federal regulations. If a Client is introduced to HWP by a solicitor, HWP may pay that solicitor a fee. The specific terms of each agreement may differ, generally, the compensation will be a flat fee per referral or a percentage of the introduced capital. Any such fee shall be paid solely from HWP's investment management fee and shall not result in any additional charge to the Client.

### Other Compensation

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the referral arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (See Item 12).

HWP receives referral bonuses from LPL which are based on the trailing 12-month commission production history of newly hired IARs, as well as a percentage portion of the commissions and bonuses they generate at LPL. Some newly-hired IARs may receive from LPL forgivable loans, upfront cash and various forms of start-up expense coverage based on their trailing 12-month commission production history for electing to join LPL and HWP. This is a conflict of interest in that it provides an incentive for the representative to change firms in order to obtain these forms of compensation.

HWP and/or its Dually Registered Persons are incentivized to join and remain affiliated with LPL Financial and to recommend that clients establish accounts with LPL through the provision of Transition Assistance and this is a conflict of interest. LPL also provides other compensation to HWP and its Dually Registered Persons, including, but not limited to, bonus payments, repayable and forgivable loans, stock awards, and other benefits. The receipt of any such compensation creates a financial incentive for the IAR to recommend LPL Financial as custodian for the assets in a client's account, and thus it is a conflict of interest. We encourage the client to discuss any such conflicts of interest with their representative before making a decision to custody their assets at LPL Financial.

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

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

HWP has entered into referral agreements with independent TPMs, pursuant to which HWP and IARs receive referral fees from the TPMs in return for referrals of clients. Because HWP is engaged by and paid by the TPM for the referral, any recommendation regarding a TPM as part of a referral presents a conflict of interest. HWP addresses this conflict by providing the client with a disclosure statement explaining the role of HWP, the IAR and the referral fee received by HWP and the IAR.

In some cases, the TPMs pay additional marketing payments to HWP, its employees and/or IARs to cover fees to attend conferences or reimbursement of expenses for workshops, seminars presented to the IAR's clients or advertising, marketing, or practice management.

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

LPL makes available to HWP other products and services that benefit HWP but may not benefit its clients' accounts. Some of these other products and services assist HWP 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); the facilitation of trade execution and allocation of aggregated trade orders for multiple client accounts; research, pricing information and other market data; the facilitation of payment of HWP's fees from its clients' accounts; and assistance with back-office functions, recordkeeping, and client reporting. Many of these services generally may be used to service all or a substantial number of HWP's accounts, including those accounts not maintained at LPL. LPL may also make available to HWP other services intended to help HWP 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. In addition, LPL may make available, arrange and/or pay for these types of services rendered to HWP by independent third parties. LPL may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to HWP.

## **ITEM 15: CUSTODY**

HWP does not accept custody of client accounts. As such, accounts of HWP clients are custodied at qualified independent custodians ("Custodians") inclusive of LPL, Fidelity, Schwab, T.D. Ameritrade ("TDA"), or eligible Custodians as chosen by the client and IAR, or through other third-party investment advisers ("TPMs") who have selected custodial relationships.

For TPM programs, client assets are maintained at a custodian other than LPL. In such cases, the client will complete account onboarding documentation with independent custodian that will provide the name and address of the custodian. The client will receive statements and reports directly from the custodian. Clients should refer to the statements and reports that they receive from the custodian or TPM sponsor and review

them carefully.

HWP is considered to maintain “constructive custody” of client assets and funds in situations where it has authority to direct the Custodian to debit the advisory fees from client accounts held at that institution or accepts standing letters of authorization (or “SLOAs”). These instances of constructive custody do not require a surprise audit under the SEC’s custody rule.

Clients will receive account statements direct from the broker-dealer or account custodian reflecting the deduction of HWP’s advisory fee or transfers in response to SLOAs. Clients should carefully review statements received from the broker-dealer or account custodian. Further, clients should compare any written report received from the respective custodian with statements received directly from the broker-dealer or account custodian. Should there be any discrepancy the account custodian’s report will prevail.

You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

## **ITEM 16: INVESTMENT DISCRETION**

Clients can grant HWP authorization to manage a client’s account on a discretionary basis. Discretionary authorization provides HWP the ability to determine the securities to be purchased and sold and when such securities are purchased and sold. Clients must complete and sign custodial paperwork to establish any mutual fund, variable annuity, or brokerage account;

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

In a third-party investment advisory (“TPM”) program, the client typically authorizes the TPM to purchase and sell securities on a discretionary or non-discretionary basis pursuant to the investment objective chosen by the client. This authorization will be set out in the TPM client agreement. HWP and the IAR do not have discretion on TPM program accounts.

## **ITEM 17: VOTING CLIENT SECURITIES**

We do not vote proxies for you. You retain the responsibility for receiving and voting proxies for securities held in your accounts. Your account custodian will send these to you or your designee. We may provide advice to you at your request regarding a securities proxy.

## **ITEM 18: FINANCIAL INFORMATION**

### Prepayment of Fees

The Adviser does not require or accept prepayment of more than \$1,200 in fees six months or more in advance and a balance sheet is not required to accompany this Brochure.

### Financial Condition

HWP does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients. Furthermore, we have never been the subject of a bankruptcy proceeding.