



Form ADV Part 2A  
Appendix 1  
Wrap Fee Program Brochure

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**ITEM 1: COVER PAGE**

This Wrap Fee Program 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: Services, Fees, and Compensation” section to reflect the services currently being offered to clients, including new services and current fee structures.

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## **ITEM 4: SERVICES, FEES, AND COMPENSATION**

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.

Hibernia offers its advisory services through the Hibernia Wrap Fee Program (“Program”), where it serves as the Program’s sponsor and sole Portfolio Manager. For clients utilizing LPL as custodian, the Program may also be referred to as SWM II. Hibernia will offer Clients ongoing asset 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.

As part of the investment advisory fees noted in Item 5 of our Form ADV 2A, we include normal securities transaction fees as part of the overall investment advisory fee. Securities regulations often refer to this combined fee structure as a “wrap fee.” An investment adviser, when combining or bundling these fees together, becomes the “sponsor” of a wrap fee program.

The sole purpose of this Wrap Fee Brochure is to provide additional disclosure relating to the combination of securities transaction fees into the single “bundled” investment advisory fee. This Wrap Fee Brochure references items found in our Form ADV 2A in which this Wrap Fee Brochure serves as an Appendix. Please see Item 4 – Advisory Services of our Form ADV 2A for details on our advisory business and related services.

### **Description of the Wrap Fee Program**

The Program provided by us is offered in a wrap fee structure whereby normal securities transaction costs are included in the overall investment advisory fee paid to us. As the level of trading in your account may vary from year to year, the annual cost to you may be more or less than engaging for advisory services where the transaction costs are borne separately by you. The cost of our wrap fee program varies depending on services to be provided to you; however, you are not charged more if there is higher trading activity in your account. A wrap fee structure has a potential conflict of interest as we may have an incentive to limit the number of trades placed in your account to reduce our trading costs. Please see Item 5 – Fees and Compensation of our Form ADV 2A for complete details on fees.

Our clients may choose to access the Program on the custodial platform of either Charles Schwab & Co., Inc. (“Schwab”) or LPL Financial LLC (“LPL”).

### **Fees for the Program**

We charge a single asset-based fee for services covered by the wrap program. The maximum fee charged for the program is 3%. Please see your advisory agreement for the exact fee being charged.

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 end of any given quarter, fees will be calculated based on the 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.

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. 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.

### **Fees Comparison**

As disclosed above, a wrap fee program includes normal securities trading costs incurred in connection with the discretionary investment management services provided by us. Securities transaction fees for your directed trades may be charged back to you. You may incur certain fees or charges imposed by third parties in connection with investments made on behalf of your account(s). Under this Program, we include securities transaction costs as part of your wrap account's overall investment advisory fee. Participation in the Program may cost you more or less than purchasing such service separately. The number of transactions

made in your account, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per-transaction basis and paying a separate fee for advisory services. The Program fee may be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

## **Other Charges**

In addition, all fees paid to us for investment advisory services as part of the Program are separate and distinct from the expenses charged by mutual funds or exchange-traded funds (ETFs) to their shareholders, if applicable to your account holdings. These charges are described in each fund's prospectus. These charges will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage, and account reporting), and a possible distribution fee. You may also incur other costs assessed by our custodians or other parties for account-related activity fees, such as wire transfer fees or fees for trades executed away from the designated custodian. We do not control nor share in these fees. You should review both the fees charged by the fund(s) and the fees charged by us to fully understand the total fees to be paid. Please see Item 5 – Fees and Compensation in our Form ADV 2A (included with this Wrap Fee Brochure).

Hibernia is the sponsor and portfolio manager of the Program. We receive investment advisory fees paid by you for participating in the Program, and we pay the custodian for costs associated with the normal trading activity in your account(s). If recommended for your portfolio, we also receive compensation for wrap fee programs sponsored by a third-party manager, which is separate from this Program sponsored by us.

In addition to the advisory services, the wrap fee program includes certain brokerage and execution services of the selected custodian. Charles Schwab & Co., Inc. ("Schwab") and LPL Financial LLC ("LPL") are both broker-dealers registered with the Securities and Exchange Commission and members of FINRA and SIPC. Schwab and LPL are collectively referred to as the "custodians." Hibernia is independently owned and operated and is not affiliated with either custodian. The custodians will act solely as broker-dealers and will not act in any advisory capacity. Neither custodian has discretion over your account, and they will only act based on instructions received by your advisor or you.

## **ITEM 5: ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

Hibernia's Clients are generally individuals, small businesses, trusts, estates, high net-worth individuals, and charities. Client relationships vary in scope and length of service.

There is no minimum account size, and Clients are not required to have a certain amount of investment experience or sophistication.

## **ITEM 6: PORTFOLIO MANAGER SELECTION AND EVALUATION**

Hibernia serves as the sponsor and portfolio manager for the services under this Program. HWP Wrap Fee Program 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 for 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 advisory 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.

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

### 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.**

### 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 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

HWP is the sole Portfolio Manager of the Program and collects and shares nonpublic information (such as financial information, investment objectives, and risk tolerance) about Clients to aid in providing appropriate and suitable investment advice. Nonpublic personal information about Clients will be shared consistent with the disclosures made in HWP's Privacy Policy.

## **ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS**

The goals and objectives for each Client are documented in our client files. Investment strategies are created that reflect the stated goals and objectives. There are no restrictions on your ability to contact and consult with us. We are a full-service investment advisory firm. You always have direct access to our portfolio managers.

## **ITEM 9 – ADDITIONAL INFORMATION**

### 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.

## 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 are being considered for purchase and sale on behalf of HWP's client's 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). HWP 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.

### 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 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 accounts 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.

### Client Referrals

HWP may enter 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 of 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 an 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.

### 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 bankruptcy proceedings.