

# Firm Brochure

(Part 2A of Form ADV)



Hinsdale Associates, Inc.  
15 Spinning Wheel Rd., #226  
Hinsdale, IL 60521  
630-325-7100  
630-325-2977  
hinsdaleassociates.com  
murbik@hinsdaleassociates.com

March 31, 2023

This brochure provides information about the qualifications and business practices of Hinsdale Associates, Inc. ("Hinsdale" or "the Firm"). If you have any questions about the contents of this brochure, please contact us at: 630-325-7100 or by email at: [murbik@hinsdaleassocites.com](mailto:murbik@hinsdaleassocites.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Hinsdale is available our CRS, and on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). Additionally, free and simple tools are available to you to review Hinsdale, and its financial professionals at: [www.investor.gov/CRS](http://www.investor.gov/CRS) which also provides free educational materials about broker dealers, investment advisors and investing.

Hinsdale, holds itself out as a Federally Registered Investment Advisor. This registration does not imply any level of skill or training, or approval by the Securities and Exchange Commission.

## Item 2 - Material Changes and Annual Updates

This Brochure is dated March 31, 2023. Since our Brochure dated March 31, 2021, Hinsdale has updated the overall formatting of this Brochure. In addition, Hinsdale has incorporated new disclosures or clarifying language to the following sections of this Brochure:

- Enhanced disclosures in Item 10, Other Financial Industry Activities and Affiliations, relating to the licensing of Hinsdale employees for the sale of insurance products
- Clarified language in Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading
- Clarified language in Item 12, Brokerage Practices
- Enhanced disclosures in Item 14, Client Referrals and Other Compensation, to more fully describe relationships related to insurance offerings
- Enhanced disclosures in Item 15, Custody, to better characterize the Firm's position relative to custody arrangements
- Clarified language in Item 17, Proxy Voting

This section of the Brochure addresses only those material changes that have been incorporated since our last delivery or posting of this document on the SEC's investment adviser public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Other amendments were made to this Brochure which are not discussed in our summary and, consequently, we encourage you to read the Brochure in its entirety. In the event of future material changes to this Brochure, we will ensure that clients receive promptly an updated Brochure, or the offer of same along with a summary of the material changes.

Whenever you would like to receive a copy of our firm brochure and CRS, please contact us by telephone, 630-325-7100 or by email at [murbik@hinsdaleassocites.com](mailto:murbik@hinsdaleassocites.com) or it available on our website, [hinsdaleassocites.com](http://hinsdaleassocites.com), for your review.

### **Item 3 - Table of Contents**

|   |           |
|---|-----------|
| <b>Item 1 – Cover Page.....</b>   | <b>1</b>  |
| <b>Item 2 - Material Changes and Annual Updates .....</b>   | <b>2</b>  |
| <b>Item 3 - Table of Contents.....</b>  | <b>3</b>  |
| <b>Item 4 - Advisory Business .....</b>   | <b>4</b>  |
| <b>Item 5 - Fees and Compensation .....</b>   | <b>5</b>  |
| <b>Item 6 - Performance-based Fees and Side-by-side Management.....</b>                                     | <b>6</b>  |
| <b>Item 7 - Type of Clients .....</b>   | <b>6</b>  |
| <b>Item 8 - Investment Strategies, Methods of Analysis, and Risk of Loss .....</b>                          | <b>6</b>  |
| <b>Item 9 - Disciplinary Information.....</b>   | <b>8</b>  |
| <b>Item 10 - Other Financial Industry Activities and Affiliations.....</b>                                  | <b>9</b>  |
| <b>Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</b> | <b>9</b>  |
| <b>Item 12 - Brokerage Practices .....</b>  | <b>10</b> |
| <b>Item 13 - Review of Accounts .....</b>   | <b>11</b> |
| <b>Item 14 - Client Referrals and Other Compensation.....</b>   | <b>11</b> |
| <b>Item 15 - Custody .....</b>  | <b>12</b> |
| <b>Item 16 - Investment Discretion .....</b>  | <b>12</b> |
| <b>Item 17 - Proxy Voting.....</b>  | <b>12</b> |
| <b>Item 18 - Financial Information .....</b>  | <b>13</b> |

#### **Item 4 - Advisory Business**

Hinsdale Associates, Inc. and its predecessors were founded in 1980. Its principal owner is Michael A. Urbik, who represents 100% of the outstanding stock. There are no subsidiaries and is privately held.

Hinsdale, provides personalized confidential financial planning and investment management to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning and estate planning.

Hinsdale is strictly a fee only financial planning and investment advisory firm. Licensed individuals however, do receive commissions for selling insurance products.

*Advisory Services:* Hinsdale manages client assets, provides ongoing in-depth advice, and life planning. All aspects of the client's financial affairs are reviewed, including those of their children. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis. The scope of work and fee is provided to the client in writing prior to the start of the relationship and typically includes cash flow management, insurance review, investment management, performance reporting, education planning, retirement planning, and estate planning as well as the implementation of recommendations.

Hinsdale will primarily use exchange traded funds, mutual funds, individual stocks and bonds, closed end funds and real estate investment trusts (reits). We typically avoid private placements such as hedge funds and private equity or real estate.

*Financial Planning:* Financial plans are designed to help clients with all aspects of financial planning without ongoing investment management after the financial plan is completed. The financial plan may include, but is not limited to a net worth statement; a cash flow statement; a review of investment accounts, including asset allocation; strategic tax planning; a review of retirement accounts and plans, including recommendations; an insurance review; one or more retirement scenarios; an estate planning review; education planning; and any recommendations for repositioning or other changes.

Detailed investment advice and specific recommendations are provided as part of a financial plan, however, implementation of the recommendations is at the discretion of the client. After delivery of a financial plan, future meetings may be scheduled as necessary.

Each individual client, whether a full financial plan is required or not, has their portfolio tailored to their individual needs, goals and ascertainable risk tolerance. This is done through an interview process and results in a portfolio design based on various asset allocation models which are proprietary to Hinsdale. Any restrictions imposed or client preferences are included. Additional guidance may be provided as needed, with the client making the final decision on approval of investment strategy. Hinsdale will work within these agreed upon parameters, and exercises discretion in purchasing and selling investments placed in the client's portfolio. The client will always have authority to change or modify any strategies or specific directives or restrictions implemented on the client's behalf by Hinsdale

Hinsdale does not provide wrap fee programs, which are commonly offered by retail brokerage companies.

As of December 31, 2022, Hinsdale advises \$110,291,302 in assets, all on a discretionary basis. If a client requests a non-discretionary basis we are happy to comply with that.

## **Item 5 - Fees and Compensation**

For its Advisory Services, Hinsdale earns an advisory fee based on assets under management. The maximum fee is detailed in the Advisory Service Agreement based on the following schedule:

1.00% on the first \$2,000,000 per annum\*;  
0.75% on the next \$3,000,000 (from 2,000,001 to 5,000,000)  
0.50% on the next \$5,000,000 (from \$5,000, 001 to \$10,000,000); and  
0.375% on all assets above \$10,000,001

\*Debt portfolios charge .75% and declining from there.

The annual fee is negotiable (minimum not to be below 0.35% regardless of account size). The applicant considers the following factors in negotiating fees: clients with multiple accounts, size of account, prior or existing relationships, a client's particular needs or financial characteristics. The agreed upon fee rate is charged in arrears - applied to the market value of the assets managed by the Firm as of the end of each quarter, as may be reasonably determined by the custodian. Fees may be discounted or waived for certain related persons or their families, or services provided pro bono, at the sole discretion of Hinsdale.

Advisory Services fees are usually deducted from an account designated by the client to facilitate billing and subject to the client's written consent.

For its Financial Planning services, fees are predicated upon the facts known at the start of the engagement. The minimum fee is \$300 and is subject to adjustment - since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments. In the event that the client's situation is substantially different than initially discussed, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

Certain investments, such as mutual funds and ETFs charge their own advisory fees and other expenses, which are in addition to Hinsdale's fees. Similarly, investment advisory fees do not include other expenses incurred in connection with advisory services, such as custodial fees, brokerage commissions and other transaction costs. You will pay fees and costs whether you make or lose money on your investments, and will reduce the amount of any money you make on your investments over time.

Hinsdale does not share in any compensation or financial incentives from broker dealers or the investment companies it recommends, although these firms may provide certain services to Hinsdale. These are discussed more fully below in Item 12, Brokerage Practices. Hinsdale typically uses

institutional-class or no-load mutual funds, which pay no compensation to the Firm, to mitigate any conflicts of interest with regard to mutual fund investments.

Neither Hinsdale nor its supervised persons receive compensation for the sale of securities or other investment products, including asset based sales charges or service fees from the sale of mutual funds. The Firm and/or its supervised persons do receive compensation for selling annuities and other insurance products. This represents a conflict of interest because we have an incentive to recommend these insurance products. We do not, however, receive an advisory fee with respect to those products for which we receive a commission - excluding them from the advisory assets.

Insurance is sold based on client insurable need and annuities represent a minor percentage of Firm business. Clients are under no obligation to purchase such products from us and are free to purchase them from the insurance professional of their choosing.

Any commission earned from insurance or annuity products by a licensed representative under our supervision is separate and distinct from advisory fees, and is disclosed to the client.

#### **Item 6 - Performance-based Fees and Side-by-side Management**

Hinsdale does not charge or participate in performance-based fees - fees based on a share of capital gains on or capital appreciation of client assets.

#### **Item 7 - Type of Clients**

Hinsdale generally provides investment advice to individuals, trustees of private trusts, individual qualified plans and charitable organizations. We typically require a minimum account size of \$100,000 to initiate advisory services. Hinsdale has the discretion to waive the account minimum at the Firm's discretion, including, but not limited to, clients where the client and the Firm anticipate additional funds to bring the total to \$100,000 within a reasonable time, employees of Hinsdale and their relatives, and relatives of existing clients.

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

##### **Investment Strategies**

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. We typically use passively-managed index mutual funds and exchange-traded funds as the core investments, and then add actively-managed funds in market segments where we believe there are greater opportunities for active management to add value. Portfolios are globally diversified to control the risk associated with domestic markets. 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. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy. Other strategies may include long-term purchases, short-term purchases,

trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

#### Methods of Analysis

Security analysis methods may include fundamental analysis, which relies upon the review of fundamental business factors such as earnings, financial statements and economic data, technical analysis, which focuses upon price trends and momentum and of quantitative analysis, which utilizes indicators from both of these areas.

The main sources of financial information include business periodicals, such as newspapers and magazines, review of corporate activities, brokerage and wire house research reports, annual reports and interim financial statements, prospectuses, SEC reports, company press releases and credit and investment advisory services.

Other sources of information that Hinsdale may use include Morningstar mutual fund and stock information, Charles Schwab & Company's "Schwab Link" service, various websites on the internet and third-party, sell-side research.

#### Risk of Loss

All investment programs have certain risks that are borne by the investor, including the risk of loss of the principal amount invested. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

**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.

**Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

**Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as 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.

**Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

**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.

**Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9 - Disciplinary Information**

The firm and its employees have, in the last 42 years, had one civil action issue and one state regulatory issue and one enforcement issue.

### **Civil action**

In March of 2004, an arbitration case was brought by Mrs. Jean Bush as part of a civil action case incorporating a variety of defendants. The following is a brief summary of the circumstance and result: Ms. Bush came to Hinsdale after donating stock to a charity who is a client of Hinsdale. She requested the management of her account. Upon review, Hinsdale was unable to comply due to the form current assets were in (load, back end loaded funds and proprietary variable annuities, all of which have significant surrender charges if moved to our Institutional fee based no load platform). Review, comment and suggestions were offered, there was no formal agreement, contract or compensation paid to Hinsdale. The assets were custodied as a courtesy to Mrs. Bush, to prevent viewing by her former broker. At a later date, she solicited support to prepare legal action against her former broker. Upon declination, Hinsdale was named in the suit for arbitration. The suit had no merit, the hearing was set for 9/12/2005, settlement occurred on 8/22/05, requested by broker dealer to avoid additional costs. Settlement was paid by broker dealer with no findings of wrong doing and settled with prejudice. To date, there has been no further action, nor do we expect any further action in the future with Hinsdale. We consider this matter settled.

### **State regulatory**

In October 2004, the State of Illinois expanded registration to include all Federally registered RIA's to not only do a notice filing, but register individually, all persons directly or indirectly giving investment advice and pay \$150 fee per person. Hinsdale, was unaware, and therefore, overlooked this requirement. Upon re-registration with the State of Illinois, we agreed to the admission and paid a fine of \$10,000 and \$1,500 administrative costs. The matter is now resolved and are in good standing with the state of Illinois.

### **Enforcement Action**

Pursuant to a settlement of a lawsuit brought by the Securities and Exchange Commission which, upon examination, found Hinsdale Associates, Inc. out of compliance with the correct filing of the newly required Form CRS. Hinsdale Associates, Inc. corrected the error, made the correct filing and agreed to pay the fine levied by the Securities and Exchange Commission of \$25,000, payable in four quarterly installments. This fine was paid as of March 31, 2023 and Hinsdale fully complied with Securities and Exchange Commission directive.



It is important to note that this was an administrative oversight and did not affect the performance of our duties to the clients nor effect their accounts in any manner.

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

Neither Hinsdale nor any of its management persons are registered, or have an application pending to register, as a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor, or as a registered representative or an associated person of the foregoing entities.

While Hinsdale is an independent investment adviser, Mike Urbik and Hal Eberling are licensed insurance agents and offer insurance products through Asset Marketing Systems of San Diego, California. The Firm does receive compensation from Asset Marketing Systems for selling insurance products. This represents a conflict of interest because we have an incentive to recommend these insurance products. Hinsdale does not, however, receive an advisory fee with respect to those products for which we receive a commission. Insurance is sold based on client insurable need and are not a significant portion of Firm business. Clients are under no obligation to purchase such products from us and are free to purchase them from the insurance professional of their choosing.

Hinsdale does not receive compensation for recommending or selecting other investment advisers for clients.

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

The employees of Hinsdale have committed to a Code of Ethics ("Code") adopted pursuant to Rule 204A-1 under the Investment Advisers Act of 1940. The Code governs a number of potential conflicts of interest Hinsdale has when providing advisory services to clients. The Code is designed to encourage a culture of compliance within Hinsdale through ethical practices and conduct. The Code covers a variety of guidelines and requirements concerning, among other topics:

- the prohibition of trading of securities while in possession of material non-public information;
- pre-clearance and reporting of securities transactions by employees;
- restrictions or prohibitions on acquisitions of certain kinds of securities;
- the monitoring of employee outside business affiliations;
- tracking the giving and receiving of gifts and entertainment;
- monitoring and restricting political contributions, when and as required; and
- the maintenance of confidentiality of investment, investor, and employee information.

The Code is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with Hinsdale making decisions in the best interest of its clients. The Code requires pre-clearance of non-exempt transactions and personal securities transactions of Hinsdale employees. Employee trading is monitored under the Code.

Hinsdale employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the Hinsdale *Compliance Manual*.

The Chief Compliance Officer of Hinsdale is Michael A. Urbik who, with the support, as needed, of counsel or compliance consultants, reviews all employee trades each quarter. His trades are reviewed by William K. Lynch, Director of Investments. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

Clients and prospective clients can request a copy of our Code by contacting us via phone at (630) 325-7100 or by email at [murbik@hinsdaleassocites.com](mailto:murbik@hinsdaleassocites.com).

## **Item 12 - Brokerage Practices**

Hinsdale may make recommendations to clients for brokerage and custody services based on client need for such services. Hinsdale recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

Hinsdale recommends (but does not require) discount brokerage firms, particularly Charles Schwab and Company. Where Hinsdale has discretion to direct brokerage, we expect to execute trades through Charles Schwab and Company where the Firm maintains a relationship as an institutional advisor. In selecting or recommending brokers or dealers, the Firm's overriding objective is to seek for the client the best combination of price and execution. The best net price, giving effect to brokerage commissions, if any, and other transaction costs are normally important factors, but a number of other judgmental factors may be considered. These factors include the financial strength, stability, and integrity of the broker, the size of the transaction and the broker's ability to affect a large transaction; the timing of the transaction and the execution, settlement, and clearance capabilities of the broker. Recognizing the value of these factors, applicant may select or recommend a broker whose brokerage commissions may exceed that which another broker may be charging for the same transaction.

Hinsdale does not receive fees or commissions from any of these arrangements. While Hinsdale may receive interface technology and access to other client service information, Hinsdale does not receive research or other soft dollar benefits from its broker dealer as a condition of our relationship or in consideration of trades. All research is either available generally to advisers on its platform or is paid for by Hinsdale. Hinsdale does not cause clients to pay higher commissions (or markups / markdowns) in return for soft dollar benefits.

Hinsdale typically uses Charles Schwab and Company to custody assets and execute trades. Recently Schwab is offering \$0 commissioning on all trading on its platform, and we intend to use the Schwab trading platform for our execution for as long as we believe we can reasonably obtain best execution. Bond trades are shopped among various sources to obtain desired terms and price. These rates will be checked quarterly to ensure competitive pricing. Hinsdale does not receive any portion of the trading fees.

Brokerage for Client Referrals. Hinsdale does not direct brokerage based on referrals from broker-dealers.

Directed Brokerage. Where Hinsdale has discretion to direct brokerage, we expect to execute trades through Charles Schwab and Company. Hinsdale if directed by the client to use a direct brokerage relationship, we would comply with our client's wish. Where clients direct brokerage, Hinsdale may be unable to achieve most favorable execution of client transactions. Directing brokerage may cause those clients to pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

Aggregation. Hinsdale will aggregate trades where appropriate and reasonably in each client's best interest. Much of the trading done on behalf of clients is in mutual funds, which do not benefit from aggregation, and highly individual stock and bond transactions that do not often lend themselves to aggregation. Aggregate orders will be allocated to accounts in a systematic non-preferential manner, typically pro rata, using average prices and a pro rata share of the costs.

### **Item 13 - Review of Accounts**

Accounts are reviewed with clients based on client need, typically at least annually, by advisor Michael A. Urbik, President. These cover review of the investment policy and overall asset allocation as well as portfolio developments. Client investments are reviewed on at least a quarterly basis by William Lynch, Director of Investments, to ensure client portfolios are properly diversified, per the stated investment policy. Account and portfolio reviews are performed more frequently when market conditions dictate.

Hinsdale communicates with our clients regularly, including a weekly market summary email. Hinsdale also provides a quarterly report detailing account information including positions, performance, income and a narrative of previous market activity, analysis of current market conditions and any recommended changes and modifications to be made to the client portfolio.

Additionally, the client will receive brokerage statements from Charles Schwab and Company detailing all account information and activity, monthly, either electronically or hard copy, as requested by the client. We urge all clients to carefully review the custodian's statements and compare the official custodial records to our reporting.

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

Hinsdale professionals may provide advice that includes an insurance review. Where insurance products are purchased through a Hinsdale licensed professional, they do receive commissions. This creates an incentive to recommend insurance products as a part of its advisory recommendation that can serve as a conflict of interest. To mitigate this conflict, insurance is sold based on client insurable need and, overall, annuities represent a small portion of allocations. Clients are under no obligation to purchase such products from us and are free to purchase them from the insurance professional of their choosing. Finally, Hinsdale does not receive an advisory fee with respect to insurance products for which we receive a commission - excluding them from the advisory assets.

Hinsdale does not derive any benefit, financial or otherwise, of referring clients or from any other source.

Hinsdale routinely receives client referrals, however, we do not pay compensation for those referrals.

### **Item 15 - Custody**

When advisory fees are deducted directly from client accounts at the client's custodian, Hinsdale will be deemed to have limited custody of client assets and must have written authorization from the client to do so. Physical custody of client assets is maintained with a qualified custodian. Clients will receive all account statements and billing invoices from the custodian, and they should carefully review those statements for accuracy.

### **Item 16 - Investment Discretion**

#### **Discretionary Authority for Trading**

Hinsdale accepts discretionary authority to manage securities accounts on behalf of advisory services clients. Through the Advisory Service Agreement, Hinsdale has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. For non-discretionary accounts, Hinsdale consults with the client prior to each trade to obtain concurrence. Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing.

### **Item 17 - Proxy Voting**

Unless the client designates otherwise, Hinsdale votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. Where clients elect to retain or otherwise delegate proxy voting authority, the custodian can be instructed to deliver proxy information directly to the client or their designee.

In cases where Hinsdale has been granted authority to vote proxies by the client, the goal of Hinsdale when voting the proxy is to maximize the value of the client's investment. Hinsdale generally votes in favor of management in line with its fiduciary duty, putting client interests before those of the Firm and its affiliates. Where conflicts between the Firm's and client interests exist with respect to voting securities, the Firm votes solely in accordance with each client's best interest. Clients may obtain information about how the Firm voted a copy of the Firm's proxy voting policies and procedures upon request.

**Item 18 - Financial Information**

Hinsdale does not retain any prepayment of investment advisory or financial planning fees. No member of Hinsdale has been the subject of a bankruptcy petition during the past ten years and the Firm currently has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients.