



HEWINS FINANCIAL ADVISORS, LLC

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**Firm Brochure
(Part 2A of Form ADV)**

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**Contact: Naomi Ramsden, Chief Compliance Officer
400 South El Camino Real, Suite 800
San Mateo, CA 94402
Phone: 888-520-3040
Fax: 650-372-0813
www.hewinsfinancial.com**

This brochure provides information about the qualifications and business practices of Hewins Financial Advisors, LLC (“Hewins”). If you have any questions about the contents of this brochure, please contact us at (888) 520-3040 or nramsdn@hewinsfinancial.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. SEC registration does not carry with it requirements regarding skill or training. Additional information about Hewins Financial Advisors, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

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Not Applicable

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Item 4: ADVISORY BUSINESS

A. Hewins Financial Advisors, LLC (“Hewins”) is a limited liability company formed in 1999 in the state of Delaware and registered as an SEC Investment Advisor in that same year. Hewins is owned by Roger Hewins, Wipfli Financial, LLC (a wholly owned subsidiary of Wipfli LLP), and 12 senior members of the firm.

B. As discussed below, Hewins offers to its clients (individuals, families, business entities, pension and profit sharing plans, trusts, estates and charitable organizations, etc.) investment advisory services, and in conjunction with such services, its clients may receive financial planning advice. Hewins may also provide other clients with financial planning and related financial consulting services. Clients may choose one service without any obligation to engage Hewins for the other.

Investment Advisory Services

Clients can engage Hewins to provide ongoing investment advisory services on a discretionary or a non-discretionary fee-only basis in accordance with the client’s investment objectives. Our services are fully described in the written Investment Advisory Agreement, provided to and signed by the client. Once determined, the client’s investment objectives are then set forth in a written Investment Policy Statement (“IPS”) prepared by Hewins.

Hewins provides investment advisory services specific to the needs of each client. These services are provided to the client by a dedicated registered Hewins advisor. The advisor ascertains, in consultation with the client, the client’s financial situation, risk tolerance, and investment objectives as well as other pertinent information. From this information, Hewins prepares a written IPS for the client’s approval. Thereafter, Hewins shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objectives. The investment objectives contained in the IPS are reviewed with the client no less than annually, and may be modified at any time should those objectives change. Hewins generally recommends that its clients allocate their investment assets among various mutual funds, and/or separate accounts using Independent Managers where appropriate, in accordance with the investment objectives of the client. Hewins does not recommend individual stocks or bonds. In certain circumstances, the client may impose reasonable restrictions regarding their investments.

As part of our investment advisory services, we make available to clients certain investment benefits that may not otherwise be available to a retail investor. Such benefits include:

- Access to professionally-developed model portfolios suitable for investors with a wide range of risk tolerances.
- Access to institutional share classes (i.e. lower cost share classes) of certain fund families;
- Access to certain fund families whose substantial minimums would normally preclude retail client investment;

- Access to certain highly-regarded and low-cost fund families made available only to a select group of registered investment advisers.
- Access to sophisticated investment research not available to the public.

In general, Hewins' client accounts are implemented via the Schwab Institutional custody platform. As a condition of having Hewins provide investment advisory services via the Schwab Institutional platform, Clients enter into written account agreements with Charles Schwab & Co. ("Schwab"). For fees associated with Schwab custodial services, please refer to Item 5 below. Institutional clients, including 401(k) plans, may use other custodians. For 401(k) plans, an independent Third Party Administrator handles recordkeeping and trading. Institutional clients will sign a separate agreement and pay separate fees for the custodians and Third Party Administrators selected.

Independent Managers

Hewins may recommend that the client's investment assets be allocated among unaffiliated independent investment managers in accordance with the client's designated investment objectives. In such situations, the client will enter into a separate agreement with the Independent Manager and will incur a separate fee for these services. The Independent Manager shall have day-to-day responsibility for the active discretionary management of the allocated assets. Factors which Hewins shall consider in recommending an Independent Manager include the client's designated investment objectives, management style, performance, reputation, financial strength, pricing, and investment process. Hewins shall continue to render investment advisory services to the client relative to the assets placed with these Independent Managers including the ongoing monitoring and review of account performance, asset allocation and compliance with the client's investment objectives. If a client chooses to invest with Independent Managers, the value of assets invested with the Independent Manager shall be included as part of "assets under management" for purposes of Hewins calculating its investment advisory fee.

Private Investment Funds

Hewins may provide investment advice regarding private investment funds. Hewins' role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the funds shall be included as part of "assets under management" for purposes of Hewins calculating its investment advisory fee. Hewins' clients are under absolutely no obligation to consider or make an investment in a private investment fund. If the clients does invest in any private investment fund, Hewins will not receive any referral fee, commission or other compensation for any such purchase.

Please Note: Substantial Risk. Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided by the fund to each client for review and consideration. Unlike other liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement,

pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Please Also Note: Valuation. In the event that Hewins references private investment funds owned by the client on any supplemental account reports prepared by Hewins, the value(s) for all such private investment funds shall reflect either the initial purchase and/or the most recent valuation provided by the fund sponsor. If the valuation reflects the initial purchase price and/or a value as of a previous date, the current values, to the extent ascertainable, could be significantly more or less than the original purchase price.

Financial Planning and Consulting Services

Hewins can provide clients with financial planning and/or consulting services (including investment and non-investment related matters, estate planning, insurance planning, tax planning etc.) on a stand-alone separate fee basis. Prior to engaging Hewins to provide planning or consulting services, clients are generally required to enter into a Financial Planning and Consulting Agreement with Hewins, setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided and the fees to be charged.

Neither Hewins, nor any of its employees, serves Hewins clients as an accountant, attorney or licensed insurance agent, and no portion of Hewins' services should be considered as such service.

Third Party Professionals

To the extent requested by a client, Hewins may recommend the services of other professionals for certain non-investment purposes (e.g., attorneys, accountants, insurance agents, etc.), including representatives of a certified public accounting firm that is a minority owner of Hewins in their separate licensed capacities as discussed below (See Item 10 Affiliated Investment Advisor). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Hewins. Hewins receives no fee or other benefit for these referrals. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Client Obligations and Responsibilities

- Hewins offers its clients a selection of services. Clients who engage Hewins for one of the services it provides are under no obligation to engage Hewins for any of the other services.
- Hewins shall not be required to verify any information received from the client or from the client's other professionals, and the Investment Advisory Agreement expressly authorizes Hewins to rely on information provided.

- It remains the client’s responsibility to promptly notify Hewins if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Hewins’ previous recommendations and/or services.

Disclosure Statement

As of April 1, 2011 a copy of this written brochure, known as Part 2A of form ADV shall be provided to each new client prior to, or contemporaneously with, the execution of the Investment Advisory Agreement or Financial Planning and Consulting Agreement. A copy of Part 2A will be mailed to all existing clients by May 30, 2011. By July 30, 2011 new clients will also receive a supplemental brochure known as Part 2B of form ADV which describes the background and experience of each Hewins employee who serves on its Investment Committee and/or provides the client with direct Investment Advice. Existing clients will receive their copy of Part 2B by September 30, 2011.

Wrap Fee Program

Hewins does not participate in a wrap fee program.

Assets Under Management

As of December 31, 2010, Hewins had \$788,445,800 in assets under management on a discretionary basis and \$1,567,362,800 in assets under management on a non-discretionary basis.

Item 5: FEES AND COMPENSATION

Investment Advisory Services

Hewins provides investment advisory services on a “fee-only” basis. “Fee-only” means that the sole revenue Hewins receives is derived from charging its clients for the services it renders. Hewins receives no other fees - no referral fees and no commissions - of any kind. Neither Hewins nor its employees¹ receive compensation from the sale of any security, other investment products or products of any kind.

Hewins’ annual investment advisory fee is tiered, based upon a percentage (%) of the market value of the assets under Hewins’ management (generally between 0.3% and 1.00 %) as follows:

<u>ASSET BREAKPOINTS</u>	<u>ANNUAL FEE</u>
First \$2,000,000	1.00%
Next \$3,000,000	0.85%
Next \$5,000,000	0.40%
Above \$10,000,000	0.30%

¹ For purposes of this Brochure, “employees” refers to both employees of Hewins and its members.

Please Note: There is a minimum quarterly fee of \$1,000 or seventy five basis points (0.75%) of the Assets, whichever is less.

Hewins' investment advisory fee shall include only its investment advisory services, and those services may include financial planning. If a client requires specific consulting services, those services require a separate agreement and incur a separate fee as described below in this Item 5. Hewins in its sole discretion may determine when financial planning services become sufficiently extensive to require a separate agreement and fee.

Hewins, in its sole discretion, may reduce its investment advisory fee, and/or waive or reduce its quarterly fee minimum. It may also reduce its minimum asset requirement for clients referred through the Schwab Advisor Network. Such reductions will be based upon certain criteria (e.g. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.) (See Items 7 and 14 below)

Hewins' annual investment advisory fee is paid quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter. The initial quarterly fee is prorated as of the date of the agreement. Generally, clients elect to have Hewins' advisory fees deducted from their custodial account. Both Hewins' Investment Advisory Agreement and the custodial clearing agreement may authorize the custodian to debit the account for the amount of Hewins' investment advisory fee and to directly remit that management fee to Hewins in compliance with regulatory procedures. In those limited circumstances in which Hewins has agreed to bill the client directly, payment is due upon receipt of Hewins' invoice.

The Investment Advisory Agreement between Hewins and the client will continue in effect until terminated by either party by written notice in accordance with the terms of that Agreement. Upon termination, Hewins shall refund on a pro-rated basis, any unearned portion of the advisory fee which has been paid in advance. The pro-rated calculation shall be based upon the number of days remaining in the billing quarter after expiration of the 30 day termination notice period as required in the Investment Advisory Agreement.

Financial Planning and Consulting Services

Hewins' planning and consulting fees are negotiable, but generally range from \$1,000 to \$5,000 on a fixed fee basis, and from \$150 to \$300 on an hourly rate basis, depending upon the level and scope of the services required and the professionals rendering the services. Fees for financial planning and consulting services are typically billed at the end of the project, except in cases of projects of extended length, where interim billing may take place. Such fees are not deducted from client accounts except upon the specific request by the client. Otherwise, financial planning and consulting service fees are paid directly by the client. Hewins may request an initial deposit.

Custodial Fees

Hewins generally recommends that Schwab serve as the custodian for client investment management assets. Custodians/broker-dealers such as Schwab charge fees that are in addition to the investment advisory fees charged by Hewins. These may be commissions and/or transaction fees for effecting certain securities transactions or Asset Based Pricing fees. Asset Based Pricing fees are assessed on the value of the portfolio rather than on individual transactions, which with appropriate accounts, may result in lower custodial expenses. The fees charged by Schwab may be higher or lower than those charged by other custodians.

For clients using other custodians, fees will vary according to the custodian selected. All custodial fees are in addition to and separate from the investment advisory fees charged by Hewins. For further information on Hewins' custody/brokerage practices, see Item 12.

Independent Manager/Mutual Fund Fees

Independent Manager and Mutual Fund fees are in addition to and separate from the advisory fee charged by Hewins. Fees charged will vary among the Independent Managers and Mutual Funds. Generally, Hewins recommends "no-load" mutual funds.

The custodian will provide each client with a fund prospectus for each Mutual Fund in which he/she invests. (The prospectus is not provided through Hewins.) This prospectus will provide a complete disclosure of a fund's management and fee structure. The Independent Manager's fee will be outlined in the separate agreement signed by the client.

Item 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Neither Hewins nor any employee of Hewins accepts performance-based fees and as a result, Hewins does not engage in side-by-side management.

Item 7: TYPES OF CLIENTS

Hewins' clients include individuals, families, business entities, pension and profit sharing plans, trusts, estates and charitable organizations located throughout the United States. Hewins does not generally require a minimum asset level for investment advisory services, except that clients referred through the Schwab Advisor Network are required to have a minimum asset level of \$1,000,000. However, Hewins does charge a minimum quarterly fee, as described in Item 5 above.

Item 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Basic Strategy

Hewins uses a long-term investment strategy based on helping a client determine an appropriate asset allocation given the client's objectives, then implementing that allocation in a broadly diversified portfolio through the use of mutual funds, separate accounts and other vehicles as

appropriate. Hewins' use of a long-term investment strategy assumes a longer investment time period to allow for the strategy to develop. Interim fluctuations in market value and rates of return may be experienced in order to achieve the longer-term objectives. Hewins employs no tactical or market timing element within its overall strategy. However, individual funds and managers used may employ different strategies with different associated risks.

Investment Strategy Relationship

To augment its base of financial information and for the purposes of additional sophisticated market analysis, Hewins has engaged Callan Associates Inc. ("Callan"). Hewins is a member of the Callan Independent Adviser Group ("IAG"), an organization of approximately 30 RIA firms. Callan is one of the largest investment advisory firms in the country and provides research, education, decision support and advice to a broad array of institutional investors. Through Hewins' membership in Callan's IAG, Hewins makes available to its clients resources normally only available to the largest investors. This membership gives Hewins access to substantial Callan resources, including:

- Capital Markets Projections related to risk, return and correlations of Asset Classes;
- Asset allocation software;
- A select list of investment management organizations and products (in the form of mutual fund and separate account vehicles) based on their objective and in-depth qualitative and quantitative due diligence. Many of these money managers provide their services to IAG member clients at reduced minimums and discounted fees;
- A comprehensive database of mutual funds and separate account managers;
- Performance measurement reports;
- Research on various investment topics.

Capital Market Expectations

In determining an appropriate asset allocation for a client, Hewins performs an asset allocation analysis based on forward-looking capital markets expectations and correlations among the various asset classes. These expectations are by nature imprecise; it is not possible to predict future performance. There can be no assurance that future real returns will approximate the long-term rates of return experienced for each asset class. A potential range of returns for a given asset mix is generated by simulation and is most useful for understanding the trade-off between investment risk and return when comparing various asset mixes; these analyses are not for predicting future results. There is no assurance that future performance of an asset mix will fall within the simulated range of returns or that the modeled return will be achieved.

Rebalancing and Tax Loss Harvesting

Based upon the client's prior written agreement to do so, Hewins will, without further approval, have the authorization to rebalance the client's portfolio and/or perform tax loss harvesting in accordance with the client's approved asset allocation.

Over time, as the market goes up and down, the value of different sub asset classes of a client's portfolio may rise or fall. Such changes may mean that the percentage of assets within that subclass now fall outside the client's approved percentage range. Periodic rebalancing occurs for the purpose of reallocating the account in accordance with the client-approved strategic asset allocations. Cash inflows/outflows will also be deployed in a manner consistent with a client's strategic asset allocation. In order to take advantage of certain tax losses which may have occurred within a client's account, Hewins may, without further approval, sell investments and replace those investments with other investments within the same asset class. In general, we will return the client's investments to the original investments held.

Investment Risk

Different types of investments involve varying degrees of risk, and no client should assume that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Hewins) will be profitable or equal any specific performance levels. All investments represent some level of risk and an investor should understand that losses can and do occur. Significant losses of invested capital are possible.

Except as noted above with Private Investment Funds, (Item 4), Hewins' methods of analysis and investment strategies do not present any significant or unusual risks. Diversification does not protect a portfolio from loss, and it should not be assumed that the broad diversification that is part of Hewins' investment strategy will produce profitable results. Individual funds that comprise clients' portfolios may employ different strategies with different associated risks

If a client's account has a margin feature, Hewins may use margin for the limited purposes of either raising cash for an immediate disbursement or to facilitate investment changes so that the client remains invested in the market.

Item 9: DISCIPLINARY INFORMATION

Hewins has not been the subject of any disciplinary actions.

Item 10: OTHER FINANCIAL ACTIVITIES AND AFFILIATIONS

- A. Neither Hewins, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Hewins, nor its employees are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Sub-Advisory Arrangements

Pursuant to sub-advisory agreements, Hewins provides other non-affiliated Registered Investment Advisory firms ("RIAs") with limited non-discretionary administrative financial services and

assistance. Such services are often referred to as back office services. Examples of such back-office responsibilities may include, but are not limited to: portfolio accounting, trading and rebalancing, billing services, tax reports, performance reports, model portfolio reports, quarterly performance review meetings, asset allocation analysis, analytic data and research, and annual asset allocation reviews. All trading done by Hewins is at the direction of the RIAs; Hewins works directly with the RIA's operations team. Hewins generally does not have direct contact with the RIA's clients. For providing such services, Hewins receives either a percentage of the fees that the RIAs charge their clients or a percentage of the RIA's client assets. That percentage fee will vary depending on the amount and complexity of the services performed

Conflict of Interest: Hewins' Chief Compliance Officer is also the Chief Compliance Officer for one of the RIAs referred to in the paragraph above. This presents potential conflicts of interest. The Chief Compliance Officer has access to each company's confidential information and is in a position to reveal this information inappropriately. Each Company is aware of this possibility and has decided to trust that she would not disclose any such confidential information. In the event of a dispute between these parties, the Chief Compliance Officer would be placed in a difficult position. To avoid such a conflict the Chief Compliance Officer has informed each firm that she will refrain from acting on behalf of either party.

Affiliated Investment Advisor

Hewins is one of two members of Wipfli Hewins Investment Advisors, LLC ("Wipfli Hewins"), an SEC registered investment adviser, (SEC Filing Number 801-57782, CRD# 109972) whose registration application was submitted to the SEC as an affiliate of Hewins in reliance upon the exemption provided pursuant to Rule 203A-2(c) of the Investment Advisers Act of 1940. Hewins provides investment consulting services to Wipfli Hewins pursuant to the terms and conditions of a written sub-advisory arrangement between Hewins and Wipfli Hewins. Certain members of Hewins' senior management are also part of the senior management of Wipfli Hewins. Both firms also share the same principal offices in San Mateo, CA. Wipfli Hewins also maintains numerous branch offices in Wisconsin, Minnesota and Illinois. The other member of Wipfli Hewins is Wipfli Financial, LLC, whose sole member is Wipfli LLP, a certified public accounting firm principally located in Milwaukee, Wisconsin. Clients of Hewins may also be clients of Wipfli LLP and vice versa. To the extent that Hewins clients specifically request accounting, tax preparation, retirement plan third party administration, bill paying or other services offered by Wipfli LLP, Hewins may recommend the services of its affiliate. Generally any such services will be rendered pursuant to a separate agreement between the client and Wipfli LLP.

No client is under any obligation to engage the services of Wipfli LLP or any other individual or entity recommended by Hewins. For any referrals between Hewins and Wipfli LLP, clients will pay only the standard fees. Neither firm receives any portion of the fees charged by the other for shared or referred clients. However, as an indirect owner of Hewins, Wipfli LLP will receive a share of the profits of Hewins.

Conflict of Interest: The recommendation by a Hewins' employee that a client engage any of the services offered by Wipfli LLP could present a conflict of interest regardless of the fact that no referral fees are paid or received. Hewins employees are personally familiar with some of Wipfli

LLP's employees as well as with the quality of the services performed by Wipfli LLP and will have a natural predisposition to recommend this known firm.

Conflict of Interest: As mentioned above, a member of the Hewins' senior management team also serves as a member of the senior management team of Wipfli Hewins Investment Advisors, LLC, an affiliated adviser. This dual relationship could present a conflict of interest should there be choices which could benefit one firm at the expense of another or should there be a dispute between the two firms. Both firms will have to rely on their management teams to resolve any such conflicts.

Item 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Hewins maintains a policy relative to personal securities transactions among its employees. This policy is part of Hewins' overall Code of Ethics, which serves to establish a standard of business conduct for all of Hewins' employees that is based upon fundamental principles of openness, integrity, honesty and trust. A copy of Hewins' Code of Ethics is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Hewins also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Hewins or its employees.

Neither Hewins nor any of its employees recommends, buys, or sells for client accounts, securities in which Hewins, any employee or any related entity of Hewins has a material financial interest. Hewins does not recommend for its clients the purchase of individual securities; therefore there is very little potential for conflicts related to personal trading.

Despite the lack of any potential conflict of interest, Hewins has implemented a Personal Securities Monitoring Policy to review and monitor the personal securities transactions and securities holdings of Hewins' employees. Each quarter, all Hewins employees must submit a record of their personal securities transactions to the Chief Compliance Officer for her review. In addition, Hewins' Securities Monitoring Policy requires that all employees provide the Chief Compliance Officer with a written report of their current securities holdings within ten (10) days after becoming a Member or and employee. Additionally, all employees must provide the Chief Compliance Officer with a written report of their current securities holdings at least once each twelve (12) month period.

Item 12: BROKERAGE PRACTICES

Hewins generally recommends that investment management accounts be maintained at Schwab. Prior to engaging Hewins to provide investment management services, the client is required to enter into a formal Investment Advisory Agreement with Hewins setting forth the terms and conditions under which Hewins shall manage the client's assets, and a separate custodial/clearing agreement with each designated custodian.

Hewins recommends mutual fund vehicles and Independent Managers to implement its investment strategies. Mutual funds do not trade like individual securities--they trade at a set price (Net Asset

Value) at market close, so no one broker or custodian is able to achieve a better price than any other in a mutual fund trade.

Factors that Hewins considers in recommending Schwab (or any other custodian to clients) include historical relationship with Hewins, financial strength, reputation, execution capabilities, pricing, and service. However, in certain situations, a client may pay fees that are higher than another qualified custodian might charge to effect the same transaction. In seeking best execution, the determinative factor for Hewins is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of custodial services, including execution capability, commission rates, financial strength and responsiveness. In other words, is the fee reasonable in relation to the value of the services received? Accordingly, although Hewins will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated custodian are exclusive of, and in addition to, Hewins' investment management fee.

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular custodian, Hewins may receive from Schwab (or another custodian) without cost (or at a discount) various support services which assist Hewins to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Hewins may be pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, consulting services, attendance (but not travel or lodging) at conferences, meetings, and other educational and/or social events, and marketing support.

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

Directed Brokerage

Hewins does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Hewins will not seek better execution services or prices from other broker-dealers. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Soft Dollars and Trade Aggregation

Hewins recommends mutual fund vehicles and Independent Managers to implement its investment strategies. We do not recommend investments in or trade individual securities as part of our investment strategy. As a result, we do not:

- Practice block trading
- Accept soft dollars
- Purchase or allocate IPOs.

Item 13: REVIEW OF ACCOUNTS

A. For those clients to whom Hewins provides investment supervisory services, account reviews are conducted regularly by Hewins' Principals and/or Consultants. All client account holdings and performance are reviewed monthly by the client's adviser. Quarterly reviews include review for adherence to the strategic target allocation. All clients (in person or via telephone) are encouraged to review with Hewins financial planning issues (to the extent applicable), investment objectives and account performance together with any personal or financial changes at least on an annual basis.

B. Hewins may conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections, mutual fund management changes and client requests.

C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the custodian for the client accounts. Hewins also provides a quarterly performance report to each client. This report contains detailed information on holdings including current asset allocation percentages, and current and historical performance.

Item 14: CLIENT REFERRALS AND OTHER COMPENSATION

Schwab Referrals

Hewins receives client referrals from Schwab through Hewins' participation in Schwab Advisor Network™ (the "Network"), designed to help investors find an independent investment adviser. Schwab is a broker-dealer and custodian and is independent of and unaffiliated with Hewins. Schwab does not supervise Hewins and has no responsibility for Hewins' management of clients' portfolios or Hewins' other advice or services. Hewins pays Schwab fees to receive client referrals through the Network. Hewins' participation in the Network may raise potential conflicts of interest described below.

Hewins pays Schwab (1) Participation Fee on all referred clients' accounts that are maintained in custody at Schwab; and/or (2) a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Hewins is a percentage of the fees paid by the client to Hewins or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Hewins pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Hewins quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by Hewins and not by the client. Hewins has agreed not to charge clients referred through the Network fees or costs greater than the fees or costs Hewins charges clients

with similar portfolios (pursuant to Hewins' standard fee schedule as in effect from time to time) who were not referred through the Network.

Hewins may have to pay Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab, unless the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed in custody other than at Schwab.

The Non-Schwab Custody Fee is higher than the Participation Fees Hewins generally would pay in a single year. This means that Hewins may have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of Hewins' clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, Hewins will have incentives to encourage household members of clients referred through the Network to maintain custody of their accounts and execute transactions at Schwab.

Conflict of Interest: We do not consider this a material conflict; should either issue arise, Hewins will inform the client of its reasons for suggesting that the account be maintained at Schwab and allow the client to make an informed decision.

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

Please see Item 5 above for a description of the fees charged by Schwab to the client.

Item 15: CUSTODY

Hewins' clients receive account statements directly from the qualified custodian. Hewins also sends its clients quarterly reports that it has prepared. The Hewins' reports urge the client to compare that report with the statements received from the qualified custodian. Hewins' reports also notify the client that it is their responsibility to verify the accuracy of the Hewins' fee and that the custodian does not perform this function. Hewins performs periodic testing to ensure that its fees are charged in accordance with the client's Agreement.

Item 16: INVESTMENT DISCRETION

Discretionary and Non-Discretionary Management

As discussed above in Item 4, the Firm's clients may choose to engage Hewins on a discretionary or non-discretionary basis. In either case, the client will sign an Investment Advisory Agreement which specifies which kind of service that Hewins will render. For both types of clients, Hewins may

rebalance a client's portfolio and perform tax-loss harvesting without specific client approval. Please see Item 8 for an explanation of Rebalancing and Tax Loss Harvesting.

For those clients who retain Hewins on a discretionary basis the Investment Advisory Agreement names Hewins as client's attorney and agent in fact, granting Hewins full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name. For discretionary accounts, Hewins may make changes to portfolio allocations and funds without client approval. Generally, clients are informed of the changes in advance, and Hewins does not change the overall equity/fixed income allocation without the agreement of the client. However, the Firm has the authority to make sub-asset allocation and specific investment adjustments without seeking client approval.

With respect to its non-discretionary advisory services, Hewins generally maintains ongoing responsibility to make recommendations, based upon the needs and objectives of the client. If such recommendations are accepted by the client, Hewins is responsible for arranging or effecting the purchase or sale. For non-discretionary clients, Hewins may not change either the client's asset allocation or specific investments without prior approval from the client.

Please Note: Non-Discretionary Service Limitations. Clients that determine to engage Hewins on a non-discretionary investment advisory basis must be willing to accept that Hewins cannot effect any account transactions without obtaining prior consent to any such transactions from the client. Thus, in the event of Hewins desires to make a change during a time when the client is unavailable, Hewins will be unable to effect any account transactions (as it would for its discretionary clients) without first obtaining the client's consent.

Item 17: VOTING CLIENT SECURITIES

Hewins does not vote client proxies nor act upon any other shareholder communications for any client.

Institutional and Individual clients shall have the opportunity to choose whether to receive proxy and other shareholder material or to have it sent to Hewins. If a client chooses to receive this information, then the client shall be responsible for: (i) voting all proxies which are solicited in connection with the Assets; and (ii) making all elections in connection with any mergers, acquisitions, bankruptcy proceedings or other similar occurrences which may affect the Assets. If a client directs the custodian to forward such information to Hewins, Hewins will not act upon it, with the resulting effect that no one will be in a position to vote proxies or act upon any other shareholder communication.

For clients who have hired an independent money manager to manage their assets on a discretionary basis, the Independent Managers will generally vote proxies.

Those clients or accounts that are ERISA Governed Plans should refer to the Plan/Trust Agreement to determine Proxy Voting responsibilities. If the Plan/Trust Agreements require that proxies be

voted, such clients or accounts cannot select Hewins to receive the proxy and shareholder information.

Item 18: FINANCIAL INFORMATION

- A. Hewins does not solicit fees of more than \$1,200 per client six months or more in advance.
- B. Hewins is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. Hewins has not been the subject of a bankruptcy petition.

ANY QUESTIONS: Hewins' Chief Compliance Officer, Naomi Ramsden Esq., remains available to address any questions that a client or prospective client may have regarding the above disclosures, conflicts of interest and other arrangements.