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September 30, 2020

**FORM ADV PART 2
BROCHURE**

This brochure provides information about the qualifications and business practices of HBW Advisory Services LLC. If you have any questions about the contents of this brochure, please contact us at (800) 473-3856. 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 HBW Advisory Services LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable CRD number for HBW Advisory Services LLC is 143665.

Item 2 Material Changes

Since the filing of our latest annual updating amendment, dated March 10, 2020, we have made the following material changes:

- Item 18 has been amended to disclose a Paycheck Protection Program loan our firm has taken to support our ongoing operations.

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Item 4 Advisory Services

HBW Advisory Services LLC (HBW) is a registered investment adviser, formed on March 13, 2007 and is an SEC registered firm domiciled in the State of California. HBW Insurance & Financial Services, Inc. owns 75.5% of HBW. The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs.

As used in this brochure, the words "we," "our," "HBW," and "us" refer to HBW Advisory Services LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Asset Management Services

HBW offers discretionary asset management services. HBW will consider the client's risk tolerance by using a questionnaire to determine asset allocation and recommend models/strategies for investment planning based on the risk tolerance score results and client's investment objectives.

For HBW's discretionary asset management services, clients are required to grant HBW discretionary authority to manage the account. Subject to a grant of discretionary authorization, HBW has the authority and responsibility to formulate investment strategies on clients' behalf. Discretionary authorization will allow HBW to determine the specific securities, and the amount of securities, to be purchased or sold for the account without obtaining approval prior to each transaction. HBW will also have discretion over the broker or dealer to be used for securities transactions in the account. Discretionary authority is typically granted by the investment advisory agreement that is signed with HBW, a power of attorney, or trading authorization forms.

As part of the asset management services, HBW may use one or more sub-advisers to manage a portion of the account on a discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage accounts. HBW will regularly monitor the performance of client accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without client's prior approval. HBW may pay a portion of the advisory fee to the sub-adviser(s); clients may pay HBW a higher advisory fee as a result of any sub-advisory relationships.

In providing asset management services, HBW may, under limited circumstances and at its sole discretion, accept client restrictions on the specific securities or the types of securities that may be held in the account.

HBW will consider client's risk tolerance by using a questionnaire to determine asset allocation and recommend models/strategies for investment planning based on the risk tolerance score results.

In certain circumstances, clients may request that assets be held at outside custodians with whom HBW does not have a relationship. As a result HBW may not be able to provide the same benefits that are provided to accounts where the assets are maintained at custodians with whom HBW has an established relationship.

Wrap Fee Program

HBW also offers discretionary asset management services on a wrap fee basis as a wrap program sponsor. Under our wrap program, you will receive investment advisory services and the execution of securities brokerage transactions for a single specified fee. Participation in a wrap program may cost you more or less than purchasing such services separately. The terms and conditions on a wrap program engagement are more fully discussed in our Appendix 1 - Wrap Fee Program Brochure. We adhere to our fiduciary duty when trading in your accounts. Trades are made only on the basis of the account's stated investment objectives, and without concern to the firm's trading costs and firm's

expenses that trading the accounts will create. Please refer to our Appendix 1 - Wrap Fee Brochure for a more complete description of our wrap fee program.

Financial Planning and Consulting

HBW offers a variety of financial planning and consulting services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. These services can range from broad-based financial planning to consultative or single subject planning. Financial plans are based on the client's financial situation at the time HBW presents the plan, and on the financial information provided by the client. Clients must promptly notify HBW if their financial situation, goals, objectives, or needs change. Planning and consulting services include but may not be limited to one or more of the following areas:

Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Mortgage/Debt Analysis, Insurance Analysis, and other Business and Personal Financial Planning. See details for certain services below.

Retirement Planning. HBW will make a systematic plan for client to use by setting aside income for client's future retirement. Clients will need to provide data such as number of years until retirement, approximate income desired in retirement, current assets available for retirement, and/or qualified social security benefits to be considered in order to receive a meaningful plan.

Investment Planning & Asset Allocation.

This service is offered by HBW and will consider client's risk tolerance by using a questionnaire to determine asset allocation and recommend models/strategies for investment planning based on the risk tolerance score results.

Estate Planning.

Limited estate planning is offered by HBW which is usually as a result of an attorney's recommendation. HBW recommends clients with complicated estate tax issues consult the advice of an attorney. HBW does not offer legal or tax advice.

College Planning.

HBW will make a systematic plan for future college expenses by analyzing a client's future college needs with data collected regarding these needs such as number of years till college, type of college, scholarship opportunities, money already set aside for college, and other relevant data.

Selection of Other Advisers

HBW may recommend that clients use the services of a third party money manager ("TPMM") to manage all, or a portion of, their investment portfolio. After gathering information about client financial situation and objectives, HBW may recommend that the client engage a specific TPMM or investment program. Factors that are taken into consideration when making these recommendation(s) include, but are not limited to, the following: the TPMM's performance, methods of analysis, fees, client financial needs, investment goals, risk tolerance, and investment objectives. HBW will monitor the TPMM(s)' performance to ensure its management and investment style remains aligned with the client's investment goals and objectives.

Selection of Co-Advisor Management

HBW may recommend that clients use the services of a Co-Advisor to manage all, or a portion of, their investment portfolio. After gathering information about the client's financial situation and objectives, HBW may recommend the client execute an agreement with HBW and a specific Co-Advisor. Factors that are taken into consideration when making these recommendation(s) include, but are not limited to, the following: the Co-Advisor's performance, methods of analysis, fees, client financial needs,

investment goals, risk tolerance, and investment objectives. HBW will monitor the Co-Advisor's performance to ensure its management and investment style remains aligned with the client's investment goals and objectives.

Online Portfolio Management Platform

HBW has partnered with Betterment LLC, registered investment adviser, to offer portfolio management services through the Betterment Institutional online wrap-fee platform ("Program"). This Program allows clients to create and/or choose portfolios diversified among ETFs. HBW will assist the client in selecting investments based on the client's risk profile. Betterment LLC will then manage the client's portfolio on a discretionary basis. Clients will receive a separate wrap-fee program brochure (Betterment Appendix 1 - Wrap Brochure), which they should refer to for specific details about the Program. Clients will also separately enter an agreement with Betterment LLC, granting them discretionary authorization to buy and sell, when to buy and sell, and in what amounts, in accordance with client's investment parameters, without obtaining client's prior consent or approval for each transaction. HBW assumes discretionary authority to rebalance the client portfolio. Client also enters into a discretionary arrangement with HBW.

Sub-Advisory Services to Registered Investment Advisers

HBW offers sub-advisory services to unaffiliated third party money managers (the "Primary Investment Adviser"). As part of these services, HBW will provide model portfolios, which the Primary Investment Adviser selects for their clients. HBW will not directly manage the Primary Investment Adviser's individual client accounts. The Primary Investment Adviser will be responsible for selecting the appropriate model for its clients.

Types of Investments.

HBW offers advice on equity securities, mutual funds, EFTs, and variable annuities. Additionally, HBW may advise clients on various types of investments based on their stated goals and objectives. HBW may also provide advice on any type of investment held in a client's portfolio at the inception of the advisory relationship. HBW does not participate in wrap fee programs.

Assets under Management

As of September 30, 2020, HBW provides continuous management services for \$761,170,560 in client assets on a discretionary basis.

Item 5 Fees and Compensation

Asset Management Fees

HBW charges an annual fee based on a percentage of assets under management, not to exceed 2.00%. The actual fee is contingent based on the assets under management with the firm, the complexity of investments, client objectives and other related factors. Fees could vary based on the investment adviser representative managing the account. Client accounts may be householded for purposes of calculating fees. The fee is payable quarterly in arrears based on the client's average daily account balance for the prior quarter. If the agreement is executed at any time other than the first day of the calendar quarter, fees will apply on a pro rata basis, which means that the fees are payable in proportion to the number of days in the quarter.

HBW will deduct its fee directly from client accounts through the qualified custodian holding the funds and securities. Fees will only be deducted when the client has given HBW written authorization permitting the fees to be paid directly from the client's account. Further, the qualified custodian will deliver an account statement to the client at least quarterly. These account statements will show all disbursements from the account. Clients are encouraged to review all statements for accuracy.

*Under certain circumstances HBW offers combined ongoing financial planning and asset management services at a fixed rate of up to \$10,000 depending on the size, complexity and hours estimated to complete the project. Fees are payable quarterly in arrears.

Client may rescind the client agreement within five (5) business days after its effective date, by giving written notice to Financial Advisor or HBW. If the client rescinds within five (5) business days, the contract will be terminated without compensation to HBW.

Either the client or HBW may terminate the contract by giving written notice to the other. Clients may terminate their agreement at any time. Please allow ten business days to process the written notice and cancel the application. Clients will be responsible to pay compensation for all services rendered under the agreement until the effective date of termination, or the date written notice of termination is received by HBW or Financial Advisor. In the event the client terminates an asset management relationship prior to the end of the quarter, pro-rated quarter fees will be assessed to the date of termination.

Wrap Fee Program Fees

HBW's maximum annual fee for asset management services provided as part of our wrap fee program is 2.00% of assets under management. Please refer to the HBW Appendix 1 - Wrap Brochure for a more complete discussion of our wrap-fee program.

Financial Planning and Consulting Fees

Depending on the financial planning services contracted for, HBW charges either a fixed fee up to \$2,500 or an hourly rate of up to \$300 per hour. The fee is negotiable depending upon the complexity and scope of the plan and/or service, the client's financial situation and objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, HBW will notify the client and request approval of any additional fee.

HBW will not require prepayment of a fee more than six months in advance and in excess of \$1,200.

At the firm's discretion, HBW may offset the financial planning fees to the extent the client implements the financial plan through the Asset Management Service.

Financial planning fees are negotiable and payable quarterly in arrears. Clients may terminate the financial planning agreement by providing written notice to the firm.

Fees for Selection of Other Advisers

HBW does not charge a separate fee for the selection of other advisers. The firm will share in the advisory fee paid directly to the TPMM. The advisory fee paid to the TPMM is established and payable in accordance with the brochure provided by each TPMM to whom clients are referred. These fees may or may not be negotiable. HBW's compensation may differ depending upon the individual agreement the firm has with each TPMM. As such, a conflict of interest exists where the firm or persons associated with the firm have an incentive to recommend one TPMM over another TPMM with whom the firm has more favorable compensation arrangements or other advisory programs offered by TPMMs with whom the firm has less or no compensation arrangements.

Fees for Co-Advisor Management

HBW will execute a tri-party agreement with client and Co-Advisor which will determine and disclose the fee charged to a client. HBW's compensation may differ depending upon the individual agreement the firm has with each Co-Advisor. As such, a conflict of interest exists where the firm or persons associated with the firm have an incentive to recommend one Co-Advisor over another.

Online Portfolio Management Platform Fees

The annual fee for Online Portfolio Management will not exceed 1.50%. HBW's annual portfolio management fee is billed and payable quarterly in arrears based on client's average daily account balance for the prior quarter. If the management agreement is executed at any time other than the first day of a calendar quarter, HBW's fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which client is a client.

Betterment LLC will share in a portion of the advisory fee client pays to HBW. Client will be required to sign an agreement directly with Betterment LLC as well as a discretionary agreement with HBW. Clients may terminate the advisory relationship with Betterment LLC according to the terms of agreement with Betterment LLC. Clients should review Betterment LLC's brochure for specific information on how to terminate their advisory relationship with them and how the client may receive a refund, if applicable. Clients should contact Betterment LLC directly for questions regarding the advisory agreement with Betterment LLC. Clients should also refer to the Betterment LLC Appendix 1 – Wrap Brochure, for a complete discussion of fees and expenses associated with this Program.

Sub-Adviser Fees

HBW may act as a sub-adviser to unaffiliated third parties. Currently the firm offers services to Midland National Life Insurance Co (MNL) and is compensated by MNL 35 basis points per year prorated quarterly for those services. HBW may enter into future sub advisory agreements in the future.

Subscription Services

HBW offers subscription services for company sponsored retirement plans. HBW has entered into an agreement with 401kwealthengine.com to provide investment advice for plan participants. The subscription price is \$35/month of which HBW is compensated \$16/month.

Additional Fees and Expenses

As part of HBW's investment advisory services, clients may invest in mutual funds and exchange traded funds. The fees that clients pay to HBW for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Clients will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or

custodian through whom the account transactions are executed. HBW does not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost, clients should review all the fees charged by mutual funds, exchange traded funds, the firm, and others. For information on HBW's brokerage practices, refer to the *Brokerage Practices* section of this brochure.

Compensation for the Sale of Securities or Other Investment Products

Persons providing investment advice on behalf of HBW may be registered representatives with Cetera Advisor Networks LLC (Cetera). Cetera is an independent broker-dealer that's under separate ownership and not affiliated with HBW. This presents a conflict of interest and gives registered representatives' incentive to recommend investment products or services offered by Cetera based on the compensation received, rather than on client needs. Registered representatives receive compensation directly from Cetera if clients purchase investment products or services offered by Cetera. Registered representatives may also receive commission-based compensation in connection with the purchase and sale of insurance and securities, including 12b-1 fees. This compensation is separate from any HBW advisory fees. HBW prohibits registered representatives from charging fees on commission based products. Clients are under no obligation, contractually or otherwise, to purchase investment products or services offered by Cetera.

Persons providing investment advice on behalf of HBW may also be licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell. Insurance commissions earned by these persons are separate to HBW's advisory fees. HBW prohibits insurance agents from charging fees on commission based insurance products. Clients are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with the firm.

IRA Rollover Considerations

As part of HBW's investment advisory services, the firm may recommend that clients withdraw assets from their employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that HBW will manage on the client's behalf. If the client elects to roll the assets to an IRA that is subject to HBW's management, an asset based fee will be charged as set forth in the agreement executed with the firm. This practice presents a conflict of interest because persons providing investment advice on HBW's behalf have an incentive to recommend a rollover for the purpose of generating fees based compensation rather than solely based on client needs. Clients are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if clients do complete the rollover, they are under no obligation to have the assets in an IRA managed by HBW. Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, clients should consider the costs and benefits of:

An employee will typically have four options:

1. Leaving the funds in the employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change HBW encourages clients to speak with a CPA and/or tax attorney.

Clients should consider the following, when considering whether to roll over retirement funds into an

IRA managed by HBW:

1. Determine whether the investment options in the employer's retirement plan address your needs or whether you might want to consider other types of investments.
 1. Employer retirement plans generally have a more limited investment menu than IRAs.
 2. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
 1. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 2. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. If you are separating from service with your employer between the ages 55 and 59.5 you may withdraw money from a 401k penalty fee.
7. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
 1. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
8. You may be able to take out a loan on your 401k, but not from an IRA.
9. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
10. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
11. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that the client understand the differences between these types of accounts and to decide whether a rollover is best for their circumstances. Prior to proceeding, if a client has questions, they are encouraged to contact their investment adviser representative, or call HBW's main number as listed on the cover page of this brochure.

Item 6 Performance-Based Fees and Side-By-Side Management

HBW does not accept any performance-based fees.

Item 7 Types of Clients

HBW generally provides investment advice to individuals. Individuals make up more than 75% of all the accounts held at HBW. HBW also provides advisory services to businesses, trusts, estates, charitable organizations, pension and profit sharing plans. Requirements for opening and maintaining accounts for certain investments may be imposed by the custodians at the platform or other third party investment advisors managing the account. Generally, HBW does not require a minimum dollar amount to open and maintain an advisory account.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

HBW believes that no single investment philosophy is right for everyone. Further, we believe that different philosophies may capture market returns at different times. A classic buy and hold approach is often best in increasing markets and a tactical asset allocation approach is often best when the markets reach historic valuations. For many investors a blended approach may make sense. An example would be a portfolio that uses a tactical asset allocation that, along with fixed income allocations, helps mitigate downside risk, by typically investing in broadly diverse asset classes that may help capture market returns in rising markets.

The relatively few strategies which are managed directly by HBW (rather than third parties) share common core principals. That core principal can be defined as a commitment to the pursuit of the highest quality assets we can find, whether those are individual stocks, mutual funds or ETFs. And we define quality in terms of liquidity, profitability, growth, durability, and capital stewardship.

HBW's most basic belief and guiding principle is in providing our advisors and clients the tools they need to stay the course, to stick to their financial plans, to seek control of the factors that form the basis of all other investment success: saving, asset protection through insurance, and tax planning. We also believe our clients' relationship with their advisor is among their most important assets when times are challenging.

At HBW we select TPMM's that employ strategic, tactical and alternative asset strategies in an attempt to minimize investment risk and market losses. At HBW we believe that avoiding large losses is more important than trying to capture all of the upside. We believe in diversifying by asset class and by investment strategy. We use multi-manager platforms to accomplish this. Of course all investing involves the risk of losing principal that clients should be prepared to bear.

In addition to our primary use of TPMM's on our multi manager platform, HBW also has solicitor agreements with a wide variety of TPMM's that our HBW Representatives can utilize.

HBW offers brokerage accounts where the HBW representative may use their own investment strategies. These investment strategies are closely monitored by HBW and are designed to offer customized investment portfolios for clients. All clients are required to complete a thorough risk tolerance, investment objective questionnaire and must be a suitable investor for the respective strategies. Clients are reminded quarterly to update HBW if their risk tolerance has changed. Upon receipt of any change the representative may reallocate the clients assets.

Investing in any securities involves risk of loss and clients of HBW should be prepared to take this risk. Each investment strategy offered through HBW TPMM's is unique and involves material risks that are described in detail on fact sheets available for each strategy. Since most investment strategies offered through HBW TPMM's involve tactical or absolute return style investing performance can be uncorrelated to major market indices. Therefore investment risk is shifted from market performance to money manager's skill. While HBW selects and monitors TPMM's that we believe can achieve prudent risk-adjusted investment results there is no assurance that the skill of the TPMM's will achieve desired results. Most investment strategies employed by our TPMM's will involve moving assets to fixed income or cash positions during periods of high market volatility to preserve principal. Some investment strategies will employ the use of inverse investments in an attempt to make gains in down markets. Use of inverse investments can result in losses during 'up' markets. The use of fixed income or cash positions can result in lack of participation in market 'up' sides. Therefore the defensive techniques of cash or inverse investments can lead to losses if the TPMM's employ them in periods of 'up' markets. Therefore performance of these types of investments is largely dependent on the skill of the TPMM's and may not be correlated with major market indices. Further, due to the frequent trading

of securities employed by these types of strategies, the majority of capital gains will be short term capital gains which are taxed as ordinary income. Since ordinary income tax rates are typically higher than long term capital gains rates, clients utilizing these strategies should consider adverse tax consequences for non-tax qualified accounts. This adverse tax ramification is not a factor for qualified accounts such as IRA's, Simples, 401(k)'s, Roth's, SEP's, etc. Since these strategies involve frequent trading, to avoid increased brokerage and other transaction fee costs, HBW utilizes an asset based custody trading platform for its tactically managed accounts. This trading platform helps contain brokerage and transaction costs. HBW offers a brokerage platform for less frequently traded accounts were trades are transaction fee based.

Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations

Recommendation of Other Advisers

HBW may recommend that clients use a third party money manager ("TPMM") based on their needs and suitability. HBW will receive compensation from the TPMM for recommending that clients use their services. These compensation arrangements present a conflict of interest because HBW has a financial incentive to recommend the services of the third party adviser. Clients are not obligated, contractually or otherwise, to use the services of any TPMM recommended. Refer to the *Advisory Business* section above for additional disclosures on this topic.

Arrangement with Independent Broker-Dealer

Persons providing investment advice on behalf of HBW may be registered representatives with Cetera. Cetera is an independent broker-dealer that's under separate ownership and not affiliated with HBW. Registered representatives may have an incentive to recommend investment products or services offered by Cetera based on the compensation received, rather than on client needs. Registered representatives will receive compensation directly from Cetera if clients purchase investment products or services offered by Cetera. Registered representatives may also receive commission-based compensation in connection with the purchase and sale of insurance and securities, including 12b-1 fees for the sale of investment company products. This compensation is separate from any HBW advisory fees and clients should be aware that the receipt of additional compensation creates a conflict of interest that may impair registered representatives' when making recommendations. HBW puts the interest of its clients first as part of our fiduciary duty as a registered investment adviser. HBW prohibits registered representatives from charging advisory fees on products for which they have earned commission. Clients are under no obligation, contractually or otherwise, to purchase investment products or services offered by Cetera.

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

Standard of Conduct:

HBW and its personnel subscribe to a strict code of ethics that requires the interests of the advisory client be placed above everything else. All activities conducted by HBW on behalf of advisory clients must benefit the client. A complete copy of HBW's code of ethics is listed below. The Investment Advisers Act of 1940 imposes a fiduciary duty on investment advisers and as such HBW has a duty of utmost good faith to act solely in the best interests of each of our clients. Our clients entrust us with

their funds which in turn places a high standard on our conduct and integrity. Our fiduciary duty compels all employees to act with the utmost integrity in all of our dealings. This fiduciary duty is the core principal underlying the Code of Ethics and the personal trading policy, and represents the expected basis of all of our dealings with our clients

This Code of Ethics consists of the following core principles:

1. The interests of clients will be placed ahead of HBW's or any employee's own investment interests.
2. Employees are expected to conduct their personal securities transactions in accordance with the personal trading policy and will strive to avoid any actual or perceived conflict of interest with the client. Employees with questions regarding the appearance of a conflict with a client should consult with the CCO before taking action that may result in an actual conflict.
3. Employees will not take inappropriate advantage of their position with HBW.
4. Employees are expected to act in the best interest of each of our clients.
5. Employees are expected to comply with all federal and state securities laws and strict adherence to the policy manual will assist the employee in complying with this important requirement.

A copy of the Code of Ethics will be provided to any client of prospective client upon request.

Participation or Interest in Client Transactions

Neither HBW nor any persons associated with the firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

HBW or persons associated with the firm may buy or sell the same securities that are recommended to clients or securities in which clients are already invested. A conflict of interest exists in such cases because HBW has the ability to trade ahead of the client and potentially receive more favorable prices than the client will receive. To mitigate this conflict of interest, it is the firm's policy that neither HBW nor persons associated with the firm shall have priority over any client account in the purchase or sale of securities.

Block Trading

HBW or persons associated with the firm may buy or sell securities for clients at the same time HBW or persons associated with the firm buy or sell such securities for their own account. HBW may also combine our orders to purchase securities with client orders to purchase securities ("block trading"). Refer to the *Brokerage Practices* section in this brochure for information on block trading practices.

Item 12 Brokerage Practices

HBW has made arrangements with several custodial broker-dealers to provide execution and custodial services at reasonable and customary rates that are believed to be in the client's best interests. HBW will add additional broker-dealer platforms or change a broker-dealer if it deems necessary based on a variety of factors such as cost, accuracy, and timeliness of trades, capacity, and service. Representatives have research available to them on the broker-dealer website or other outside sources, but such research is obtained without a "soft dollar benefit" arrangement. HBW does not pay additional fees for any research. HBW does not direct client transactions to a particular broker-dealer in return for client referrals or for any other incentive which may not be in the best interest of the client's needs.

Under limited circumstances, and at the firm's sole discretion, HBW may permit clients to direct

brokerage. Directed brokerage may cost the client more money because HBW does not have the ability to negotiate commission rates and expenses.

Betterment Online Portfolio Management Platform

HBW requires that clients who participate in HBW's online portfolio management platform use MTG, LLC dba Betterment Securities ("Betterment Securities"), a registered broker-dealer, member SIPC, as the qualified custodian. HBW is independently owned and operated and is not affiliated with Betterment Securities. Betterment Securities will hold client's assets in a brokerage account and buy and sell securities when HBW and/or client instructs them to. While HBW recommends that clients use Betterment Securities as custodian/broker, the client will decide whether to do so and will open an account with Betterment Securities by entering into an account agreement directly with them. HBW does not open the account for the client, although HBW may assist the client in doing so. If the client does not wish to place their assets with Betterment Securities, then HBW cannot manage the client's account on Betterment Institutional (defined below).

For HBW clients' accounts that Betterment Securities maintains, Betterment Securities generally does not charge the client separately for custody services, but is compensated as part of the Betterment Institutional platform fee, which is a percentage of the dollar amount of assets in the account in lieu of commissions. HBW has determined that having Betterment Securities execute trades is consistent with HBW's duty to seek "best execution" of client's trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

Betterment Securities serves as broker dealer to Betterment Institutional ("Betterment Institutional"), an investment and advice platform serving independent investment advisory firms like HBW. Betterment Institutional also makes available various support services which may not be available to Betterment's retail customers. Some of those services help HBW manage or administer clients' accounts, while others help HBW manage and grow HBW's business. Betterment Institutional's support services are generally available on an unsolicited basis (HBW doesn't have to request them) and at no charge to us. Following is a more detailed description of Betterment Institutional's support services:

- **SERVICES THAT BENEFIT CLIENT.** Betterment Institutional includes access to a range of investment products, execution of securities transactions, and custody of client assets through Betterment Securities. Betterment Securities' services described in this paragraph generally benefit client and client's account.
- **SERVICES THAT MAY NOT DIRECTLY BENEFIT CLIENT.** Betterment Institutional also makes available to HBW other products and services that benefit HBW, but may not directly benefit client or client's account. These products and services assist us in managing and administering HBW clients' accounts, such as software and technology that may:
 - Assist with back-office functions, recordkeeping, and client reporting of HBW's clients' accounts.
 - Provide access to client account data (such as duplicate trade confirmations and account statements).
 - Provide pricing and other market data.
 - Assist with back-office functions, recordkeeping, and client reporting.
- **SERVICES THAT GENERALLY BENEFIT ONLY HBW.** By using Betterment Institutional, HBW will be offered other services intended to help HBW manage and further develop HBW's business enterprise. These services include:
 - Educational conferences and events.

- Consulting on technology, compliance, legal, and business needs.
- Publications and conferences on practice management and business succession.
- *HBW's INTEREST IN BETTERMENT SECURITIES' SERVICES.* The availability of these services from Betterment Institutional benefits HBW because HBW does not have to produce or purchase them. In addition, HBW doesn't have to pay for Betterment Securities' services. These services may be contingent upon HBW committing a certain amount of business to Betterment Securities in assets in custody. HBW may have an incentive to recommend that client maintain client's account with Betterment Securities, based on HBW's interest in receiving Betterment Institutional and Betterment Securities' services that benefit HBW's business rather than based on client's interest in receiving the best value in custody services and the most favorable execution of client's transactions. This is a potential conflict of interest. HBW believes, however, that HBW's selection of Betterment Securities as custodian and broker is in the best interests of HBW's clients. HBW's selection is primarily supported by the scope, quality, and price of Betterment Securities' services and not Betterment Institutional and Betterment Securities' services that benefit only HBW.

Item 13 Review of Accounts

REVIEWS: Managed accounts are reviewed quarterly. Account transactions are reviewed daily. Financial planning accounts are reviewed annually. The calendar is the triggering factor. Accounts at TPMMs are reviewed when HBW receives their statements - usually quarterly. Unscheduled review may occur as needed or if the client requests such.

REVIEWERS: Todd Penrod reviews or designates someone to review all client accounts at this time. Reviews are performed on a portfolio analysis basis.

REPORTS: Clients of HBW receive quarterly reports from account custodians, mutual funds or other TPMMs showing account values. Clients receive confirmations of all transactions unless they choose to opt out.

Item 14 Client Referrals and Other Compensation

HBW holds occasional training events for our representatives. At these events other Third Party Money Managers (TPMM) are invited to attend to train our representatives about their products, in return for a speaking slot on the agenda a cost will be imposed to them. This cost offsets the cost of the event. EQIS Capital is an Investment Advisor who provides economic benefits to HBW. Their compensation is based on a percentage of the assets of their platform. In both instances this is a conflict of interest and is mitigated by our representatives by acting in the best interest of the client and by our Standard of Conduct stated earlier. TCA provides economic benefits to HBW. TCA provides to HBW an annual marketing budget to offset training of HBW reps and other marketing projects. This is a conflict of interest and is mitigated by our representatives by acting in the best interest of the client and by our Standard of Conduct stated earlier.

HBW receive a non-economic benefit from Betterment Institutional and Betterment Securities in the form of the support products and services it makes available to HBW and other independent investment advisors whose clients maintain their accounts at Betterment Securities. These products and services, how they benefit HBW, and the related conflicts of interest are described above (see Item 12—Brokerage Practices). The availability to HBW of Betterment Institutional and Betterment Securities' products and services is not based on HBW giving particular investment advice, such as buying particular securities for HBW's clients.

HBW strictly prohibits the compensation of any person who is not a registered supervised person for client referrals.

Item 15 Custody

As paying agent for the firm, an independent custodian will directly debit client account(s) for the payment of advisory fees. This ability to deduct its advisory fees from client accounts causes HBW to exercise limited custody over funds or securities. HBW does not have physical custody of any of client funds and/or securities. Client funds and securities will be held with a qualified custodian. Clients will receive account statements from the qualified custodian(s) holding the funds and securities at least quarterly. The account statements from the custodian(s) will indicate the amount of HBW's advisory fees deducted from the account(s) each billing period. Clients should carefully review account statements for accuracy.

Asset Transfer and/or Standing Letter of Authorization

HBW, or persons associated with HBW, may affect asset/fund transfers from client accounts to one or more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, as long as the client has provided us with written authorization to do so. Such written authorization is known as a Standing Letter of Authorization ("SLOA"). An adviser with authority to conduct such third party asset/fund transfers has access to the client's assets, and therefore has custody of the client's assets in any related accounts.

Based on an SEC no-action letter, HBW does not have to obtain a surprise annual audit, as would otherwise be required by reason of having custody, as long as HBW meets the following criteria:

1. You provide a written, signed instruction to the qualified custodian that includes the third party's name and address or account number at a custodian;
2. You authorize us in writing to direct transfers to the third party either on a specified schedule or from time to time;
3. Your qualified custodian verifies your authorization (e.g., signature review) and provides a transfer of funds notice to you promptly after each transfer;
4. You can terminate or change the instruction;
5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party;
6. We maintain records showing that the third party is not a related party to us nor located at the same address as us; and
7. Your qualified custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

HBW hereby confirms that it meets the above criteria.

Item 16 Investment Discretion

Before HBW can buy or sell securities on behalf of its client, they must first sign a discretionary management agreement and the appropriate trading authorization forms.

Item 17 Voting Client Securities

HBW will not vote proxies on behalf of client advisory accounts. At the client's requests, the firm may offer advice regarding corporate actions and the exercise of proxy voting rights. If clients own shares of

applicable securities, they are responsible for exercising their right to vote as a shareholder.

In most cases, clients will receive proxy materials directly from the account custodian. However, in the event the firm receives any written or electronic proxy materials, they will be forwarded directly to the client.

Item 18 Financial Information

HBW does not have any financial condition or impairment that would prevent them from meeting its contractual commitments to its clients. HBW does not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, does not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, the firm is not required to include a financial statement with this brochure.

HBW is required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our clients. On April 23, 2020, HBW received a Paycheck Protection Program ("PPP") loan in the amount of \$135,810 through the U.S. Small Business Administration, which was part of the economic relief provided under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Due to the economic uncertainties surrounding the current COVID-19 pandemic, HBW believed it was necessary and prudent for us to apply for, and accept, the Payroll Protection Program loan offered by the Small Business Administration in order to support our ongoing operations. HBW used the PPP funds to continue payroll for the firm's employees, including employees primarily responsible for performing advisory functions for our clients, and make other permissible payments. The loan may be forgivable provided the firm satisfies the terms of the loan program. HBW's acceptance of the loan was in part cautionary, and HBW is ready to repay the loan in full if or when required. HBW does not consider any client assets or client access to assets at risk outside of normal market participation.

Item 19 Requirements for State-Registered Advisers

HBW is a federally registered investment adviser; therefore, not required to respond to this item.

Item 20 Additional Information

Your Privacy

HBW views protecting client private information as a top priority. Pursuant to applicable privacy requirements, HBW has instituted policies and procedures to ensure that client personal information is kept private and secure.

HBW does not disclose any nonpublic personal information to any non-affiliated third parties, except as permitted by law. In the course of servicing the account, HBW may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

HBW restricts internal access to nonpublic personal information about clients to employees, who need that information in order to provide products or services. The firm maintains physical and procedural safeguards that comply with regulatory standards to guard client nonpublic personal information and to ensure its integrity and confidentiality. HBW will not sell information about the client or their accounts to anyone. HBW does not share client information unless it is required to process a transaction, at client request, or required by law.

Clients will receive a copy of the Firm's privacy notice prior to or at the time of signing an advisory agreement with HBW. Thereafter, the Firm will deliver a copy of the current privacy policy notice to its clients on an annual basis. Contact the main office at the telephone number on the cover page of this brochure with any questions regarding this policy.

If a client decides to close their account(s) HBW will adhere to its privacy policies, which may be amended from time to time.

If the firm makes any substantive changes in its privacy policy that would further permit or require disclosures of private information, the firm will provide the client with written notice. Where the change is based on permitted disclosures, clients will be given an opportunity to direct HBW as to whether such disclosure is acceptable. Where the change is based on required disclosures, HBW will only receive written notice of the change. Clients may not opt out of the required disclosures.

Please contact our main office at the telephone number on the cover page of this brochure if you have questions about our privacy policies.

Trade Errors

In the event a trading error occurs, HBW's policy is to restore the account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Class Action Lawsuits

HBW does not determine if securities held by its clients are the subject of a class action lawsuit or whether they are eligible to participate in class action settlements or litigation nor does the firm initiate or participate in litigation to recover damages on its clients' behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held in their accounts.