

Item 1 – Cover Page

Disclosure Document
(Form ADV Part 2A)
March 30, 2026

Hawkins Investment Counsel, LLC
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Port Orchard, WA 98367
CRD Number 134857

This brochure provides information about the qualifications and business practices of Hawkins Investment Counsel, LLC (“HIC”). If you have any questions about the contents of this brochure, please contact Matt Hawkins, owner, at 360.536.2181.

This brochure provides information about the qualifications and business practices of Hawkins Investment Counsel, LLC. If you have any questions about the contents of this brochure, please contact us at 360.536.2181 or mhawkins@hawkinscounsel.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Hawkins Investment Counsel, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov under CRD number 134857.

Item 2 - Material Changes

Our last brochure was filed March 13, 2025. Since then, there have been no material changes.

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Item 4 - Advisory Business

Hawkins Investment Counsel, LLC (“HIC”) is owned and operated by Matt Hawkins and has been in business since 2005.

Types of Advisory Services

Investment Management

We offer to provide investment management to our clients on a non-discretionary basis. This service includes, among other things, researching the global capital markets and actively managing custom securities portfolios that are *tailored* to the individual needs of clients. We believe an investor’s long term financial goals will normally be achieved through investment research, portfolio diversification, trading and discipline.

At the beginning of each client relationship, we meet with each client to gain an understanding of their financial goals. The construction and management of the client’s unique portfolio is guided by the client’s risk profile, financial status, tax status, prior investment experience, liquidity needs and return objective. We prefer to build portfolios that we believe are efficient and strive to maximize the expected portfolio return per unit of portfolio risk. However, *the client may impose restrictions* on investing in certain securities or types of securities at any time. We simply ask that the client please state these restrictions to us in writing.

Financial Planning

When requested by a client, we will provide financial planning and consulting services. These services normally address estate planning, tax planning, college planning, insurance planning and investment planning. These plans are designed to be consistent with clients’ financial and tax status, risk profile, liquidity needs, time horizon and return objectives. Some written plans may include a personal balance sheet and financial projections. Any reports, financial statement projections, and analyses are intended exclusively for client use in developing and implementing a client’s financial plan. In view of this limited purpose, the statements should not be considered complete financial statements. We will not audit, review, or compile financial statements, and accordingly we will not express an opinion or other form of assurance on them, including the reasonableness of assumptions and other data on which any prospective financial statements are based. It is likely that there will be material differences between projected and actual results because events vary, and circumstances frequently do not occur as expected. Our analysis will be highly dependent on certain economic assumptions about the future. Therefore, the client should establish familiarity with historical data regarding key assumptions such as inflation and investment rates of return, as well as an understanding of how significantly these assumptions affect the results of our analyses. We may counsel clients as to the consistency of their assumptions with relevant historical data, but we will not express any assurance as to the accuracy or reasonableness of the client’s specific data and assumptions. The client is ultimately responsible for the assumptions and personal data upon which our procedures and projections are based. The financial plan assumptions and reports are primarily a tool to alert the client to certain

possibilities. The reports are not intended to provide any guarantee about future events including the client’s investment returns. The implementation of the plan is solely the client’s responsibility. We do not hold ourselves out as experts on taxes, tax planning, insurance or estate planning. Advice on these areas should be received by CPAs, tax attorneys, insurance brokers and estate planning attorneys.

Types of Investments

We strive to build diversified portfolios that have exposure to all available asset classes. We invest in these asset classes through no load open-end mutual funds, publicly traded closed-end mutual funds, exchange traded funds (“ETF”), exchanged traded notes (“ETN”), common and preferred stocks, bonds, mortgage backed securities, publicly traded business development companies, american depository receipts (“ADRs”), options, and publicly traded real estate investment trusts (“REITS”).

As of December 31, 2025, we had \$167,807,536 in assets under management. The breakdown between discretionary and non-discretionary clients is as follows:

Non-discretionary	\$167,807,536
Discretionary	\$ 0

Item 5 – Fees and Compensation

Financial Planning Fee

Client will pay HIC a fee for financial planning/consulting services at a rate of \$400 per hour. This fee is negotiable. The total hours for the service will be agreed in advance and stated in the financial planning contract. Client may incur other fees charged by the broker/custodian for implementing the plan.

Investment Management Fee

The following table represents the standard fee schedule for our investment management service.

Portfolio Value	Quarterly Fee	Annualized Fee
First \$200,000	0.500%	2.00%
Next \$300,000	0.375%	1.50%
Remaining Amount over \$500,000	0.250%	1.00%

We charge a single fixed percentage fee based on the portfolio value.

An example of the *annual percentage fee calculation* for a new client that has an initial portfolio worth \$1,000,000 is calculated as follows:

$$\begin{aligned}
 \$200,000 \times 2.0\% &= \$4,000 \\
 +\$300,000 \times 1.5\% &= \$4,500 \\
 +\$500,000 \times 1.0\% &= \underline{\$5,000}
 \end{aligned}$$

Total Annual Fee = \$13,500

This dollar fee is used to determine the Investment Advisory Agreement annualized fee of 1.35% (\$13,500 / \$1,000,000) per year. This is 0.34% per quarter. The annual fee of 1.35% is fixed, but the dollar amount of the fee will vary each billing cycle as the portfolio value changes over time. Fees are charged each quarter in advance. In this example, the quarterly fee is fixed at 0.34% per quarter. See “Payment of Investment Management Fee” below for more information.

The client’s specific annual fee arrangement will be described in the written Investment Advisory Agreement entered into between HIC and the client. *The investment management fee we charge is negotiable* at our sole discretion and is based on several factors which include, but is not limited to, the market rate, the work required to manage the relationship, the total assets under management, the tenure of the relationship, whether the account is related to other accounts we manage, and/or whether the client wants to pay the standard fee. All clients do not pay the same fee. Some clients may pay more and some clients may pay less than the fee schedule, but this is our standard fee schedule.

Valuation of Portfolio for Fee Calculation

Portfolios managed by HIC are held at the broker/custodian that is recommended by HIC, but ultimately chosen by the client. HIC uses security prices and valuations provided by the independent broker/custodian for reporting and billing purposes. This information is provided to the client as a report, by the broker, on at least a quarterly basis.

HIC also provides clients with an internally-produced report which is in addition to the statement provided directly by the broker/custodian. We encourage clients to carefully compare the report received from HIC to the statement received from the broker/custodian. There should be no differences between the values in these reports. Please contact us with any questions regarding the report or billing value. For the quarterly fee calculation, investments are valued by the broker/custodian as of the end of business on the last trading day of the calendar quarter.

Cash Positions for Fee Calculation

Depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), HIC may maintain cash and cash equivalent positions for defensive or liquidity purposes. Because these cash positions remain part of the investment management strategy employed by HIC, such cash and cash equivalent positions shall be included as part of the portfolio value for purposes of calculating HIC’ investment management fee.

Payment of Investment Management Fee

Client will pay HIC a fee for the investment management service at the rate set forth in the aforementioned Fee Schedule. The fee must be payable quarterly (4 times per year) in *advance* based on 30 days per month and 360 days per year. The quarterly fee will be calculated based upon the market value of client's portfolio on the last business day of the

previous calendar quarter and will become due the following business day. *HIC will instruct the broker/custodian to deduct the fee from the client's brokerage account. Clients have the option to receive an invoice from HIC and pay HIC by check.*

New accounts opened during the first, second or third month of the quarter are billed initially for the days from inception to the end of the quarter (pro rata) based on the inception portfolio value. The inception date and the account open date are defined as the month end when the assets are transferred or deposited with the broker/custodian. The initial payment will become due in full on the date of inception. Subsequent quarterly fees will be calculated based upon the market value of client's portfolio value on the last business day of the previous calendar quarter and will become due the following business day.

HIC will instruct the broker/custodian to deduct from the client's account any fee owed to HIC pursuant to the terms of the Investment Management Agreement and pay said fee to HIC or its designee. All fees paid to HIC will be reported to client on the regular statements provided by the broker/custodian.

In all instances, HIC will send the client a written invoice, including the fee, the formula used to calculate the fee, the fee calculation itself, the time period covered by the fee, and, if applicable, the amount of assets under management on which the fee was based and the name of the broker/custodian(s) on your fee invoice. HIC will send these to the client concurrent with the request for payment or payment of HIC's advisory fees. We urge the client to compare this information with the fees listed in the account statement provided by the broker/custodian.

If material assets are deposited or withdrawn from an account after inception, a pro rata adjustment may be made to the most recent quarterly fee paid.

Matt Hawkins is available to address any questions that a client or prospective client may have regarding the above-mentioned billing practice.

Other Fees

Client is responsible for paying all fees and commissions associated with the execution of securities transactions and all fees associated with maintenance of the account with the broker/custodian. In addition, client is responsible for all mutual fund fees.

HIC's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by broker/custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to HIC's fee, and HIC shall not receive any portion of these commissions, fees, and costs.

Termination

In the event the Investment Advisor Agreement is terminated, HIC will provide a pro rata refund to client, without penalty, of the fee for the quarter of termination. The agreement may be terminated by phone call, email or letter. The termination date is the date of the notification from the client. The refund is determined by multiplying the previous quarter end portfolio value by the quarterly fee and by the number of days remaining in the quarter divided by 90.

Other Investment Compensation

HIC does not accept commissions for the sale of securities or other investment products, including asset-based sales charges, 12b-1 fees, and service fees from the sale of mutual funds.

Conflict of Interest related to Retirement Plan Rollover Recommendations

As part of our investment advisory services to you, we may recommend that you roll assets from your employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will manage on your behalf. When we provide any of the foregoing rollover recommendations we are acting as fiduciaries within the meaning of Title I of the ERISA and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts.

If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the Investment Management Agreement you executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to you (i.e., receipt of additional fee-based compensation). You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in your best interests and not put our interests ahead of yours.

Under this special rule's provisions, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice);
- never put our financial interests ahead of yours when making recommendations (give loyal advice);
- avoid misleading statements about conflicts of interest, fees, and investments;

- follow policies and procedures designed to ensure that we give advice that is in your best interests;
- charge no more than a reasonable fee for our services; and
- give you basic information about conflicts of interest.

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, you should consider the costs and benefits of a rollover.

Note that an employee will typically have four options in this situation:

1. leaving the funds in your 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; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide you with a written explanation of the advantages and disadvantages of both account types and the basis for our belief that the rollover transaction we recommend is in your best interests.

As an alternative to providing you with a rollover recommendation, we may instead take an entirely educational approach in accordance with the U.S. Department of Labor's Interpretive Bulletin 96-1. Under this approach, our role will be limited only to providing you with general educational materials regarding the pros and cons of rollover transactions. We may make no recommendation to you regarding the prospective rollover of your assets and you are advised to speak with your trusted tax and legal advisors with respect to rollover decisions. As part of this educational approach, we will provide you with materials discussing some or all of the following topics: the general pros and cons of rollover transactions; the benefits of retirement plan participation; the impact of pre-retirement withdrawals on retirement income; the investment options available inside your Plan Account; and high level discussion of general investment concepts (e.g., risk versus return, the benefits of diversification and asset allocation, historical returns of certain asset classes, etc.). You will make the final rollover decision.

General Fee Disclosure Information

The fees charged may be higher or lower than the cost of similar services offered through other registered investment advisors. Fees for investment advisory services may be more

than the cost of purchasing the same services separately. Clients may be able to obtain similar services for a lesser fee from other advisors. The fees charged vary among investment advisory services. The amount of compensation HIC may receive may be more than would be received if the client paid separately for investment advice, brokerage and other services. The factors to be considered by clients in determining the reasonableness of the fees charged include, but may not be limited to, the following:

- The fee charged for development of an asset allocation study and/or development of an investment strategy.
- Transaction and custody costs or other miscellaneous fees and taxes and/or charges, as well as commissions or
- mark ups and mark downs, on the purchase and/or sale of securities.
- Mutual fund expenses to include internal operating expenses, 12b-1 fees, redemption fee's etc.
- The cost of producing a quarterly performance report covering the managed assets.
- The value of the consulting service provided by HIC in designing and monitoring the client's managed assets.
- The cost of investment advice provided by HIC.
- The cost of the additional administrative, marketing, asset management; and
- Other support services that may be provided by any sub-advisors used in the management of a program account.

Item 6 - Performance Based Fees and Side by Side Management

HIC does NOT charge fees that are based upon a share of capital gains or capital appreciation of client assets. We provide investment advisory services to many clients. Not all clients receive the same investment advice, nor do they pay the same fee. We strive to act in the best interests of each of our clients at all times.

Item 7 - Types of Clients

Our investment management service is designed to meet the needs of a wide range of clients. We are nimble enough to meet the needs of individuals, families, high net worth, businesses, and trusts. In addition, we are highly educated and experienced so we can meet the challenging needs of pension plans and other institutional clients. We do not require a minimum account size.

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

We generally use a top-down research approach to generate investment ideas for our clients' portfolios. We start with a general review of the global economy and analyze factors such as expected GDP, inflation, interest rates, corporate earnings, consumer

confidence, geopolitical risk and currency risk. From there, we usually focus our attention on the US economy as this is usually the largest region we invest. In the US market, we analyze economic sectors and industries before focusing on a particular company or fund. We gather most of our information by reviewing public financial news sources, listening to corporate earnings calls and reading research reports.

Economic Analysis

We review reports and statistics on various factors that affect the growth opportunity for the economy. In general, our reviews include, but are not limited to, the following:

- Consumer confidence to determine how likely consumers are to spend.
- Interest rates to gauge consumers' willingness to borrow and spend.
- Inflation rate to understand the potential loss of purchasing power.
- Expected corporate earnings to assess free cash flow to the economy.
- Unemployment rate determine overall health of labor market.
- GDP to understand overall health of the economy.

Firm Specific Analysis

We research companies by using both quantitative and fundamental research. We generally use quantitative research to generate stock investment ideas and fundamental research to determine whether the identified stocks are fairly valued.

Quantitative research is a screening method performed by a sophisticated computer program to identify potential stocks for purchase. We use quantitative research to identify both growth and value stocks. We use various factors during our screening which normally includes, but is not limited to, the following:

- Market Cap
- P/E Ratio
- Dividend Yield
- Profit Margin
- Book Value
- Total Debt
- Free Cash Flow
- Earnings Growth

The stocks that meet our screening criteria are next subjected to our fundamental research process. Fundamental research focuses on various factors that determine a company's success. Examples of these factors include, but are not limited to, the following:

- Balance sheet
- Income statement
- Statement of cash flows
- Quality of earnings
- Quality of executive management

- Corporate governance

These factors are reviewed to determine whether the security is fairly valued, overvalued or undervalued.

We go through a similar process to identify bond investments.

Fund Analysis

We research funds using a combination of fundamental and quantitative research. The process is similar to stock research, but the focus is different. The quantitative piece of the fund research normally focuses on market cap, investment style, benchmark-relative performance, active risk, and total risk. This research results in an initial list of candidates. Next, the fundamental research focuses on factors including, but not limited to, the following:

- Experience, education and longevity of the investment team
- Investment style consistency
- Buy/sell discipline
- Research and investment process

These factors are reviewed to determine our thoughts on the future success of the funds.

Investment Philosophy and Portfolio Strategy

We believe that capital markets are fairly efficient in that prices represent most (but not all) public information and investors are mostly (but not completely) rational. This philosophy guides our investment strategy as it relates to research and portfolio construction.

We believe that through research, diversification and discipline, an investor's long-term goals will normally be achieved. Our clients and their portfolio's are unique and we usually manage portfolios using a combination of funds and individual securities. The funds are used to provide diversification and the individual securities are generally included to enhance the long term growth prospects of the portfolio.

We encourage our clients to embrace our investment strategy, however they are free to impose restrictions on the securities that we include in their individual portfolios and they can select securities that are not part of our portfolio strategy.

The Risk Involved in Investment Management

Investing is not without risk. *In general, investing exposes you to the risk that you could lose your entire investment, the risk that your portfolio underperforms the bond market, stock market or a bank CD and/or the risk that the professional investment advisor performs poorly in security selection and portfolio construction.* Depending on your return objective, risk tolerance and portfolio structure, you may face the following investment risks:

American Depository Receipts (“ADRs”) Risk: Positions in ADRs are not necessarily denominated in the same currency as the common stocks into which they may be converted. ADRs are receipts typically issued by an American bank or trust company evidencing ownership of the underlying securities. Generally, ADRs, in registered form, are designed for the U.S. securities markets. An account may invest in sponsored or unsponsored ADRs. In the case of an unsponsored ADR, a portfolio is likely to bear its proportionate share of the expenses of the depository and it may have greater difficulty in receiving shareholder communications than it would have with a sponsored ADR.

Asset-Backed and Mortgage-Backed Securities Risk: Asset-backed securities represent interests in pools of mortgages, loans, receivables, or other assets. Mortgage-backed securities are a type of asset-backed security that represents direct or indirect participations in, or are collateralized by and payable from, mortgage loans secured by real property. Payment of interest and repayment of principal may be largely dependent upon the cash flows generated by the assets backing the securities and, in certain cases, supported by letters of credit, surety bonds, or other credit enhancements. Asset-backed securities differ from conventional debt securities because principal is paid back over the life of the security rather than at maturity. A portfolio may receive unscheduled prepayments of principal before the security’s maturity date due to voluntary prepayments, refinancing, or foreclosures on the underlying mortgage loans, which would result in a loss of anticipated interest and a portion of its principal investment represented by any premium the strategy may have paid. Generally, rising interest rates tend to extend the duration of fixed rate mortgage-backed securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, if a portfolio holds mortgage-backed securities, it may exhibit additional volatility. This is known as extension risk. In addition, adjustable and fixed rate mortgage-backed securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of a strategy because the strategy may have to reinvest that money at the lower prevailing interest rates. A strategy’s investments in other asset-backed securities are subject to risks similar to those associated with mortgage-backed securities, as well as additional risks associated with the nature of the assets and the servicing of those assets. Asset-backed securities may not have the benefit of a security interest in collateral comparable to that of mortgage assets, resulting in additional credit risk. In the event of a default, a strategy may suffer a loss if it cannot sell collateral quickly and receive the amount it is owed. Asset-backed securities also may be subject to increased volatility and may become illiquid and more difficult to value even when there is no default or threat of default due to market conditions impacting asset-backed securities more generally.

Asset-backed security values also may be affected by other factors including changes in interest rates, the availability of information concerning the pool and its structure, the creditworthiness of the servicing agent for the pool, the originator of the loans or receivables, or the entities providing the credit enhancement. If a strategy purchases asset-backed or mortgage-backed securities that are “subordinated” to other interests in the same pool of assets, the strategy as a holder of those securities may only receive payments after the pool’s obligations to other investors have been satisfied. For example,

an unexpectedly high rate of defaults on the mortgages held by a mortgage pool may limit substantially the pool's ability to make payments of principal or interest to the strategy as a holder of such subordinated securities, reducing the values of those securities or in some cases rendering them worthless. Certain mortgage-backed securities may include securities backed by pools of mortgage loans made to "subprime" borrowers or borrowers with blemished credit histories; the risk of defaults is generally higher for mortgage pools that include such subprime mortgages. \

Moreover, instability in the markets for mortgage-backed, as well as the perceived financial strength of the issuer and specific restrictions on resale of the securities, may affect the liquidity of such securities, which means that it may be difficult (or impossible) to sell such securities at an advantageous time and price. As a result, the value of such securities may decrease and the strategy may have to hold these securities longer than it would like, forgo other investment opportunities, or incur greater losses on the sale of such securities than under more stable market conditions. Furthermore, instability and illiquidity in the market for lower-rated mortgage-backed and asset-backed securities may affect the overall market for such securities, thereby impacting the liquidity and value of higher-rated securities. This lack of liquidity may affect a strategies' NAV and total return adversely during the time the strategy holds these securities.

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

Credit Risk: Credit risk is the possibility that an issuer of a fixed-income security will fail to make timely interest and principal payments on its securities or that negative market perceptions of the issuer's ability to make such payments will cause the price of that security to decline. All fixed-income securities from the highest quality to the very speculative, have some degree of credit risk.

When evaluating potential investments for a portfolio, we independently assess credit risk and its potential impact on the portfolio. In addition, the credit rating agencies may provide estimates of the credit quality of the securities. The ratings may not take into account every risk that interest or principal will be repaid on a timely basis. Lower credit ratings typically correspond to higher credit risk and higher credit ratings typically correspond to lower perceived risk. Credit ratings do not provide assurance against default or other loss of money. We may attempt to minimize a strategies' overall credit risk by: (1) primarily investing in fixed-income securities considered at least investment grade at the time of purchase; and/or (2) diversifying the portfolio's investments across many securities with slightly different risk characteristics and across different economic sectors and geographic regions. If a random credit event should occur, such as a default, a strategy generally would suffer a smaller loss than if the portfolio were concentrated in relatively large holdings with highly correlated risks.

Cryptocurrency Risk: Investment in cryptocurrencies carries substantial risks, including but not limited to extreme price volatility, potential market manipulation, regulatory uncertainty, cybersecurity vulnerabilities, and limited investor protections. The value of cryptocurrencies can experience rapid and significant fluctuations within short time periods, potentially resulting in substantial losses. These digital assets operate on novel technologies that may be subject to technical failures, hacking incidents, or protocol vulnerabilities. Additionally, cryptocurrency exchanges and storage solutions may be susceptible to security breaches, potentially leading to loss of assets. The regulatory landscape for cryptocurrencies remains evolving and uncertain across jurisdictions, which could impact their legality, trading, and value. Market manipulation through practices such as "pump and dump" schemes, wash trading, and coordinated buying or selling may be more prevalent due to limited oversight. Furthermore, cryptocurrency transactions are generally irreversible, and there may be limited recourse in cases of fraud or theft.

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

Cybersecurity Risk: With the increased use of technologies such as the Internet to conduct business, a portfolio is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and are not limited to; gaining unauthorized access to digital systems, misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including denial-of-service attacks on systems or networks. Cybersecurity failures or breaches by a third-party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in: financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent and respond to cyber incidents. We have established policies and procedures relative to cybersecurity, have worked closely with our third-party providers including system's vendors to seek to mitigate the risks of cybersecurity breaches, and have implemented controls to prevent breaches to our systems and infrastructure. While these controls are continually reviewed and enhanced based on our experience to-date and technological advancements, the methods and techniques by which unauthorized access is gained are also continually becoming more complex and sophisticated. Therefore, no assurances can be made that the controls we have in place will be adequate in protecting client data from either deliberate or inadvertent cyber breaches, including the risk that we may not be able to detect a cybersecurity breach.

Derivatives Risk: Options, futures and other derivatives involve risks and are not suitable for everyone. Such trading can be speculative in nature and carry substantial risk of loss, including the loss of principal.

Emerging Market Country Risk: Some of the exchanges in which a strategy may invest may be less well regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which a strategy may liquidate positions to meet redemption requests or other funding requirements. Investment in emerging markets may also give rise to currency risks. Emerging market countries involve risks such as immature economic structures, national policies restricting investments by foreigners, and different legal systems. The marketability of quoted shares in emerging market countries may be limited as a result of wide dealing spreads, the restricted opening of stock exchanges, a narrow range of investors and limited quotas for foreign investors. Therefore, a portfolio may not be able to realize its investments at prices and times that it would wish to do so. Some emerging market countries may also have different clearance and settlement procedures, and in certain countries there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct transactions. Costs associated with transactions in developing country or emerging market country securities are generally higher than those associated with transactions in developed country securities.

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

Fixed Income Risks: Portfolios that invest in fixed income securities are subject to several general risks, including interest rate risk, credit risk, and market risk, which could reduce the yield that an investor receives from his or her portfolio. These risks may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets.

Foreign (Non-U.S.) Securities Risk: Risks associated with investing in foreign (non-U.S.) securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in U.S. markets.

Frontier Markets Risk: Investments in frontier markets are subject to a greater risk of loss than investments in more developed and traditional emerging markets. Frontier markets are more likely to experience inflation, currency and liquidity risks, political turmoil and rapid changes in economic conditions than more developed and traditional emerging markets. Frontier markets often have less uniformity in accounting and reporting requirements, unreliable securities valuation and greater risk associated with custody of securities.

Futures Risk: Futures are standardized contracts between two parties to buy or sell a specified asset or index with a standardized quantity for a price agreed upon today with

delivery and payment occurring at a delivery date. They are negotiated on an exchange acting as an intermediary between parties. A fund may enter into futures transactions as either the buyer or seller and may combine them to form a particular trading strategy. A fund may use futures for reducing an existing risk. Futures markets may be highly volatile. To the extent a fund engages in transactions in futures contracts, the profitability of the fund will depend to some degree on the ability of the portfolio manager or the firm to analyze correctly the futures markets, which are influenced by, among other things, changing supply and demand relationships, governmental policies, commercial and trade programs, world political and economic events and changes in interest rates. Moreover, options contracts on futures involve additional risks including, without limitation, leverage and credit risk vis-à-vis the contract counterparty. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations or exchanges; or the Commodities and Futures Trading Commission in the U.S. may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only.

Geographic Risk: From time to time, based on market or economic conditions, certain funds could invest a significant portion of its assets in one country or geographic region. If a fund does so, there is a greater risk that economic, political, social and environmental conditions in that particular country or geographic region will have a significant impact on performance and performance will be more volatile than the performance of more geographically diversified accounts. The economies and financial markets of certain regions can be highly interdependent and could decline all at the same time. In addition, certain areas are prone to natural disasters such as earthquakes, volcanoes, droughts or tsunamis and are economically sensitive to environmental events. Alternatively, the lack of exposure to one or more countries or geographic regions could adversely affect performance.

Growth Investing Risks: Growth companies are generally more susceptible than established companies to market events and sharp declines in value. Additionally, growth stocks typically lack the dividend yield that can cushion stock prices in market downturns.

High-Yield Fixed-Income (“Junk Bond”) Securities Risk: Investments in Junk Bonds entails a greater risk than an investment in higher-rated securities. Although Junk Bonds typically pay higher interest rates than investment-grade bonds, there is a greater likelihood that the company issuing the Junk Bond will default on interest and principal payments. In the event of an issuer’s bankruptcy, claims of other creditors may have priority over the claims of Junk Bond holders, which may leave few or no assets to repay Junk Bond holders. Junk Bonds are also more sensitive to adverse economic changes or individual corporate developments than higher quality bonds. During a period of adverse economic changes or including a period of rising interest rates, companies issuing Junk Bonds may be unable to make principal and interest payments.

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Interest-Rate Risk: The value of fixed-income securities generally decreases in periods when interest rates are rising. In addition, interest rate changes typically have a greater effect on prices of longer-term fixed income securities rather than shorter-term fixed-income securities.

A fund is subject to the risk that the market value of the bonds in its portfolio will fluctuate because of changes in interest rates, changes in supply and demand for investment securities, or other market factors. Bond prices generally are linked to the prevailing market interest rates. In general, when interest rates rise, bond prices fall; and conversely, when interest rates fall, bond prices rise. The price volatility of a bond also depends on its duration. Duration is a measure that relates the expected price volatility of a bond to changes in interest rates. The duration of a bond may be shorter than or equal to the full maturity of a bond. Generally, the longer the maturity of a bond, the greater is its sensitivity to interest rates. Bonds with longer durations have more risk and will decrease in price as interest rates rise. For example, a bond with a duration of three years will decrease in value by approximately 3% if interest rates increase by 1%. To compensate investors for this higher interest rate risk, bonds with longer maturities generally offer higher yields than bonds with shorter duration. If interest rates increase, the yield of a strategy may increase and the market value of the strategies' securities may decline, adversely affecting the strategies' net asset value ("NAV") and total return. If interest rates decrease, the yield of a strategy may decrease and the market value of the strategies' securities may increase, which may increase the strategies' NAV and total return.

Leverage Risk: Certain funds have the power to borrow funds and utilize leverage through various methods (including margin, futures and swaps), and may do so when deemed appropriate by the portfolio management team, including to finance its trading operations, to enhance a portfolio's returns and to satisfy withdrawals that would otherwise result in the premature liquidation of investments. Such leverage, which may be substantial, may be achieved through, among other methods, purchases of securities on margin and the use of options, futures, forward contracts, repurchase and reverse repurchase agreements and swaps. The purchase of options, futures, forward contracts, repurchase agreements, reverse repurchase agreements and equity swaps generally involve little or no margin deposit, therefore, providing substantial leverage. Accordingly, relatively small price movements in these financial instruments may result in immediate and substantial losses to a client's portfolio. Portfolios may borrow funds from brokers, banks and other lenders. The use of leverage can dramatically magnify both gains and losses, increasing the possibility of a total loss of investment. Trading securities on margin results in interest charges and, depending on the amount of trading activity, such charges could be substantial. The level of interest rates generally, and the rates at which portfolios can borrow in particular, can affect the operating results of those portfolios. Any restriction on the availability of credit from lenders could adversely affect the portfolio's performance. Leverage achieved by a portfolio through margin borrowings requires a portfolio to post collateral with brokers and counterparties that provide financing to the portfolio. Brokers and counterparties have broad discretionary authority

over valuation of a portfolio's assets they hold, and the amount of collateral required. A broker or counterparty may have the right to: (i) reduce the valuation of a portfolio's assets they hold, including collateral posted by the portfolio; (ii) require the portfolio to post additional collateral; and/or (iii) reduce unilaterally the credit extended to a portfolio for a number of reasons, including reasons that have no bearing on the creditworthiness of the portfolio. Any such action by a broker or counterparty could lead to a margin call on the portfolio or result in the portfolio having to sell assets at a time when the portfolio would not otherwise choose to do so. If the portfolio does not meet a margin call in accordance with the relevant financing agreement, the broker or counterparty may declare the portfolio in default and liquidate the portfolio's assets held by the broker or counterparty.

Management Risks: Our judgment about the attractiveness, value and potential appreciation of a particular asset class or individual security in which a strategy invests may prove to be incorrect and there is no guarantee that the firm's judgment will produce the desired results.

Market Disruption Risk: Certain events have a disruptive effect on securities markets, including but not limited to, terrorist attacks, war and other geopolitical events or catastrophes. We cannot predict the effect of similar events in the future on the U.S. or foreign economies. Equity securities tend to be impacted more by these events than other types of securities in terms of price and volatility.

Market Risk: The risk that securities will increase or decrease in value is considered market risk and applies to any security. The market value of your account is expected to fluctuate. If there is a general decline in the stock market, it is possible your investment may lose value regardless of the individual results of the companies in which a strategy or fund invests. Further, securities may decline in value or not increase in value when the market in general is rising.

Non-Diversification Risk: Investments that are concentrated in one or few industries or sectors, or in particular systemic risk styles such as growth, value, momentum, large/small cap, etc. may involve more risk than more diversified investments, including the potential for greater volatility.

Other Investment Companies (including ETFs) Risk: Investments in the securities of other investment companies, including ETFs, may involve duplication of advisory fees and certain other expenses. By investing in another investment company or ETF, the fund becomes a shareholder thereof. As a result, fund shareholders indirectly bear the fund's proportionate share of the fees and expenses indirectly paid by shareholders of the other investment companies or ETFs, in addition to the fees and expenses shareholders bear in connection with the fund's own operations. If the investment company or ETF fails to achieve its investment objective, the value of the fund's investment will decline, adversely affecting the fund's performance. In addition, closed end investment companies and ETF shares potentially may trade at a discount or a premium and are subject to brokerage and other trading costs, which could result in greater expenses to the fund. In

addition, the fund may engage in short sales of the securities of other investment companies. When the fund shorts securities of another investment company, it borrows shares of that investment company which it then sells. The fund closes out a short sale by purchasing the security that it has sold short and returning that security to the entity that lent the security.

Pandemic Risk: The impact of epidemics and pandemics could greatly affect the economies of many nations including the United States, individual companies and the market(s). Pandemics may cause extreme volatility and disruption in both the U.S. and global markets causing uncertainty and risks to economic growth, etc. Health crises caused by the recent coronavirus outbreak may exacerbate other preexisting political, social and economic risks in certain countries and globally. Also, pandemics may result, as this outbreak of coronavirus has resulted, in closing borders, enhanced health screenings, healthcare service preparation and delivery, quarantines, cancellation of travel, disruptions to supply chains and customer activity, as well as general concern and uncertainty.

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

Sector Risk: To the extent a client invests a significant portion of its assets in a particular sector, a greater portion of the client's performance may be affected by the general business and economic conditions affecting that sector. Each sector may share economic risk with the broader market, however there may be economic risks specific to each sector. As a result, returns from those sectors may trail returns from the overall stock market, and it is possible that a client may underperform the broader market or experience greater volatility.

Small/Mid Cap Risk: Stocks of small or mid cap companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market.

US Treasury Securities Risk: Securities backed by the U.S. Treasury or the full faith and credit of the United States are guaranteed only as to the timely payment of interest and principal when held to maturity, but the market prices for such securities are not guaranteed and will fluctuate, including as changes in global economic conditions affect the demand for these securities.

The above list of risk factors does not purport to be a complete list or explanation of the risks involved in an investment strategy. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed above.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of HIC or the integrity of HIC's management. Neither HIC nor its investment advisor representatives have a disciplinary history.

Item 10 – Other Financial Industry Activities and Affiliations

This section is not applicable to HIC.

Item 11 – Code of Ethics

HIC developed a Code of Ethics that reflects our fiduciary obligations to our clients and the fiduciary obligations of the individuals it supervises. HIC's Code of Ethics sets out our ideals for ethical conduct premised on fundamental principals of openness, integrity, honesty and trust. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, trading ahead, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. A copy of our Code of Ethics is available by calling Matt Hawkins at 360.536.2181 or emailing at mhawkins@hawkinscounsel.com

The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of HIC or its associates will not interfere with: (i) Making decisions in the best interest of advisory clients and (ii) Implementing such decisions while, at the same time, (iii) Allowing HIC or its associates to invest for their own accounts. There are potential conflicts of interest that arise when HIC or any of its associates trade securities. *As a manner of practice, neither HIC nor its associates recommends to clients, or buys or sells for client accounts, securities in which HIC or its associates has a material financial interest.* This issue is addressed in our internal written supervisory procedures.

The Code of Ethics, in some circumstances, would permit employees to invest in the same securities as clients and there is a possibility that employees might benefit from market activity by a client in a security held by HIC or its associate. Associate trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between HIC and its clients. This issue is also addressed in our internal written supervisory procedures.

To supervise compliance with the firm's Code of Ethics, HIC requires that associates provide annual securities holdings reports and quarterly transactions reports to Matt Hawkins for review. In addition, all HIC associates must acknowledge the terms of the Code of Ethics annually, or as amended, and are required to follow the Code of Ethics.

Item 12 – Brokerage Practices

Client assets must be maintained in an account at a broker/custodian. HIC does not act as a broker/custodian and therefore relies on an unrelated third party for this service. It's important to note that we may be deemed to have custody of assets if a client gives us authority to withdraw assets from a client's account. Having custody of client assets without proper procedures and capital could result in disciplinary action from regulatory authorities. Therefore, we do not move assets on a client's behalf.

Preferred Broker/Custodian

Our clients are free to choose their broker/custodian. However, we frequently recommend that our clients use Charles Schwab and Co., Inc. ("Schwab"), Member SIPC. We are independently owned and operated and are not affiliated with any broker/custodians. Each broker/custodian will hold client assets and buy and sell securities when instructed. While we may recommend that clients use Schwab as a broker/custodian, the client will decide whether to do so and will open their account with the broker/custodian by entering into an account agreement directly with them. We do not open the account for the client, although we may help them do so.

Other Brokers/Custodians

Ultimately, the choice of broker/custodian is entirely up to the client. HIC will make every effort to accommodate the choice of broker/custodian and provide a full range of investment advisory services.

How We Select Brokers/Custodians

We seek to recommend a broker/custodian who will hold client assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for client accounts)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds, etc.)
- Availability of investment research and tools that help us make investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the price

- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us

Brokerage and Custody Costs

For our clients' accounts that the broker/custodian maintains, the broker/custodian generally does not charge separately for custody services but is compensated by charging commissions, receiving payment for order flow or charging other fees on trades that it executes. We have determined that having the broker/custodian execute most trades is consistent with our duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How We Select Brokers/Custodians"). Schwab provides us with access to their institutional brokerage, trading, custody, reporting, and related services, many of which are not typically available to retail customers. They also make available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Their support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us

Services That Benefit Clients

Schwab's services include access to a broad range of investment products, execution of securities transactions, banking services, custody of client assets and the ability to move money. The investment products available through the broker/custodian include some to which we might not otherwise have access.

Services That May Not Directly Benefit Clients

Schwab also makes available to us other products and services that benefit us but may not directly benefit clients or their accounts. These products and services assist us in managing and administering our clients' accounts. They include investment research from the broker/custodian and from third parties. We may use this research to service all or a substantial number of our clients' accounts. In addition to investment research, Schwab may also make available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client Accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us

Schwab also offers other services intended to help us manage and further develop our 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
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services themselves. In other cases, they will arrange for third-party vendors to provide the services to us. They may also discount or waive their fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel. The availability of these services from Schwab benefits us because we do not have to produce or purchase them.

Brokerage for Client Referrals

HIC does not have any agreements in place where securities transactions are directed to particular broker-dealers in exchange for client referrals.

Aggregation

When we deem the purchase or sale of securities to be in the best interest of one or more accounts, we sometimes aggregate the securities to be purchased or sold by all such clients for a variety of reasons, including seeking best execution. In such situations, each account would pay the executing broker's commission. Any aggregation or bunching of trades will be consistent with our duty to seek best execution.

Item 13 – Review of Accounts

Regular Review

Normally, each client advisor reviews their client's portfolio holdings on a daily basis. They monitor the portfolio's performance and consider making changes based on new economic, market or firm specific information. Client advisors review each advisory client's goals and objectives at least annually in an effort to assure proper asset allocation, risk tolerance, investment objective and liquidity needs. The account broker/custodian sends brokerage statements to advisory clients no less frequently than quarterly. These statements list the account positions and activity in the account over the covered period, as well as other related information. The broker/custodian also sends trade confirmations to advisory clients following each transaction or on a consolidated basis as requested by the client.

Regular Reports

In addition to the statements and confirmations that advisory clients receive from their broker/custodian, we provide quarterly written reports that include details regarding investment holdings, trading, income and portfolio performance. These reports are prepared by HIC. We encourage clients to carefully compare the report received from HIC to the statement received from the broker/custodian. There should be no differences between the values in these reports. Please contact us with any questions regarding the report or billing value. Investments are valued by the broker/custodian as of the end of business on the last trading day of the calendar quarter.

Trade Errors Policy

From time to time we may make an error in submitting a trade order on a client's behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of the client's account. The goal of this transaction will be to restore the account to the intended status at no cost to the client, and neither a gain nor loss due to the correcting trade will remain in the account.

Item 14 – Client Referrals and Other Compensation

This item is not applicable to HIC.

Item 15 – Custody

Clients should receive at least quarterly statements from the broker/custodian that holds and maintains client's investment assets. HIC urges clients to carefully review such statements and compare such official custodial records to the reports we provide to you.

Item 16 – Investment Discretion

HIC currently manages portfolios on a non-discretionary basis.

Item 17 – Voting Clients Securities

As a matter of firm policy and practice, HIC does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. HIC may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. HIC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.