

Hopkins Investment Management, LLC
ERISA Section 408(b)(2) Disclosure
May 2019

Regulations issued under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), require that certain providers of services to retirement plans covered by ERISA (“ERISA plans”), such as your plan, including investment managers, provide specified information regarding their services and fees to fiduciaries of the ERISA plans. This document contains important information about Hopkins Investment Management, LLC (“Hopkins Investment Management”), and how it is compensated for the investment advice that it provides to its ERISA plan clients. You should carefully consider this information in your evaluation of those advisory services.

The information that Hopkins Investment Management is required to disclose under ERISA rules can be found in Part 2 of our Form ADV and your plan’s Investment Advisory Agreement (your “Agreement”). These documents have previously been provided to you. If you do not have a copy of either document, please contact your advisor. (In addition, please note that our Form ADV, Part 2, is available at www.hopkinsim.com or www.adviserinfo.sec.gov).

For your convenience, we are providing a list of the information required by the ERISA disclosure rules and where that information can be found in the Form ADV Part 2 and your Agreement, to the extent relevant to your plan’s arrangement with us:

- **Description of Services.** Hopkins Investment Management serves as investment advisor to its ERISA plan clients. Please see your Agreement and Item 4 (“Advisory Business”) and Item 5 (“Fees and Compensation”) of our Form ADV Part 2A.
- **Registered Investment Adviser and ERISA Fiduciary Status.** Hopkins Investment Management is registered with the Securities and Exchange Commission as investment adviser under the Investment Advisers Act of 1940, as amended. As a registered investment adviser, Hopkins Investment Management provides its investment advisory services to all clients as a fiduciary. When providing investment advisory services with respect to ERISA plans, Hopkins Investment Management acknowledges that it is a “fiduciary” as defined by ERISA. Therefore, Hopkins Investment Management must act prudently and with only ERISA plan client interests in mind when investing the assets of its ERISA plan clients.
- **Direct Compensation.** Our fee arrangement concerning our services to your plan, including the manner in which fees are received by us, is detailed in your Agreement and your quarterly invoices. Unless all or a portion of this advisory fee is paid directly by you as plan sponsor, we would expect this advisory fee to be paid from the assets of your plan. No amount is paid to Hopkins Investment Management from your plan’s assets without approval of any such payment from you or another authorized representative of the plan.
- **Indirect Compensation.** Hopkins Investment Management may receive from Charles Schwab and Co., Inc. without cost (and/or at a discount) research services, sometimes called “soft dollars”. Section 28(e) of the Securities Exchange Act of 1934 provides a “safe harbor” for investment advisers who use the

commission dollars of their advised accounts to obtain brokerage and investment research services that provide lawful and appropriate assistance to the adviser in performing its investment decision-making responsibilities. Any services that Hopkins Investment Management obtains with soft dollars are intended to satisfy the requirements of Section 28(e). Please see Item 12.A.1 (“Brokerage Practices – Research and Additional Benefits”) of our Form ADV Part 2A.

Neither Hopkins Investment Management nor its employees receive gifts, gratuities or other non-monetary compensation in connection with their services to ERISA plan clients.¹

- **Termination Fees.** Hopkins Investment Management does not receive any additional fees in connection with termination of its advisory services.

Hopkins Investment Management has posted the disclosures required by the ERISA Section 408(b)(2) regulations at www.hopkinsim.com. This information will be updated periodically as necessary, and it is your responsibility to check the website periodically for changes. A hard copy of the disclosure document is also available upon request by contacting Hopkins Investment Management at (410) 757-7980. If you have any questions or require any additional information, please contact Martin L. Hopkins at (410) 757-7980.
