

# Midwest Heritage Financial Advisors

## (A Separately Identifiable Department of Midwest Heritage Bank, FSB)

Form CRS Customer Relationship Summary, November 7, 2024

Midwest Heritage Financial Advisors, a separately identifiable department of Midwest Heritage Bank, FSB is registered with the Securities and Exchange Commission (SEC) as an Investment Adviser. Brokerage and investment advisory services and fees differ and it is important for you as a retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### ***What investment services and advice can you provide me?***

We offer investment advisory services to retail investors, including investment management, financial planning, retirement planning, and tax planning. We use a time-tested, disciplined approach to investing. We are a “total portfolio” manager using an active, diversified investment approach. We believe that a portfolio should be diversified, and excess returns can be achieved by overweighting undervalued asset classes and investment styles. Investment management is provided on a discretionary basis. Discretionary means the trading activity with your account is entered by us without receiving prior authorization for each trade. We monitor your account at least quarterly. We will offer you advice on a regular basis and contact you at least annually to discuss your portfolio. We do not have a minimum account size. Typically, we tailor our portfolios to the individual needs of our clients by evaluating the client’s investment guidelines and objectives which we use to guide us in making investment decisions for each client. We do not restrict our advice to certain types of products or investments. If you desire, you may impose restrictions on the securities or types of securities you would like us to invest in.

Our financial planning services help you identify the strengths and weaknesses of your long-term financial health. Using software tools to develop comprehensive financial plans, we help guide clients toward accomplishing their goals. Retirement planning focuses on the management of your portfolio to ensure longevity through retirement while at the same time providing needed income. We provide a full range of estate planning services, all of which are designed to help you achieve your personal and financial goals regarding the tax-efficient transfer of your assets to the next generation and/or to charitable institutions. Our goal with tax planning is to minimize your lifetime tax liability.

**For additional information**, please see our Form ADV Part 2A brochure Items 4 and 7, which is available online at: <https://adviserinfo.sec.gov/firm/summary/306308>

### **Conversation Starters. Questions to Ask Us:**

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

### ***What fees will I pay?***

We offer our services on a fee basis, which may include hourly and/or fixed fees, as well as fees based upon assets under management. We provide investment management services for an annual fee, which is negotiable and varies between 0.00% and 1.20% depending upon the market value of the assets under management. The more assets you have in your advisory account, the more you will pay us. Therefore, we have an incentive to increase the assets in your advisory account in order to increase our fees. Our fees are prorated and charged monthly, in arrears and automatically deducted from your account, which will reduce the value of your account.

We may charge an hourly fee for financial planning services. These fees are negotiable, depending upon the level and scope of the services and the professional rendering the financial planning services. The fees generally range from \$100 to \$300 per hour. Prior to engaging us to provide financial planning consulting services, the client and firm are required to enter into a written agreement setting forth the terms and conditions of the engagement, including the amount of the fee. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services as financial plans are typically completed within six months. We also offer a flat fee program for certain clients that they buy/sell only equities.

The custodian/broker-dealer that holds your assets may charge you a transaction fee when we buy or sell an investment for you. These transaction fees are in addition to our fees. You may also pay charges imposed by the custodian/broker-dealer for custodial fees, account maintenance fees, fees related to mutual funds and variable annuities, and other product-level fees.

*You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.*

**For additional information**, please see our Form ADV Part 2A brochure Items 5, 12, and 18, which is available online at: <https://adviserinfo.sec.gov/firm/summary/306308>

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

***What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?***

*When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.*

You can implement securities transactions with certain persons associated with our firm as Registered Representatives of Osaic Wealth, Inc. (Osaic), an SEC registered broker-dealer and member of FINRA. Osaic will charge brokerage commissions to effect these securities transactions. You are encouraged to learn more about Osaic by reviewing Osaic's relationship summary and having a discussion with your financial professional. Furthermore, some of our financial professionals are licensed insurance agents with various carriers. This presents a conflict of interest because financial professionals can recommend investment products and insurance products based on the compensation they will receive from selling such products, rather than the client's needs. We do not charge an advisory fee on the same assets for which our certain employees receive commissions.

We recommend that you establish an account with a third-party independent custodian. We receive research products and services from the custodian to assist us in the performance of our investment decision-making responsibilities. These arrangements present a conflict of interest in that we have a financial incentive to recommend that you maintain your account with the custodian for the availability of these products and services and not solely on the nature, cost, or quality of custody and brokerage services provided by the custodian.

- How might your conflicts of interest affect me, and how will you address them?

**For additional information**, please see our Form ADV Part 2A brochure Items 5, 10, and 12, which is available online at: <https://adviserinfo.sec.gov/firm/summary/306308>

***How do your financial professionals make money?***

Our financial professionals are compensated based on the revenue our firm earns from their advisory services or recommendations, the amount of client assets they service, and the time and complexity required to meet a client's needs. In addition, they are compensated with commissions based on the type of product sold. This presents a conflict of interest because those individuals can recommend the purchase of insurance and brokerage products where they would receive commissions or other compensation.

***Do you or your financial professionals have legal or disciplinary history?***

No, our firm or financial professionals do not have any legal or disciplinary history. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

- As a financial professional, do you have any disciplinary history? For what type of conduct?

**For additional information about our services**, you may visit the SEC's website at [adviserinfo.sec.gov](https://adviserinfo.sec.gov) by searching CRD #306308. If you would like additional, up-to-date information or a copy of this disclosure, please contact our firm at (515) 246-8378.

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

## Exhibit 1

We changed the following sentence from:

We provide investment management services for an annual fee, which is negotiable and varies between 0.00% and **1.50%** depending upon the market value of the assets under management.

To:

We provide investment management services for an annual fee, which is negotiable and varies between 0.00% and **1.20%** depending upon the market value of the assets under management.

We changed the following sentences from:

You can implement securities transactions with certain persons associated with our firm as Registered Representatives of **Securities America (SA)**, an SEC registered broker-dealer and member of FINRA. **SA** will charge brokerage commissions to effect these securities transactions. You are encouraged to learn more about **SA** by reviewing **SA's** relationship summary and having a discussion with your financial professional.

To:

You can implement securities transactions with certain persons associated with our firm as Registered Representatives of **Osaic Wealth, Inc. (Osaic)**, an SEC registered broker-dealer and member of FINRA. **Osaic** will charge brokerage commissions to affect these securities transactions. You are encouraged to learn more about **Osaic** by reviewing **Osaic's** relationship summary and having a discussion with your financial professional.