

**Item 1 – Cover Page**

Heartland Wealth Advisors, L.L.C.

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March 7, 2022

This Brochure provides information about the qualifications and business practices of Heartland Wealth Advisors LLC (“Heartland”). If you have any questions about the contents of this Brochure, please contact us at (913) 469-8227. 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.

Heartland is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Heartland also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Heartland is 115156.

## **Item 2 – Material Changes**

This Item of the Brochure will discuss only specific material changes that are made to the Brochure since the last annual update and provide clients with a summary of such changes.

Our current Brochure does not contain any material changes, however, please note that we have updated the Assets Under Management information of Item 4 in accordance with the filing of our Annual Updating Amendment on March 7, 2022.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting a member of our compliance department at 913-469-8228.

(Brochure Date: 03/07/2022)

(Date of Most Recent Annual Updating Amendment 03/07/2022)

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## **Item 4 – Advisory Business**

Heartland is owned by Douglas Hunt and has been providing advisory services since 1999. Ms. Jacqueline M. O'Brien currently serves as the Firm's Chief Compliance Officer.

As of December 31, 2021, Heartland managed \$281,101,293 on a discretionary basis and \$0 on a nondiscretionary basis. Heartland also provides consulting services to participant-directed retirement account assets totaling \$50,678,409.

### **Investment Management Services:**

Heartland manages investment portfolios for a variety of clients including individuals, high net worth individuals, trusts, qualified retirement plans, and not-for-profit organizations. Heartland will work with the client to determine the client's investment objectives and investor risk profile and may set forth these objectives in a written investment policy statement. Heartland evaluates the client's existing investments with respect to the client's investment objectives and works with clients to develop a transition plan for moving from the client's existing portfolio to the portfolio recommended by Heartland. Heartland will monitor the client's portfolio holdings and the overall asset allocation strategy and hold periodic review meetings with the client regarding the account as necessary.

Heartland manages portfolios on a discretionary basis according to the investment policy selected by the client. A client may impose reasonable restrictions on Heartland's discretionary authority, including restrictions on the types of securities in which Heartland may invest client's assets. Heartland will typically create a portfolio of passively managed or evidence based mutual funds and Exchange Traded Funds (ETF's), and where appropriate, individual fixed income securities. Heartland will allocate the client's assets among various investments taking into consideration the overall management style selected by the client as well as the client's unique ability, need and willingness to take risk. Client portfolios may also include individual securities, but these are generally part of clients' investment holdings prior to engaging Heartland or are included at the client's direction.

Heartland will request discretionary authority from advisory clients to manage fixed income portfolios, including the discretion to retain a third party fixed income manager. The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Fixed Income Investment Policy Statement. The manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The manager will obtain Heartland's consent prior to

the sale of any client securities. Heartland will provide to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services.

For certain clients, in addition to managing the client's investment portfolio, Heartland may also provide wealth management services which generally includes among other things, planning or consulting on various financial areas such as personal cash flow planning, tax planning, establishment and design of retirement plans, education funding, retirement planning, risk management counsel, estate planning counsel and assistance with assets outside of Heartland's direct management.

### **Employee Benefit Retirement Plan Services:**

Heartland also provides advisory services to participant-directed retirement plans through third party administration services, which are online bundled service providers offering an opportunity for plan sponsors to provide their participants with daily account access, valuation, and investment education.

Heartland will analyze the plan's current investment platform, and assist the plan in creating an investment policy statement defining the types of investments to be offered and the restrictions that may be imposed. Heartland will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles.

Heartland will recommend changes in the plan's investment vehicles as may be appropriate from time to time. Heartland generally will review the plan's investment vehicles and investment policy as necessary.

For certain retirement plans, Heartland also works in coordination and support with Buckingham Strategic Partners, LLC. Retirement plan clients will engage both Heartland and Buckingham Strategic partners. Buckingham Strategic Partners, LLC will provide to the client additional discretionary investment management services and will exercise discretionary authority to select the plan investments made available to the plans' participants by selecting and maintain the plans' investments according to the goals and investment objectives of the plan.

Heartland will continue to work with plans to monitor plan investments, provide fiduciary plan advice including regular considerations of the goals and objectives of the plan, and provide participant education services to the plan.

## Item 5 – Fees and Compensation

Clients will be charged advisory fees in advance at the beginning of each calendar quarter based upon the value (market value based on independent third party sources or fair market value in the absence of market value; client account balances on which Heartland calculates fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements) of the client's account at the end of the previous quarter. New accounts may be charged a prorated fee for the remainder of the quarter following the date the account is established with Heartland.

Heartland has contracted with Buckingham Strategic Partners, LLC, for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. Heartland pays a fee for Buckingham Strategic Partners, LLC services based on management fees paid to Heartland on accounts that use Buckingham Strategic Partners, LLC. The fee paid by Heartland to Buckingham Strategic Partners, LLC consists of a portion of the fee paid by clients to Heartland and varies based on the total client assets participating in Buckingham Strategic Partners, LLC through Heartland. These fees are not separately charged to advisory clients.

The specific manner in which fees are charged by Heartland is established in each client's written agreement with Heartland. Heartland will request authority from the client to receive quarterly payments directly from the client's account held by an independent custodian. Clients must provide written limited authorization to Heartland or its designated service provider, Buckingham Strategic Partners, LLC, to withdraw fees from the account. Certain third-party administrators will calculate and debit Heartland's fee and remit such fee to Heartland.

Either the client or Heartland can terminate the advisory agreement without penalty upon thirty (30) days written notice to the other party. Upon termination of any agreement, any prepaid, unearned fees will be promptly refunded. Termination of an agreement will not affect (a) the validity of any action previously taken by Heartland under the agreement; (b) liabilities or the client's obligation to pay advisor fees (pro-rated through the date of termination and thirty (30) day notice period). On the termination of the agreement, Heartland will have no obligation to recommend or take any action with regard to the securities, cash or other investments in a client's account.

All fees paid to Heartland are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders or the transaction fees charged by the

custodian. Mutual fund and ETF expenses are described in each fund's prospectus. These expenses will generally include a management fee, other fund expenses, and possibly a distribution fee. A client could invest in mutual funds or ETFs directly without the services of Heartland. In that case, the client would not receive the services provided by Heartland which are designed, among other things, to assist the client in determining which mutual fund/ETF or funds are most appropriate to each client's financial condition and objectives. Certain passively and/or evidence-based managed mutual funds also may not be available to the client directly. Accordingly, the client should review both the fees charged by the funds, the transaction fees charged by the custodian, as well as the fees charged by Heartland to fully understand the total amount of fees to be paid by the client.

In certain circumstances, fees and account minimums are negotiable based on family relations, firm affiliations and/or individual circumstances. Principals and associates of Heartland are not charged the Heartland management fees on either their personal accounts or accounts of immediate family members. Those accounts are charged the Buckingham Strategic Partners, LLC's fee only.

### **Advisory Fees**

#### **Investment Management Services:**

The annual fee for advisory management services will be charged as a percentage of total assets under management, including cash balances, according to the schedule below:

<b>Assets under management</b>	<b>Annual Fee (%)</b>
0 to \$199,999	1.85% /\$5,000 Minimum Fee
\$200,000 - \$499,999	1.50% /\$5,000 Minimum Fee
\$500,000 - \$999,999	1.00%
\$1,000,000 - \$1,999,999	0.90%
\$2,000,000 - \$2,999,999	0.80%
\$3,000,000 - \$3,999,999	0.70%
\$4,000,000 - \$4,999,999	0.60%
\$5,000,000 or greater	0.50%

All accounts for members of the client's family (husband, wife and dependent children) or related businesses may be assessed fees based on the total balance of all accounts.

Heartland generally requires a minimum account of \$1,000,000 for our more comprehensive wealth management services. Minimum account sizes and minimum fees may be waived for pre-existing client relationships or reduced at Heartland's discretion.

### **Employee Benefit Retirement Plan Services:**

The annual fee for plan services will be charged as a percentage of assets within the plan.

Assets Under Management	Buckingham Strategic Partner's Annual Fee	Heartland's Annual Fee	Total Fee
On the first \$1,000,000	0.30%	0.70%	1.0%
On the next \$1,000,000	0.17%	0.58%	0.75%
On All amounts over \$3,000,000	0.12%	0.43%	0.55%

**Preparation of tax returns is outside of the scope of the Investment Advisory relationship and if provided is provided and billed under a separate agreement with our affiliated accounting firm referenced in Item 10.**

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Heartland does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

## **Item 7 – Types of Clients**

Heartland provides services to a variety of clients including individuals, high net worth individuals, trusts, qualified retirement plans and not-for-profit organizations.

For investment advisory only services Heartland does not have a defined minimum account size and instead has established a \$5,000 (\$1,250 quarterly) minimum annual fee. Client accounts where the total balance of all accounts falls below \$500,000 are accepted on a case-by-case basis.



Heartland generally requires a minimum account of \$1,000,000 for our more comprehensive wealth management services.

Minimum account sizes and minimum fees may be waived for pre-existing client relationships or reduced at Heartland's discretion.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### *Methods of Analysis and Investment Strategy*

Heartland's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. Heartland's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. Heartland recommends diversified portfolios, principally through the use of evidence based, asset class mutual funds or ETFs. Heartland principally selects or recommends to clients' portfolios broadly-traded open end mutual funds or ETFs and generally recommends only investment grade individual bonds and through its fixed income securities manager, monitors these securities for changes in rating to implement this investment strategy.

If appropriate, Heartland recommends certain alternatives that are registered investment company funds.

Although all investments involve risk, Heartland's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients the investment directly in individual fixed income securities to represent the fixed income class. Heartland's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that Heartland's strategy seeks to minimize.

Clients may hold or retain other types of assets as well, and Heartland may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

Heartland's strategies do not utilize securities that we believe would be classified as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

Heartland receives supporting research from Buckingham Strategic Partners, LLC and from other consultants regarding evidence-based investing, best practices and portfolio construction.

### *Analysis of a Client's Financial Situation*

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, Heartland relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, Heartland may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

### *Risk of Loss*

**Investing in securities involves risk of loss that clients should be prepared to bear.**

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by Heartland may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in Heartland's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have

lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return especially for longer-term bonds. Fixed-income securities are subject to interest rate risk and credit quality risk and the issuer of fixed-income securities could default on its payment obligations.

Certain funds utilized by Heartland may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

In some circumstances, Heartland may utilize certain funds structured as non-diversified, closed-end management investment companies, registered under the Investment Company Act of 1940 ("interval fund"). Investments in interval funds involve additional risk, including lack of liquidity and restrictions on withdrawals. During any time periods outside of the specified repurchase offer window(s), investors will be unable to sell their shares of the interval fund. There is no assurance that an investor will be able to tender shares when or in the amount desired, and the fund can suspend or postpone repurchases. Additionally, in limited circumstances, an interval fund may have a limited amount of capacity and may not be able to fulfill all purchase orders. While an interval fund periodically offers to repurchase a portion of its securities there is no guarantee that investors may sell their shares at any given time or in the desired amount. The closed-end interval funds utilized by Heartland impose liquidity gates for each repurchase offer and in the event the offer is oversubscribed, the requested redemption amount may be reduced.

As interval funds may expose investors to liquidity risk, investors should consider interval fund shares to be illiquid investment. Because these types of investments involve certain additional risk, these funds will only be utilized when consistent with a client's investment objectives, individual situation, suitability, tolerance for risk and liquidity needs. Investment should be avoided where an investor has a short-term investing horizon and/or cannot bear the loss of some or all of the investment.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

## **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 Heartland or the integrity of Heartland's management. Heartland has no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### **Affiliated Accounting Firms**

#### Woodward, Hunt & Associates, C.P.A.'s, P.C.

The Managing Member of Heartland is also an owner and officer of the accounting and compliance firm, Woodward, Hunt & Associates, C.P.A.'s, P.C. ("WH&A"). WH&A provides financial statement, compliance and consulting services to clients.

WH&A may recommend Heartland to accounting & compliance clients in need of advisory services. Heartland may recommend WH&A to advisory clients in need of accounting & compliance services. Accounting & compliance services provided by WH&A are separate and distinct from the advisory services of Heartland and are provided for separate and typical compensation. There are no referral fee arrangements between Heartland and WH&A. There is a service agreement between WH&A and Heartland whereby WH&A provides Heartland with office space, equipment, supplies and secretarial and other assistance. No Heartland client is obligated to use WH&A for any accounting & compliance services.

#### WHA CPA's, LLC

The Managing Member of Heartland is also an owner and officer of the accounting and compliance firm, WHA CPA's, LLC. WHA CPA's, LLC provides financial statement, compliance and consulting services to clients. Certain other individuals employed by Heartland are also employed by WHA.

WHA CPA's, LLC may recommend Heartland to accounting & compliance clients in need of advisory services. Heartland may recommend WHA CPA's, LLC to advisory clients in need of accounting & compliance services. Accounting & compliance services provided by WHA CPA's, LLC are separate and distinct from the advisory services of Heartland and are provided for separate and typical compensation. There are no referral fee arrangements between Heartland and WHA CPA's, LLC. There is a service agreement between WHA CPA's, LLC and Heartland whereby WHA CPA's, LLC provides Heartland with office space, equipment, supplies and secretarial and other assistance. No Heartland client is obligated to use WHA CPA's, LLC for any accounting & compliance services.

Mr. Hunt allocates his time according to the demands and needs of each firm.

### Buckingham Strategic Partners, LLC

As described above in Item 4, Heartland may exercise discretionary authority provided by a client to select an independent third-party investment manager for the management of portfolios of individual fixed income securities. Heartland selects Buckingham Strategic Partners, LLC for such fixed income management. Heartland also contracts with Buckingham Strategic Partners, LLC for back office services and assistance with portfolio modeling. Heartland has a fiduciary duty to select qualified and appropriate managers in the client's best interest, and believes that Buckingham Strategic Partners, LLC effectively provides both the back-office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of Heartland continuously makes this assessment. While Heartland has a contract with Buckingham Strategic Partners, LLC governing a time period for back office services, Heartland has no such fixed commitment to the selection of Buckingham Strategic Partners, LLC for fixed income management services and may select another investment manager for clients upon reasonable notice to Buckingham Strategic Partners, LLC.

As a fiduciary, Heartland has certain legal obligations, including the obligation to act in clients' best interest. Heartland maintains a Business Continuity and Succession Plan and seeks to avoid a disruption of service to clients in the event of an unforeseen loss of key personnel, due to disability or death. To that end, Heartland has entered into a succession agreement with Buckingham Strategic Wealth effective February 9, 2021. Heartland can provide additional information to any current or prospective client upon request to CCO at (913) 469-8228.

### Individual Outside Business Activities

Some associated persons of Heartland may also participate in other private businesses involving real estate investments, which have no material relationship to Heartland and its services.

## **Item 11 – Code of Ethics**

Heartland has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Heartland's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth Heartland's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with Heartland may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of Heartland that no person employed by the firm shall

prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, Heartland requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the firm's Chief Compliance Officer. Heartland also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

Heartland's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. Heartland requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

Heartland will provide a complete copy of its Code of Ethics to any client upon request.

It is Heartland's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Heartland will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

Heartland arranges for the execution of securities transactions with the assistance of Buckingham Strategic Partners, LLC. Through Buckingham Strategic Partners, LLC, Heartland participates in the Fidelity Institutional Wealth Services (FIWS) program offered to independent investment advisors, sponsored by Fidelity Brokerage Services, LLC ("Fidelity"), member FINRA/SIPC, TD Ameritrade Institutional ("TDA") services program offered to independent investment advisor TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC and the Schwab Advisor Services

("SAS") program offered to independent investment advisers, sponsored by Charles Schwab & Company, Inc. Fidelity, TDA and SAS are FINRA broker dealers and members of SIPC.

The Fidelity, TDA and SAS brokerage programs will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. Heartland regularly reviews these programs to ensure that their recommendations are consistent with their fiduciary duty. These trading platforms are essential to Heartland's service arrangements and capabilities, and Heartland may not accept clients who direct the use of other brokers. As part of these programs, Heartland receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14 of this brochure).

As Heartland will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid for mutual fund and equity securities transactions, clients must direct Heartland as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that Heartland will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

Heartland will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by Heartland on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

Fidelity, TDA and SAS do not generally charge clients a custody fee and are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the broker or that settle into the clients' accounts at the brokers. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While Heartland will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

Heartland also does not have any arrangements to compensate any broker dealer for client referrals.

Heartland does not maintain any client trade error gains. Heartland makes client whole with respect to any trade error losses incurred by client caused by Heartland. For clients utilizing

TD Ameritrade for brokerage services, TD Ameritrade maintains a policy that any trade error gains will be donated by TD Ameritrade to charity.

Heartland generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which Heartland arranges transactions. Buckingham Strategic Partners, LLC, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case a Heartland client's orders may be aggregated with an order for another client of Buckingham Strategic Partners, LLC who is not a Heartland client. See Buckingham Strategic Partners, LLC Form ADV Part 2.

It is generally not Heartland's practice to recommend Annuity solutions for clients. In limited situations, Heartland may utilize the Nationwide, TIAA or Aria Retirement Solutions programs to replace an annuity a client purchased through another advisor. If a client requests an annuity solution in a particular circumstance, Heartland will explore those options on a case-by-case basis.

#### **Employee Benefit Retirement Plan Services:**

Heartland generally does not arrange for the execution of securities transactions for online bundled daily account access plans as a part of this service. In such situations, transactions are executed directly through employee plan participation.

### **Item 13 – Review of Accounts**

#### **Reviews:**

#### **Investment Management Services:**

Account assets are supervised continuously and formally reviewed no less than annually by a Heartland wealth advisor. The review process contains each of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:



- a. a specific client request;
- b. a change in client goals and objectives;
- c. an imbalance in a portfolio asset allocation; and
- d. market/economic conditions

For fixed income portfolios, certain account review responsibilities are delegated to a third-party investment manager as described above in Item 14.

#### **Employee Benefit Retirement Plan Services:**

Plan assets are reviewed on a quarterly basis or as otherwise agreed between the parties, and according to the standards and situations described above for investment management accounts.

#### **Reports:**

All investment management clients will receive quarterly performance reports, prepared by Buckingham Strategic Partners, LLC and reviewed by Heartland, that summarize the client's account and asset allocation. Clients will also receive at least quarterly statements directly from their independent qualified account custodians.

#### **Employee Benefit Retirement Plan Services:**

Employee Benefit Plan participants will receive account statements directly from the custodians of their respective accounts.

### **Item 14 – Client Referrals and Other Compensation**

As indicated under the disclosure for Item 12, FIWS, TDA and SAS provide Heartland with access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to advisers.

These services benefit Heartland but may not benefit its clients' accounts. Many of the products and services assist Heartland in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Heartland's fees from its clients' accounts, and

assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Heartland's accounts. Recommended brokers also make available to Heartland other services intended to help Heartland manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. Heartland does not, however, enter into any commitments with the broker for transaction levels in exchange for any services or products from brokers. While as a fiduciary, Heartland endeavors to act in its clients' best interests, Heartland's requirement that clients maintain their assets in accounts at FIWS, TDA or SAS may be based in part on the benefit to Heartland of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the broker, which may create a potential conflict of interest.

Heartland also receives software from Dimensional Fund Advisors (DFA), which Heartland utilizes in forming assets allocation strategies and producing performance reports. DFA also provides continuing education for Heartland personnel. These services are designed to assist Heartland plan and design its services for business growth.

Heartland does not engage in any referral arrangements.

## **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Heartland urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Heartland requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to retain a third-party money manager for fixed income accounts. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted to Heartland in writing.

When selecting securities and determining amounts, Heartland observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Heartland in writing.

### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, Heartland does not accept the authority to and does not vote proxies on behalf of advisory client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. Heartland, however, may provide advice to clients regarding the clients' voting of proxies.

Clients should note that Heartland will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct Heartland to transmit copies of class action notices to the client or a third party. Upon such direction, Heartland will make commercially reasonable efforts to forward such notices in a timely manner.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Heartland's financial condition. Heartland 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.