



March 30, 2022

## Form CRS - Customer Relationship Summary

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### **Introduction**

This Customer Relationship Summary (“CRS”) provides an overview of the services offered by Heritage Financial Systems, LLC, (“HFS”) as well as what you can expect to pay for those services, including information on conflicts that exist based on how the firm makes money. HFS is registered broker/dealer with the Financial Industry Regulatory Authority (“FINRA”), Municipal Securities Rulemaking Board (“MSRB”) and is a member of the Securities Investor Protection Corporation (“SIPC”). Brokerage and investment advisory services and fees differ, and it is important for you, the retail investor, to understand these differences. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker/dealers, investment advisors, and investing.

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

In our capacity as a broker/dealer, we offer recommendations to retail investors, but may only open accounts as you request or direct us to make on a check and application basis from the firm’s approved product offerings. We offer a limited number of approved products due to our size and scope. This will limit the investment choices you have with us. You make the final decision regarding the purchase or sale of investments. Our registered representatives are not permitted to solicit transactions for products unless the firm has a soliciting dealer agreement or selling agreement in place for the investment/product. This will limit the investment choices you have with us.

We offer and sell the following securities to retail investors: Mutual Funds, Variable Life Insurance and Annuities, Private Placements, Oil and Gas interests and Limited Partnership interests in primary distributions. We do not hold customer funds or safekeep (custody) securities. We do not have minimum accounts sizes or investment amount requirements. Our financial professionals do not monitor investments in your account on an ongoing basis, however, they may periodically contact you to determine if your situation or goals have changed so they may continue to make recommendations to you.

For additional detailed information on our firm and our services as required by Regulation Best Interests call us at 610-889-2066 or visit <https://brokercheck.finra.org>. Search our name or CRD# 133019. For information on Reg BI search <https://www.finra.org>.

### **Conversation Starter – Ask your financial professional:**

*Given my financial situation, should I choose brokerage services? Why or why not? How will you choose investments to recommend to me? What is your relative experience, including licenses, education, and other qualifications? What do these qualifications mean?*

### **What Fees will I pay?**

As part of your investment decision making process, it is important for you to know the fees and costs that you will incur for your brokerage services, including how frequently they are assessed and the conflicts of interest they create so you can carefully consider which types of accounts and services are right for you. We provide transaction-specific recommendations that pay us commissions on your investments. Transaction-based fees will vary depending on several factors, including the amount invested with us and the contractual terms within the soliciting

dealer or selling agreement between the custodian or sponsor and our firm. Mutual Funds, Variable Life Insurance and Variable Annuities, Private Placements, Oil and Gas interests, and Limited Partnerships pay commissions directly to the firm. You will pay these fees indirectly through commissions, and the firm has an incentive to encourage you to increase the assets in your account. You may pay asset-based fees, redemption fees, account maintenance fees, and custodial fees directly from your account on these investments. Please make sure you understand what fees and costs you are paying. You will pay fees and costs whether you make money or lose money on your investments. Fees and costs will reduce returns on your investments over time. For additional information about the firm's fees, costs, commissions, and conflicts of interest as required by Regulation Best Interest feel free to call our compliance department at 610-889-2066.

**Conversation Starter – Ask your financial professional:**

*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 providing recommendations? How else does your firm make money, and what conflicts of interest do you have?**

When we provide you with a recommendation we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates 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: We receive compensation from third parties derived from the sale of securities or other investment products purchased or held by you, including commissions and asset-based trails. We create conflicts from commissions earned through our recommendations, amount invested, and products selected.

**Conversation Starter – Ask your financial professional:**

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

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

Our financial professionals receive cash compensation in the matter of commissions from the sale of products and if applicable, asset-based trails associated with those investments. They can also receive non-cash compensation from third parties in the form of training and due diligence symposiums. This non-cash compensation can create conflicts of interest. Our representatives could also get an increased payout based on higher production. This represents a conflict of interest since the more commissions they generate the more they earn.

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

Yes. If you would like more information about our firm and/or our financial professionals, you may visit <https://Investor.gov/CRS> for a free and simple search tool to research backgrounds.

**Conversation Starter – Ask your financial professional:**

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

**Additional Information**

For additional information about our services or a copy of this disclosure, please contact us at (610) 889-2066.

**Conversation Starter – Ask your financial professional:**

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