

## Form ADV Part 3: Relationship Summary

### Heritage Capital Advisors, LLC

#### Introduction

Heritage Capital Advisors, LLC ("HCA") is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

#### What Investment Services and Advice Can You Provide Me?

**Description of Services:** We offer investment advisory services to retail investors. Our investment advisory services are provided in the form of asset management services which involves us managing and trading your designated account(s). HCA will discuss your investment goals and design a strategy to try and achieve your investment goals. HCA will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. For more information please see **Item 4** of our **Form ADV Part 2A**. When providing asset management services you can choose whether you'd like us to provide services on a **discretionary** basis (we will have the authority to determine the type and amount of securities to be bought or sold in your account) or a **non-discretionary basis** (we will have to confirm any trades in your account with you before we place them). For more information please see **Item 16** of our **Form ADV Part 2A**.

**Limited Investment Offerings:** We do not primarily recommend one type of security to clients. Instead, we primarily recommend open-end or closed-end investment companies, including short-term money market funds, mutual funds, and exchange traded funds suitable for each client relative to that client's specific circumstances and needs. We will also recommend stocks, bonds, options and illiquid assets if in your best interest and consistent with your investment objectives. In limited circumstances, we allocate clients' investment management assets among Sub-Advisers, who we will evaluate, select, and monitor, to manage and trade your account(s). We are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer's platform. When providing you services, we do not recommend or offer advice on any proprietary products.

**Account & Fee Minimums:** HCA requires a minimum of \$1,000,000 in order to open an account. This minimum account size can be waived in individual instances, including, but not limited to, treating related accounts on a consolidated basis for purposes of calculating the account size.

**Conversation Starters:** *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?

**Description of Principal Fees & Costs:** Fees charged for our asset management services are charged based on a percentage of assets under management at the beginning of each calendar year. Our fee schedules range between 0.50% and 1.25% annually, but fees for providing our services can be negotiated on an individual basis and are determined based on the scope of services provided and the type and amount of assets being managed. Annual fees are payable quarterly, semi-annually or annually, in advance, in arrears, or partially in advance and partially in arrears, depending on the negotiated arrangement with each client. Because our fee is based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. When engaging us for asset management services you will also incur other fees and expenses. The broker-dealer/custodian on your account will charge you transaction fees for executing trades in your account. You will also be charged internal fees and expenses by the funds we invest in, within your account.

**Additional Information:** 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 more information about the fees we charge and the other fees and expenses you will incur please see **Item 5** of **Form ADV Part 2A**.

**Conversation Starters:** 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?**

**Standard of Conduct:** 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 is an example to help you understand what this means. We will ask that you establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Charles Schwab), a registered broker-dealer, member SIPC, to maintain custody of your assets and to effect trades for their accounts. Our recommendation to use Charles Schwab is not based solely on your interest of receiving the best execution possible. We also recommend Charles Schwab because they provide us with research, products and tools that help us manage and further develop our business operations. Because Schwab provides us with such benefits, we do not have to pay for them thus saving us money.

**Additional Information:** For more information about our conflicts of interests and the ways we are compensated please see **Item 5** and **Item 10** of our **Form ADV Part 2A**.

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

### **How Do Your Financial Professionals Make Money?**

**Description of Salary/Payment of IARs:** We compensate our investment adviser representative based on the level of assets that he brings into HCA. This creates a conflict of interest as it gives your representative an incentive to recommend you invest more in your account with us due to the potential for increased payments.

Our investment adviser representative also serves as a licensed CPA, offering accounting services. A conflict of interest exists whenever there is a recommendation to utilize the accounting services of your investment adviser representative.

**Additional Information:** For more information about these conflicts of interest please see **Item 10** of our **Form ADV Part 2A**.

### **Do You or Your Financial Professionals Have Legal or Disciplinary History?**

Neither us, nor our investment adviser representatives have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representatives at <https://www.investor.gov/CRS>.

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

### **Additional Information About HCA**

You can also find our disclosure brochures and other information about us on the SEC's Investment Adviser Public Disclosure website at <https://adviserinfo.sec.gov/firm/summary/115308>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at (612) 272-2913.

**Conversation Starters:** 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?