

## **JUNE 30, 2020: FORM CRS (CLIENT RELATIONSHIP SUMMARY)** **A SUMMARY OF YOUR ADVISORY RELATIONSHIP WITH MIDWEST FINANCIAL, LLC**

Midwest Financial, LLC is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is essential for you to understand these differences. Free and simple tools are available to research firms and our Financial Professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### **ITEM 2 – RELATIONSHIPS AND SERVICES**

Our Firm offers investment advisory services to retail investors on a discretionary basis. In a discretionary account, you have granted written investment authority to your Financial Professional to execute purchase and sell orders in your advisory accounts without consulting with you first. You may limit our discretion, such as by imposing reasonable restrictions on investing in certain securities or groups of securities. If deemed appropriate for you, our Firm will recommend utilizing an independent TPMM to aid in the implementation of investment strategies for the client's portfolio. Our Firm monitors your investment advisory accounts, and specific investments within your accounts, on an ongoing basis to align with your investment goals. This service is included as part of the Firm's standard advisory services. In addition, our Firm offers financial planning and consulting services for our clients. We provide clients general investment recommendations on a limited basis. In a consulting engagement, you will be required to select your own investment managers, custodian, and/or insurance companies for the implementation of consulting recommendations.

#### **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

- 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?

**FOR MORE INFORMATION REFER TO [OUR FIRM'S ADV PART 2A BROCHURE](#) - ITEM 4, 7, 13 AND 16**

### **ITEM 3 – FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT**

#### **WHAT FEES WILL I PAY?**

Our Firm receives a fee as compensation for providing advisory services on your account. The investment management fee includes investment management supervision, trade entry, and other account maintenance and/or service activities. The custodian charges transaction costs, custodial fees, redemption fees, retirement plan, and administrative fees or commissions. Our investment management fees are based on a percentage of the total account value. Our maximum investment advisory fee is 1.5%, on a tiered schedule, billed in advance on a quarterly basis. The more assets in your advisory account, the more you will pay in fees, and therefore, the Firm has an incentive to encourage you to increase the asset value in your account. Fees for financial planning services range from \$1000-\$5000 for the first year in which a comprehensive financial plan is delivered, or \$250 on an hourly basis. Third Party Money Managers ("TPMM") fees and billing methods are outlined in each respective TPMM's Brochure and Advisory Contract. You will pay an ongoing fee directly to the TPMM based upon a percentage of your assets under management with respect to each TPMM. Fees for consulting services are negotiated on an hourly or fixed dollar amount. 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.

#### **QUESTIONS TO 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 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. Such as, asset-based fees present a conflict because our Firm is incentivized by encouraging you to invest additional funds in your advisory accounts. The following are examples where asset-based fee*

compensation poses a conflict: 1) Advising you to rollover a 401(k) balance, when equivalent and less costly options are available if funds are left with the employer's fund manager. 2) Advising you not to pay off a mortgage (thus diminishing assets), even when the mortgage carries a high interest rate. 3) Advising you against making a large charitable contribution to get a tax deduction (but decrease assets under management). 4) Advising you to take a margin position in your managed account and charging fees on the margin balance. In addition, our firm allows our Financial Professionals to invest in the same securities as you; therefore, our Financial Professionals may have an incentive to favor their personal accounts over your advisory account. Lastly, some of the products, services and other benefits provided by your custodians are used in servicing all of our Firm's advisory accounts and therefore may not directly benefit your advisory account. If you have questions about whether any of these situations could apply to your investments, ask your Financial Professional.

**QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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

**FOR MORE INFORMATION REFER TO [OUR FIRM'S ADV PART 2A BROCHURE](#) - ITEM 5, 10, 11, AND 14**

**HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Our Firm's Financial Professionals are compensated by the investment advisory fees as described above in Item 3 Fee section. Our Financial Professionals are compensated based on the amount of assets they service, amount of time spent, and the complexity required to meet the client's needs or revenue based on the recommendations provided by our Financial Professionals. Insurance licensed Financial Professionals receive commissions, trails, or other compensation from the respective insurance companies as a result of effecting insurance transactions. However, you have the right to decide whether to act on the recommendation. When our Financial Professionals act as a Registered Representative of a broker-dealer, our Financial Professionals receive commissions in connection with the advice given to you. To mitigate this conflict, all activities will be supervised by the CCO and our firm will only act in the best interest of the Client. Our Firm's Financial Professionals are engaged required to disclose any material outside business activities and any conflict it may pose to you. Additionally, our Firm supervises the business activities of our Financial Professionals through our compliance program, and our Financial Professionals are required to follow a Code of Conduct to mitigate any conflicts to you.

**ITEM 4 – DISCIPLINARY HISTORY**

**DO YOU OR YOUR FINANCIAL REPRESENTATIVES HAVE LEGAL OR DISCIPLINARY HISTORY?**

No. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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

**FOR MORE INFORMATION REFER TO [OUR FIRM'S ADV PART 2A BROCHURE](#) - ITEM 9**

**FOR ADDITIONAL INFORMATION ABOUT OUR SERVICES OR AN UP TO DATE COPY OF THIS CLIENT RELATIONSHIP SUMMARY, PLEASE CONTACT:**

**MIDWEST FINANCIAL, LLC  
706 MONTANA STREET  
GLIDDEN, IA 51443  
PHONE: 712-659-2156  
[WWW.MIDWESTFINANCIAL.US](http://WWW.MIDWESTFINANCIAL.US)**

**QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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