

## RELATIONSHIP SUMMARY FOR HOMESTEAD ADVISERS CORP.

May 5, 2022

Homestead Advisers Corp. (“Homestead Advisers”) is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ. It is important for you to understand the differences.

Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

Our firm offers non-discretionary investment advisory services to retail investors (“clients”). Homestead Advisers uses third-party financial planning software to project a client’s future income and expenses, based principally on the client’s current financial situation and stated goals and objectives. The client’s questionnaire responses about risk tolerance and investment time horizon are then used to identify model asset allocations and target amounts in series of Homestead Funds, Inc. and Homestead Funds Trust (collectively, “Homestead Funds”), registered investment companies to which Homestead Advisers serves as administrator and/or investment manager. Based upon these outputs, Homestead Advisers develops a plan and suggests financial planning strategies. The financial plan is accompanied by an executive summary, which provides a target investment portfolio that identifies a Homestead Fund(s) for each asset class discussed in the financial plan.

Such services are offered exclusively to shareholders and potential shareholders of Homestead Funds. Additionally, our firm may require a minimum dollar value of assets or impose other conditions for providing financial planning services.

Homestead Advisers is not authorized to make decisions regarding clients’ investments. Clients decide whether they will implement the financial plan. They may accept or reject any or all financial planning strategies. Homestead Advisers from time to time provides guidance to the client to assist in implementing the financial plan, but should a client choose to implement the financial plan, our firm does not monitor the client’s investment in Homestead Funds or in any other investment selected as a result of the financial plan. Clients sign an agreement acknowledging that the relationship terminates 60 days after receiving the financial plan.

*You may find additional information about our services in our [Form ADV, Part 2A brochure](#) (Items 4 and 7).*

***Questions to ask us to start a conversation***

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

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

Homestead Advisers does not charge a fee for financial planning services, and our firm does not charge asset-based fees, fixed fees, wrap fee program fees, or other direct fee arrangements to clients. Clients will bear costs, both direct and indirect, associated with their investments in Homestead Funds, including their portion of management fees or administration fees and all other expenses incurred by Homestead Funds. As investment manager for nine of the ten series of Homestead Funds (all series other than the Stock Index Fund) and administrator of the Stock Index Fund, Homestead Advisers receives management fees or administration fees (in the case of the Stock Index Fund) from Homestead Funds. Therefore, should a client choose to invest in Homestead Funds, they indirectly pay advisory or administration fees, as applicable, to Homestead Advisers, which creates potential conflicts of interest, as discussed below. Clients may elect to use the services of broker-dealers, other investment advisers and other third parties to implement the financial plan, subjecting them to other fees and expenses charged by third parties.

***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. You may find additional information about our fees and costs in our [Form ADV, Part 2A brochure](#) (Item 5).

*Questions to ask us to start a conversation*

*Help me understand how these fees and costs might affect my investments. If I invest \$10,000 in Homestead Funds, 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.*

- **Proprietary products** - our firm maps asset classes in the financial plan to Homestead Funds, a mutual fund complex that is sponsored and managed by us.
- **Management fees and administration fees earned from Homestead Funds** - our firm serves as investment manager or administrator to each series of Homestead Funds and earns fees for such management and administration. Since a primary source of our revenue is from management of Homestead Funds, we may be incentivized to recommend an investment in Homestead Funds when another investment may be more appropriate. Additionally, our financial professionals may be incentivized to recommend investments in, or larger allocations to, series of Homestead Funds that pay higher fees to us.

*You may find additional information about our conflicts of interest in our [Form ADV, Part 2A brochure](#).*

*Questions to ask us to start a conversation*

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

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

Our financial professionals' compensation consists of a base salary and in some circumstances variable pay based on a combination of quantitative and qualitative measures. Because variable pay is tied to Homestead Advisers' overall financial performance, our financial professionals may be incentivized to recommend investments in Homestead Funds when another investment may be more suitable for you.

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

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

*Questions to ask us to start a conversation*

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

*You may find additional information about our investment advisory services and request a copy of this relationship summary at [www.homesteadadvisers.com](http://www.homesteadadvisers.com) or by calling 1-800-258-3030 (select "Option 2" at menu).*

*Call 1-800-258-3030 to request up-to-date information about Homestead Advisers.*

*Questions to ask us to start a conversation*

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