

# SECURITIES AND EXCHANGE COMMISSION

## FORM 497

Definitive materials filed under paragraph (a), (b), (c), (d), (e) or (f) of Securities Act Rule 497

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### FILER

#### HEARTLAND GROUP INC

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## HEARTLAND GROUP, INC.

## FORM N-1A

## CROSS-REFERENCE SHEET

## TO POST-EFFECTIVE AMENDMENT NO. 20

<TABLE> <CAPTION> Form N-1A Item No. -----		Prospectus Heading -----
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PART A		
1.	Cover Page . . . . .	Cover Page
2.	Synopsis . . . . .	Fund Expenses
3.	Condensed Financial Information . . . . .	Financial Highlights
4.	General Description of Registrant . . . . .	Description of Fund Shares; Investment Objectives and Policies
5.	Management of the Fund . . . . .	The Funds and the Heartland Organization; How to Buy Shares; Net Asset Value Calculation; Portfolio Transactions
5A.	Management's Discussion of Fund Performance . . . . .	Not applicable. See Annual Reports
6.	Capital Stock and Other Securities . . . . .	Description of Fund Shares; Dividends, Capital Gains and Distributions Taxes; Shareholder Services
7.	Purchase of Securities Being Offered . . . . .	How to Buy Shares; Net Asset Value Calculation; How to Redeem Shares; The Distribution Plan
8.	Redemption or Repurchase . . . . .	How to Redeem Shares; Shareholder Services
9.	Pending Legal Proceedings . . . . .	None

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12.	General Information and History . . . . .	Not Applicable
13.	Investment Objectives and Policies . . . . .	Investment Policies and Methods; Investment Restrictions; Appendix A - Securities Ratings
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15.	Control Persons and Principal Holders of Securities . . . . .	Control Persons and Principal Holders of Securities
16.	Investment Advisory and Other Services . . . . .	The Investment Advisor
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HEARTLAND VALUE FUND  
HEARTLAND SMALL CAP CONTRARIAN FUND  
HEARTLAND VALUE & INCOME FUND  
HEARTLAND U.S. GOVERNMENT SECURITIES FUND  
Prospectus  
April 27, 1995 Revised to July 12, 1995

INVESTMENT SUMMARY

HEARTLAND VALUE FUND'S investment objective is long-term capital appreciation. The Fund seeks to achieve its objective through investment in small company stocks selected on a value basis. The Value Fund will be closed to new investors effective July 1, 1995.

HEARTLAND SMALL CAP CONTRARIAN FUND'S investment objective is maximum long-term growth. The Fund seeks to achieve its objective through aggressive, yet flexible, value investing in small company stocks.

HEARTLAND VALUE & INCOME FUND'S investment objective is capital growth and current income. The Fund seeks to achieve its objective through investment in stocks and bonds.

HEARTLAND U.S. GOVERNMENT SECURITIES FUND'S investment objectives are a high level of current income, liquidity and safety of principal.

The Heartland Value Fund, the Heartland Small Cap Contrarian Fund, the Heartland Value & Income Fund, and the Heartland U.S. Government Securities Fund (collectively, the "Funds") are separate mutual fund portfolios of Heartland Group, Inc. ("Heartland"). This Prospectus contains information you should know about the Funds before you invest. Please keep it for reference. A Statement of Additional Information for the Funds (dated April 27, 1995) has been filed with the Securities and Exchange Commission and is incorporated by reference into this Prospectus. It is available at no charge by calling the Funds' investment advisor and distributor, Heartland Advisors, Inc. ("Heartland Advisors"), at 1-800-HEARTLN or (414) 347-7777.

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SHARES OF THE FUNDS ARE NOT OBLIGATIONS, DEPOSITS OR ACCOUNTS OF, OR ENDORSED OR GUARANTEED BY, ANY BANKING INSTITUTION, ARE NOT INSURED OR GUARANTEED BY THE FDIC OR ANY OTHER GOVERNMENTAL AGENCY AND INVOLVE RISK, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL.

LIKE ALL MUTUAL FUNDS, THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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FUND EXPENSES

The expense summary format below was developed for use by all mutual funds to help you make your investment decisions. Of course, you should consider this expense information along with other important information, including each Fund's investment objective and performance.

<TABLE>  
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	HEARTLAND VALUE FUND	HEARTLAND SMALL CAP CONTRARIAN FUND	HEARTLAND VALUE & INCOME FUND	HEARTLAND U.S. GOVERNMENT SECURITIES FUND
<S>	<C>	<C>	<C>	<C>
SHAREHOLDER TRANSACTION EXPENSES				
Maximum sales load imposed on purchases	None	None	None	None
Maximum sales load imposed on reinvested dividends	None	None	None	None
Exchange fees	None	None	None	None
Redemption fees (1)	None	None	None	None
ANNUAL FUND OPERATING EXPENSES (as a percentage of average net assets)				
Management fees (2) (after fee waivers)	.75%	.75%	.70%	.50%
Rule 12b-1 fees	.25%	.25%	.25%	.25%
Other expenses (3)	.39%	.45%	.85%	.32%
TOTAL FUND OPERATING EXPENSES	1.39%	1.45%	1.80%	1.07%

</TABLE>

- (1) The Agent charges a wire fee for the return of redemption proceeds requested by wire transfer. The fee is currently \$7.50. Shares of the Funds purchased between February 12, 1993 and June 1, 1994 subject to a contingent deferred sales charge remain subject to such charge upon redemption of the shares. See "HOW TO REDEEM SHARES."
- (2) The management fee shown in the table applicable to the U.S. Government Securities Fund gives effect to the voluntary waiver by Heartland Advisors of 0.15 of 1% of the management fee. Without such waiver, the Management fees and Total Fund Operating Expenses would have been .65% and 1.22% of average net assets, respectively. Heartland Advisors expects to continue the waiver for the current fiscal year; however, it may reinstate an additional portion or all of the fee at any time.
- (3) Other expenses set forth in the table for the Small Cap Contrarian Fund are based on management's estimates for the current fiscal year.

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## EXAMPLE

You would pay the following expenses on a \$1,000 investment, assuming: (1) 5% annual return and (2) redemption at the end of each time period:

<TABLE>  
<CAPTION>

	HEARTLAND VALUE FUND	HEARTLAND SMALL CAP CONTRARIAN FUND	HEARTLAND VALUE & INCOME FUND	HEARTLAND U.S. GOVERNMENT SECURITIES FUND
<S>	<C>	<C>	<C>	<C>
One year	\$14	\$15	\$18	\$11
Three years	\$44	\$46	\$57	\$34
Five years	\$76	N/A	\$97	\$59
Ten years	\$167	N/A	\$212	\$131

</TABLE>

The purpose of this expense information is to assist in understanding the various costs and expenses an investor will bear directly or indirectly in each of the Funds. More detailed information concerning these expenses is set forth in the sections of this Prospectus entitled "How To Buy Shares," "The Distribution Plan" and "The Funds and the Heartland Organization." THE ABOVE EXAMPLES SHOULD NOT BE CONSIDERED A REPRESENTATION OF PAST OR FUTURE EXPENSES. ACTUAL EXPENSES MAY BE GREATER OR LESS THAN THOSE SHOWN.

## FINANCIAL HIGHLIGHTS

Except as indicated below, the following Financial Highlights table has been examined by Arthur Andersen LLP, independent public accountants, whose reports on the financial statements of the Value, Value & Income and U.S. Government Securities Funds for the fiscal year ended December 31, 1994, are included in the respective Fund's Annual Report to Shareholders for such period, and incorporated by reference into the Statement of Additional Information. The table should be read in conjunction with the audited financial statements and related notes appearing in each Fund's Annual Report. Additional information about the Funds' performance is contained in their respective Annual Reports, which may be obtained without charge by writing or calling Heartland Advisors. Financial information is not available for the Small Cap Contrarian Fund as its shares are being offered for the first time in this Prospectus.

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FISCAL YEAR ENDED DEC. 31	NET ASSET VALUE, BEGINNING OF PERIOD	NET INVESTMENT INCOME/(LOSS)	INCOME FROM INVESTMENT OPERATIONS		LESS DISTRIBUTION		
			NET REALIZED AND UNREALIZED GAIN/(LOSS) ON SECURITIES	TOTAL FROM INVESTMENT OPERATIONS	DIVIDENDS FROM NET INVESTMENT INCOME	DISTRIBUTIONS FROM CAPITAL GAINS	TOTAL DISTRIBUTIONS
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
HEARTLAND VALUE FUND							
1985	\$ 9.52	\$0.01	\$3.93	\$3.94	\$ -	\$ -	\$ -
1986	13.46	0.08	1.39	1.47	(0.02)	(0.90)	(0.92)
1987	14.01	0.06	(1.16)	(1.10)	(0.14)	(1.03)	(1.17)
1988	11.74	0.13	3.04	3.17	(0.13)	(0.43)	(0.56)
1989	14.35	0.13	0.81	0.94	(0.13)	(1.34)	(1.47)
1990	13.82	0.02	(2.38)	(2.36)	(0.02)	(0.12)	(0.14)
1991	11.32	(0.08)	5.66	5.58	-	(0.84)	(0.84)
1992	16.06	(0.09)	6.91	6.82	-	(2.47)	(2.47)
1993	20.41	(0.12)	3.95	3.83	-	(1.02)	(1.02)
1994	23.22	(0.09)	0.47	0.38	-	(0.88)	(0.88)

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HEARTLAND VALUE & INCOME FUND

<S> <C> <C> <C> <C> <C> <C> <C>

10/26/93(1)							
to 12/31/93	\$10.00	\$0.07	\$0.45	\$0.52	\$ (0.07)	\$ -	\$ (0.07)
1994	10.45	0.41	(0.92)	(0.51)	(0.41)	-	(0.41)

<CAPTION>  
HEARTLAND U.S. GOVERNMENT SECURITIES FUND

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
4/9/87(1)							
to 12/31/87	\$ 9.55	\$0.50	\$ (0.33)	\$0.17	\$ (0.50)	\$ -	\$ (0.50)
1988	9.22	0.76	(0.18)	0.58	(0.76)	-	(0.76)
1989	9.04	0.77	0.21	0.98	(0.77)	-	(0.77)
1990	9.25	0.73	0.14	0.87	(0.73)	-	(0.73)
1991	9.39	0.69	0.83	1.52	(0.69)	(0.25)	(0.94)
1992	9.97	0.66	0.30	0.96	(0.66)	(0.34)	(1.00)
1993	9.93	0.56	1.18	1.74	(0.56)	(0.61)	(1.17)
1994	10.50	0.59	(1.59)	(1.00)	(0.59)	-	(0.59)

</TABLE>

(1) Commencement of operations (3) Annualized  
(2) Unaudited (4) Not Annualized

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RATIOS AND SUPPLEMENTAL DATA

NET ASSET VALUE, END OF PERIOD	TOTAL RETURN*	NET ASSETS, END OF PERIOD	RATIO OF NET EXPENSES TO AVERAGE NET ASSETS	RATIO OF NET INVESTMENT INCOME/(LOSS) TO AVERAGE NET ASSETS	PORTFOLIO TURNOVER RATIO
<S>	<C>	<C>	<C>	<C>	<C>
\$13.46	41.4% (2)	\$ 11,348,013	2.47%	0.24%	64%
14.01	11.0% (2)	28,146,987	1.66%	0.71%	89%
11.74	(8.4)% (2)	27,536,584	1.51%	0.43%	78%
14.35	27.1%	28,499,177	1.71%	0.85%	50%
13.82	6.6%	30,797,831	1.65%	0.86%	88%
11.32	(17.1)%	19,942,598	1.74%	0.14%	76%
16.06	49.4%	29,879,996	1.69%	(0.54)%	79%
20.41	42.5%	48,391,112	1.48%	(0.49)%	76%
23.22	18.8%	186,518,201	1.51%	(0.71)%	51%
22.72	1.7%	339,364,388	1.39%	(0.52)%	35%
\$10.45	5.2% (4)	\$ 5,810,983	1.30% (3)	6.52% (3)	6%
9.53	(5.0)%	9,884,142	1.80%	4.39%	127%
\$ 9.22	1.9% (2)	\$ 12,610,076	1.04% (3)	7.16% (3)	64%
9.04	6.4%	12,414,180	0.95% (5)	8.25%	136%
9.25	11.3%	11,594,574	0.89% (5)	8.45%	142%
9.39	10.0%	16,423,750	0.86% (5)	7.98%	127%
9.97	17.0%	29,101,367	0.92% (5)	7.06%	185%
9.93	10.1%	28,377,978	0.92% (5)	6.71%	149%
10.50	17.8%	66,788,763	1.06% (5)	5.09%	200%
8.91	(9.6)%	64,807,074	1.07% (5)	6.30%	95%

</TABLE>

(5) Heartland Advisors voluntarily waived the management fee in its entirety from May 7, 1988 through November 30, 1990. Effective December 1, 1990, Heartland Advisors partially reinstated a portion of the fee at the rate of .25 of 1% of average net assets and, effective January 20, 1992 and January 1, 1993, respectively, reinstated additional portions of the fee resulting in a rate of .35 of 1% and .50 of 1% of average daily net assets, respectively.

\* Contingent deferred and initial sales charges in effect for the Funds prior to June 1, 1994 are not reflected in Total Return as set forth in the table.

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INVESTMENT OBJECTIVES AND POLICIES

INVESTMENT OBJECTIVES. The investment objectives of each of the Funds are fundamental and may not be changed without shareholder approval. The investment policies of the Funds, unless otherwise specified, are not fundamental policies, and therefore may be changed by the affirmative vote of a majority of the directors of Heartland. In view of the risks inherent in all investments in securities, there is no assurance that the investment objectives of the Funds will be achieved.

The VALUE FUND'S investment objective is long-term capital appreciation.

The SMALL CAP CONTRATIAN FUND'S investment objective is maximum long-term growth. The Fund seeks to take advantage of both rising and, to a lesser degree, declining markets.

The VALUE & INCOME FUND'S investment objective is capital growth and current income.

The U.S. GOVERNMENT SECURITIES FUND'S investment objectives are a high level of current income, liquidity and safety of principal.

## VALUE FUND

Effective July 1, 1995, the Value Fund will be closed to new investors. Investors who are shareholders of the Value Fund on July 1, 1995, certain employee benefit plans and certain financial advisers and planners may continue to add to an existing account or open new accounts. See "How to Buy Shares." The Fund may resume sales to new investors at some future date, but it has no present intention to do so.

To achieve long-term capital appreciation, the Value Fund invests primarily in equity securities of small companies with market capitalizations of less than \$300 million selected on a value basis. Heartland Advisors selects securities it considers to be underpriced relative to a set of factors, including:

- . price/earnings ratio
- . market price to book value
- . price/cash flow ratio
- . earnings growth
- . long-term debt/capital
- . management capabilities
- . undervalued assets
- . potential for favorable developments
- . insider and institutional ownership
- . technical analysis

While the Value Fund may invest in securities of companies with market capitalizations in excess of \$300 million, a majority of the Fund's investments will be in stocks with smaller market capitalizations. As of March 31, 1995, the median market capitalization of the companies in the Value Fund's portfolio was approximately \$43 million, with a weighted average market capitalization for the Fund's portfolio of approximately \$135 million. Equity securities of companies with smaller market capitalizations may involve a higher degree of risk than investments in the general equity markets in that such securities may be subject to greater price volatility and may have less market liquidity than equity securities of companies with larger market capitalizations. The Value Fund will invest at least 65% of its total assets in equity securities

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of value companies as determined by Heartland Advisors in accordance with the factors listed above. The Value Fund may also invest in convertible securities and debt securities rated B or above, and warrants, each up to 5% of the Fund's net assets.

As a matter of fundamental policy, the Value Fund will not purchase the securities of any company if, as a result: (i) it would own more than 10% of the outstanding voting securities of such company; (ii) such holdings would amount to more than 5% of the Value Fund's total assets; or (iii) more than 25% of its assets would be concentrated in any one industry. These limitations do not apply to U.S. government securities. The Value Fund may, from time to time purchase securities issued by broker-dealers that sell or distribute its shares or that execute portfolio brokerage transactions for the Value Fund; provided that any such purchases will only be made in accordance with the limitations imposed on such purchases by the Securities and Exchange Commission. The Value Fund will not invest in securities issued by Heartland Advisors or any affiliate of Heartland Advisors.

#### SMALL CAP CONTRARIAN FUND

The Small Cap Contrarian Fund seeks to achieve maximum long-term growth by aggressive, yet flexible, value investing world-wide in growing companies that are attractively priced. The Fund seeks to take advantage of both rising and, to a lesser degree, declining markets. Under normal market conditions, at least 65% of the Fund's total assets will be invested in equity securities of smaller companies with market capitalizations of less than \$500 million.

The Small Cap Contrarian Fund takes an aggressive investment approach and may be appropriate for investors who seek potentially high long-term returns, have an investment horizon of at least three years, and are willing to accept certain risks, including risks of short selling, futures and options, foreign securities, leverage and potentially significant short-term fluctuations in the Fund's share price. See "Other Investment Policies, Practices and Risk Factors of the Funds."

The Fund focuses its investments primarily on equity securities of domestic, multinational and foreign companies whose potential values generally have been overlooked by other investors. Such companies include attractively priced, viable businesses that have not yet been discovered or become popular, previously unpopular companies having growth potential due to changed circumstances, companies that have declined in value and no longer command an investor following, and previously popular companies temporarily out of favor due to short-term factors. Heartland Advisors will consider certain factors in selecting the companies for the Fund's portfolio, including earnings, cash flows, book values and debt levels.

Equity securities in which the Fund may invest include common stock, convertible debt, preferred stock, warrants or other securities exchangeable for shares of common stock, and other equity securities, including real estate investment trusts. Equity securities of companies with smaller market capitalizations may involve a higher degree of risk than investments in the general equity markets in that such securities may be subject to greater price volatility and may have less market liquidity than equity securities of companies with larger market capitalizations.

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The Small Cap Contrarian Fund may invest up to, but less than, 35% of its total assets in debt securities, including lower-quality, high-yielding debt securities. The Fund may buy debt securities of all types and qualities issued by both domestic and foreign issuers. For information regarding the risks associated with investing in lower-quality securities, see "Investment Quality."

As a matter of fundamental policy, the Small Cap Contrarian Fund will not purchase the securities of any issuer if, as a result: (i) with respect to 75% of the Fund's total assets, more than 5% of its total assets would be invested in such issuer or the Fund would own more than 10% of the outstanding voting securities of such issuer; or (ii) more than 25% of its assets would be concentrated in any one industry. These limitations do not apply to U.S. government securities. The aggressive investment techniques in which the Small Cap Contrarian Fund may engage may entail risks not encountered by the average mutual fund. Some techniques, such as short sales, the use of put and call options and futures, investments in foreign securities, leverage and short-term trading, may be considered speculative and may also result in higher operating expenses. See "Other Investment Policies and Practices of the Funds."

#### VALUE & INCOME FUND

To achieve its objectives, the Value & Income Fund invests in equity and debt securities. The proportion of the Fund's assets invested in each type of



security will vary from time to time in accordance with Heartland Advisors' assessment of economic conditions and investment opportunities.

The equity securities in which the Fund primarily invests are securities selected on a value basis. Heartland Advisors selects equity securities it considers underpriced relative to a set of factors, including:

- . price/earnings ratio
- . market price to book value
- . price/cash flow ratio
- . earnings growth
- . long-term debt/capital
- . management capabilities
- . undervalued assets
- . potential for favorable developments
- . insider and institutional ownership
- . technical analysis

The Value & Income Fund may invest in debt securities and convertible debt securities of any type that are considered investment grade by Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Corporation ("S&P"), or unrated securities judged by Heartland Advisors to be of comparable quality. The Fund may also invest up to 25% of its assets in non-investment grade debt securities and convertible debt securities, provided that the Fund may not invest in securities rated below B, or judged by Heartland Advisors to be of comparable quality, at the time of purchase. See "Investment Quality."

The Fund may also invest up to 5% of its net assets in warrants. The Fund expects to realize income from dividends earned on equity investments and from interest earned on debt securities. As a matter of fundamental policy, the Value & Income Fund will not purchase the securities of any issuer if, as a result: (i) the Fund would own more than 10% of the outstanding voting securities of such issuer; (ii) with respect to 75%

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of the Fund's total assets, more than 5% of its total assets would be invested in such issuer; (iii) with respect to its total portfolio, more than 10% of the total assets would be invested in such issuer; or (iv) more than 25% of its assets would be concentrated in any one industry. These limitations do not apply to U.S. government securities.

U.S. GOVERNMENT SECURITIES FUND

As a fundamental policy, the U.S. Government Securities Fund will invest at least 65% of its total assets in obligations issued or guaranteed by the U.S. government or by its agencies or instrumentalities. The government obligations in which the Fund may invest may be either direct obligations of the Treasury or securities issued or guaranteed by government agencies or instrumentalities. Of the obligations issued or guaranteed by agencies or instrumentalities of the U.S. government, some are backed by the full faith and credit of the U.S. government and others are backed only by the rights of the issuer to borrow from the U.S. Treasury (such as Federal Home Loan Bank bonds and Federal National Mortgage Association securities). Investments in this latter category of obligations are subject to risk based on the creditworthiness of the issuing agency or instrumentality, and there is no assurance that the U.S. government will provide financial support for such agencies or instrumentalities.

Heartland Advisors buys and sells securities after considering economic conditions, liquidity factors and interest rate trends. Increases in interest rates may decrease the value of the U.S. Government Securities Fund's portfolio and decreases in interest rates may increase the value of its portfolio. The U.S. Government Securities Fund's return will also vary from time to time depending on fluctuation in market interest rates. The average maturity within the portfolio will be shifted in response to anticipated changes in interest rates. The average maturity will be shortened when Heartland Advisors expects interest rates to rise, and will be lengthened when lower rates are anticipated.

The U.S. Government Securities Fund may invest up to 35% of its total assets in corporate debt securities and convertible debt securities, including up to 25% of its total assets which may be invested in non-investment grade debt securities and convertible debt securities, provided that the Fund may not invest in securities rated below B by Moody's or S&P, or judged by Heartland Advisors to be of comparable quality, at the time of purchase. See "Investment Quality."

INVESTMENT QUALITY

INVESTMENT GRADE SECURITIES. Investment grade debt securities in which the Value Fund, the Small Cap Contrarian Fund, the Value & Income Fund and U.S. Government Securities Fund may invest are considered by Heartland Advisors to include securities rated at the time of purchase within the four highest rating categories assigned by Moody's or S&P, or securities which are unrated, provided that such securities are judged by Heartland Advisors, at the time of purchase, to be of comparable quality to securities rated within such four highest categories. Securities rated in the fourth highest rating category are more sensitive to economic changes than are securities rated in a higher category and such securities have speculative characteristics.

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HIGH YIELD SECURITIES. Non-investment grade securities (commonly known as "junk bonds") in which the Value, Small Cap Contrarian, Value & Income and U.S. Government Securities Funds may invest may be regarded, on balance, as predominantly speculative with respect to the capacity to pay interest and repay principal in accordance with the terms of the obligation. While such bonds typically offer higher rates of return, they involve greater risk, including greater risk of default and loss of principal. The prices of these lower rated bonds may be less sensitive to interest rate changes than higher rated bonds, but more sensitive to adverse economic changes. Periods of economic uncertainty and change may cause market price volatility in these higher yielding bonds and corresponding volatility in the Fund's net asset value. Furthermore, higher yielding bonds may contain redemption or call provisions which, if exercised during a declining interest rate environment, may require the Fund to replace the security with a lower yielding security, resulting in a decreased return to the Fund. Finally, the secondary trading market for higher yielding bonds may not be as active as for lower yielding bonds. As a result, it may be difficult to accurately assess the value of such bonds (and therefore the respective Fund's securities portfolio), and the Fund's ability to dispose of such bonds may be limited. For a more detailed discussion of the risks associated with investing in lower rated securities, see "Investment Policies and Methods - Non-Investment Grade Securities" in the Statement of Additional Information. Debt securities rated B, the lowest category in which the Value, Value & Income and U.S. Government Securities Funds may invest, are regarded by S&P as having a greater vulnerability to default but having the ability, at the time they are rated, to meet scheduled interest and principal payments. Moody's notes that the assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small. The Small Cap Contrarian Fund may invest in debt securities rated as low as the lowest rating category assigned by Moody's or S&P, which securities may be even more speculative than B rated debt. A description of the ratings assigned by Moody's and S&P is contained in the Statement of Additional Information.

ASSET COMPOSITION

The following table provides a summary of the Value & Income Fund's and U.S. Government Securities Fund's debt holdings as rated by Moody's or, in the case of unrated securities, as determined by Heartland Advisors. These figures are dollar-weighted averages of month-end portfolio holdings during the year ended December 31, 1994, presented as a percentage of total portfolio holdings. These percentages are historical and are not necessarily indicative of the quality of current or future Fund holdings, which may vary.

<TABLE>  
<CAPTION>

MOODY'S RATING OR EQUIVALENT	VALUE & INCOME FUND AVERAGE	U.S. GOVERNMENT SECURITIES FUND AVERAGE
<S>	<C>	<C>
Aaa	8.2%	68.0%
Aa	0%	0.2%

A	0%	10.9%
Baa	0%	7.0%
Ba	4.5%	10.9%
B	12.2%	0%

</TABLE>

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The dollar-weighted average of debt securities included in these figures and not rated by Moody's amounted to 3.6% of the Value & Income Fund's total portfolio. This may include securities rated by other nationally recognized rating organizations, as well as unrated securities. Unrated securities are not necessarily lower quality securities. Please refer to the Statement of Additional Information for a more complete discussion of these ratings.

OTHER INVESTMENT POLICIES, PRACTICES AND RISK FACTORS OF THE FUNDS

In addition to the investments described above for each Fund, the Funds may invest in securities and employ investment techniques that may present special risks as described below. Although there is no uniform definition of "derivative securities," certain instruments in which the Funds may invest may be considered derivative because the value of the instrument fluctuates depending upon the value of another security, index, reference interest rate, or currency. These instruments may include options, futures, options on futures, forward foreign currency contracts, indexed securities, and certain stripped obligations and mortgage-backed securities. A more complete discussion of the Funds' securities and investment techniques and their associated risks, as well as further investment restrictions to which the Funds may be subject, is contained in the Statement of Additional Information.

OPTIONS, FUTURES CONTRACTS AND OPTIONS ON FUTURES CONTRACTS. Each Fund may engage in transactions in options, futures contracts, and options on futures contracts to hedge protectively against anticipated declines in the market value of its portfolio securities, or against increases in the market values of securities it intends to purchase, or to manage exposure to changing interest rates or, with respect to the Value Fund, the Small Cap Contrarian Fund and the Value & Income Fund, as a hedge against changes in prevailing levels of currency exchange rates. The Funds will not use these instruments for speculation. Some options and futures strategies, including selling futures, buying puts and writing calls, tend to hedge a Fund's investments against price fluctuations. Other strategies, including buying futures, writing puts, and buying calls, tend to increase market exposure. Options and futures may be combined with each other or with forward contracts in order to adjust the risk and return characteristics of the Fund's overall strategy.

The Value Fund, the Value & Income Fund and the U.S. Government Securities Fund each may write covered call options and purchase put options that are traded on recognized U.S. exchanges with respect to specific securities and enter into closing transactions with respect to such options. The Value Fund and the Value & Income Fund also may sell covered call options and purchase put options on foreign currencies and on stock indices composed of securities of the same general character as each Fund's portfolio and may enter into closing transactions with respect to such options.

The Value Fund, the Value & Income Fund and the U.S. Government Securities Fund each may purchase and sell futures contracts, including interest rate futures, index futures and, with respect to the Value Fund and the Value & Income Fund, currency futures, that are traded on a recognized U.S. exchange, board of trade or similar entity, or quoted on an automated quotation system. Each of those Funds may also write covered call options and purchase put options on futures contracts and enter into closing transactions with respect to such options.

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The Small Cap Contrarian Fund may buy and sell options and futures, including purchasing and writing put and call options and options on futures, based on any type of security, index, or currency related to its investments, including options and futures traded on foreign exchanges and options not traded on

exchanges. Over-the-counter options generally involve greater credit and liquidity risks than exchange-traded options.

Each Fund will limit its use of these hedging instruments so that: (i) no more than 5% of the Fund's total assets would be committed to initial margin deposits or premiums on futures contracts; (ii) no more than 25% of the Fund's net assets would be subject to futures contracts; (iii) no more than 5% of the Fund's total assets would be committed to premiums paid for options; and (iv) no more than 25% of the Fund's total assets would be subject to options. Each of these limitations applies immediately after a purchase. A subsequent change in the applicable percentage resulting from market fluctuations does not require elimination of any security, option or future from the portfolio. Consequently, more than 25% of a Fund's assets could be hedged at a date subsequent to the hedging transaction.

Options and futures can be highly volatile investments and involve certain risks. Successful hedging strategies require the ability to predict future movements in securities prices, interest rates and other economic factors. Heartland Advisors' attempts to use such investments for hedging purposes may not be successful and could result in reduction of a Fund's total return. A Fund's potential losses from the use of futures extend beyond its initial investment in such contracts. Each Fund could also experience losses if the prices of its options or futures positions were poorly correlated with its other investments, or if it was unable to close out its positions due to disruptions in the market or lack of liquidity. Options and futures traded on foreign exchanges in which the Small Cap Contrarian Fund may invest generally are not regulated by U.S. authorities, and may offer less liquidity and less protection to the Fund if the other party to the contract defaults.

**SHORT SALES.** If the Small Cap Contrarian Fund anticipates that the price of a security will decline, it may sell the security short (sell a security which the Fund does not then own for delivery at a future date) and borrow the same security from a broker or other institution to complete the sale. The Fund may make a profit or loss depending upon whether the market price of the security decreases or increases between the date of the short sale and the date on which the Fund must replace the borrowed security. The Fund will maintain a segregated account with cash or liquid assets to cover its open short positions.

The Value Fund, the Small Cap Contrarian Fund and the Value & Income Fund may each engage in "short sales against the box," a less aggressive short selling technique which involves selling a security that the Fund owns (or has an unconditional right to purchase) for delivery at a specified date in the future, to hedge protectively against anticipated declines in the market price of its portfolio's securities or to defer an unrealized gain. If the value of the securities sold short increases prior to the scheduled delivery date, the Fund loses the opportunity to participate in the gain. Those Funds may also engage in short sales of securities of an issuer ("acquiror") that has publicly announced a proposed or a pending transaction in which a portfolio security of

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the Fund will be converted into securities of the acquiror. Each Fund will maintain a segregated collateral account with its custodian to cover open short positions in acquiror securities. If the value of an acquiror's security sold short were to increase relative to the segregated collateral, the Fund would lose the opportunity to participate in the appreciation and may also be required to purchase additional shares of the shorted security to close out the position or settle the position in cash.

The Small Cap Contrarian Fund will not sell short securities whose underlying value exceeds 25% of its total assets and the Fund will limit short sales, other than short sales against the box or of acquiror securities, of any one issuer's securities to 2% of the Fund's total assets and to 2% of any one class of the issuer's securities. The Value Fund and the Value & Income Fund will each limit short sales against the box and of acquiror securities so that: (i) no more than 5% of its total assets would be subject to open short positions; and (ii) no more than 10% of the Fund's net assets would be held as collateral for such positions.

**FOREIGN SECURITIES.** The Value Fund and the Value & Income Fund may invest up to 15% of their respective assets directly in the securities of foreign issuers. The Small Cap Contrarian Fund may invest up to 25% of its assets in foreign securities or in any one currency. The Value Fund, the Small Cap Contrarian Fund and the Value & Income Fund may also invest in foreign securities in domestic markets through depository receipts and securities of foreign issuers that are traded on a registered American stock exchange or the NASDAQ National

Market System without regard to the above limitations. While investment in foreign securities is intended to reduce risk by providing further diversification, such investments involve certain risks in addition to the credit and market risks normally associated with domestic securities. Such risks include: adverse political and economic developments or social instability; the imposition of foreign withholding taxes or exchange controls; expropriation or nationalization; currency blockage (which could prevent cash from being brought back to the United States); the impact of exchange rate and foreign currency fluctuations on the market value of foreign securities; more limited availability of public information regarding security issuers; the degree of governmental supervision regarding securities markets; different accounting, auditing and financial standards; difficulties in enforcing legal rights; and the potential for less liquidity and more volatility of foreign securities markets.

Brokerage commissions, fees for custodial services, and other costs relating to foreign investments generally are greater than in the U.S. Such markets may have different clearance and settlement procedures, and in certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to settle certain transactions. Inability to sell a portfolio security due to settlement problems could result either in a loss to the Fund if the value of the portfolio security subsequently declined, or, if the Fund had entered into a contract to sell the security, could result in possible claims against the Fund.

FOREIGN CURRENCY TRANSACTIONS. Foreign securities are subject to currency risk, that is, the risk that the U.S. dollar value of these securities may be affected favorably or unfavorably by changes in foreign currency exchange

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rates and exchange control regulations. To manage this risk and facilitate the purchase and sale of foreign securities, the Value Fund, the Small Cap Contrarian Fund and the Value & Income Fund may engage in foreign currency transactions involving the purchase and sale of forward foreign currency exchange contracts (agreements to exchange one currency for another at a future date), or they may engage in transactions in options on foreign currencies, currency futures contracts, or options on currency futures contracts. Although foreign currency transactions will be used to protect the Funds from adverse currency movements, they involve the risk that anticipated currency movements will not be accurately predicted and a Fund's total return could be adversely affected as a result.

MORTGAGE-BACKED SECURITIES. The U.S. Government Securities Fund may invest a substantial portion of its assets in mortgage-backed securities issued by the U.S. government, its agencies or instrumentalities. These securities represent interests in pools of mortgages, and may include stripped mortgage-backed securities. Mortgage-backed securities may be guaranteed by the issuing governmental agency and, as is the case with GNMA certificates, may also be backed by the full faith and credit of the U.S. government. Mortgage-backed securities are subject to prepayment risk, that is, the possibility that prepayments on the underlying mortgages will cause the principal and interest on the mortgage-backed securities to be paid prior to their maturities, and the value of these securities may be significantly affected by changes in interest rates. Prepayments during a period of declining interest rates may result in the Fund having to invest the unanticipated proceeds in lower-yielding securities.

ZERO COUPON BONDS AND STRIPPED SECURITIES. The Small Cap Contrarian Fund, the Value & Income Fund and the U.S. Government Securities Fund may invest in zero coupon bonds, which do not pay current interest, but are purchased at a discount from their face value with principal and accrued interest paid at maturity. Those Funds may also invest in stripped obligations, which are the separate income or principal components of a debt instrument, issued by the U.S. government or its agencies and instrumentalities. The market value of zero coupon bonds and stripped obligations may be subject to greater volatility in response to changes in interest rates than other debt securities.

INDEXED SECURITIES. The Small Cap Contrarian Fund, the Value & Income Fund and the U.S. Government Securities Fund may invest in indexed securities whose value is linked to currencies, interest rates, commodities, indices, or other financial indicators. Most indexed securities are short to intermediate term fixed-income securities whose values at maturity, or interest rates, rise or fall according to the change in one or more specified underlying instruments. Indexed securities may be positively or negatively indexed (i.e., their value may increase or decrease if the underlying instrument appreciates) and may have return characteristics similar to direct investments in the underlying

instrument or to one or more options on the underlying instrument. Indexed securities may be more volatile than the underlying instrument itself and the market for indexed securities may be thinner than the market for securities in general, which can adversely affect the availability of market quotations and the prices at which indexed securities are sold.

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REAL ESTATE INVESTMENT TRUSTS. The Small Cap Contrarian Fund may invest up to 10% of its total assets in real estate investment trusts ("REITs"). REITs are subject to volatility from risks associated with investments in real estate and investments dependent on income from real estate, such as fluctuating demand for real estate and sensitivity to adverse economic conditions. In addition, the failure of a REIT in which the Fund has invested to continue to qualify as a REIT for tax purposes would have an adverse impact on the value of the Fund's investment.

LENDING PORTFOLIO SECURITIES. Each Fund may lend its portfolio securities to institutional investors or broker-dealers to a maximum of 30% of its assets, where such loans are callable at any time and are continuously secured by collateral consisting of cash or liquid assets at least equal to the value of the security loaned. The collateral received by a Fund will be invested in short-term debt instruments. The respective Fund receives amounts equal to earned income for having made the loans. The respective Fund is the beneficial owner of the loaned securities in that any gain or loss in the market price during the loan period inures to the Fund. Thus, when the loan is terminated, the value of the securities may be more or less than their value at the beginning of the loan. In determining whether to lend its portfolio securities, each Fund takes into account the creditworthiness of the borrower since the Fund could experience costs and delays in recovering loaned securities or exercising its rights to the collateral in the event of bankruptcy of the borrower. Each Fund may pay a fee to placing brokers in connection with loans of its portfolio securities.

REPURCHASE AGREEMENTS. The Small Cap Contrarian Fund, Value & Income Fund and the U.S. Government Securities Fund may enter into repurchase agreements with banks and broker-dealers, under which the Fund purchases securities and agrees to sell them back at a specified time and price. The difference between the amount the Fund pays for the securities and the amount it receives upon resale is accrued as interest and reflected in its net income. In the event of a bankruptcy or default of certain sellers of repurchase agreements, the Fund could experience costs and delays in liquidating the underlying security, which is held as collateral, and the Fund might incur a loss if the value of the collateral held declines during this period. In determining whether to enter into a repurchase agreement, the respective Fund will take into account the creditworthiness of the counterparty. The Small Cap Contrarian Fund, Value & Income Fund and the U.S. Government Securities Fund will use repurchase agreements as a means of making short-term investments, and will invest in repurchase agreements of a duration of seven days or less in an amount not exceeding 25% of their respective net assets. Each Fund's ability to invest in repurchase agreements that mature in more than seven days is subject to an investment restriction that limits investment in "illiquid" securities, including such repurchase agreements, to 10% of net assets.

REVERSE REPURCHASE AGREEMENTS. The Small Cap Contrarian Fund may enter into reverse repurchase agreements with banks and broker-dealers, under which the Fund sells a portfolio security to such party in return for cash and the Fund agrees to repurchase the instrument at a particular price and time. While a

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reverse repurchase agreement is outstanding, the Fund will maintain appropriate liquid assets in a segregated custodial account to cover its obligations under the agreement. To the extent that the value of the security the Fund agrees to repurchase declines, the Fund may experience a loss. Reverse repurchase transactions may increase fluctuations in the market value of the Fund's assets and may be viewed as a form of leverage. In determining whether to enter into a reverse repurchase agreement, the Fund will take into account the creditworthiness of the counterparty.

WHEN-ISSUED AND DELAYED DELIVERY TRANSACTIONS. The Small Cap Contrarian, Value & Income and U.S. Government Securities Funds may purchase and sell securities on a "when-issued" and "delayed delivery" basis, i.e., obligate themselves to purchase or sell securities with delivery and payment to occur at a later date in order to secure what is considered to be an advantageous price and yield at the time of entering into the obligation. The market value of a security may increase or decrease between the time that the Fund makes its commitment and the time the security is delivered. Each Fund will make such commitments only with the intention of actually acquiring the securities, but may sell the securities before settlement date if it is deemed advisable for investment reasons. At the time a Fund makes a commitment to purchase an obligation, it will record the transaction and reflect the value of the obligation in determining its net asset value. The custodian will maintain on a daily basis a separate account consisting of cash or liquid securities with a value at least equal to the amount of the Fund's commitments to purchase when-issued obligations. There are no limitations on the percentage of the Fund's assets which may be invested in such securities; however, it is not expected that at any one time more than 25% of its assets would be so invested.

SHORT-TERM INVESTMENTS. Each Fund may invest a portion of its portfolio in liquid reserves to meet its cash flow requirements. Under normal conditions, none of the Funds anticipates that such reserves will exceed 10% of its assets. Such reserves may be increased to enable a Fund to take advantage of buying opportunities or may be increased up to 100% of a Fund's assets for temporary defensive purposes. Such reserves will be invested in money market instruments, including certificates of deposit, commercial paper, short-term corporate debt securities, and U.S. government securities.

BORROWINGS AND LEVERAGE. As a fundamental policy, the Value, Value & Income and U.S. Government Securities Funds will not borrow money or property except for temporary or emergency purposes. If one of those Funds ever should borrow money, it would only borrow from banks and in an amount not exceeding 10% of the market value of its total assets (not including the amount borrowed). None of the Value, Value & Income and U.S. Government Securities Funds will pledge more than 15% of its net assets to secure such borrowings. In the event one of those Funds' borrowings exceeds 5% of the market value of its total assets, the Fund will not invest in any additional portfolio securities until its borrowings are reduced to below 5% of its total assets. For purposes of these restrictions, collateral arrangements for premium and margin payments in connection with a Fund's hedging activities are not deemed to be a pledge of assets.

The Small Cap Contrarian Fund may borrow from banks

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up to one-third of its total assets, and may pledge its assets in connection with such borrowings. If the Small Cap Contrarian Fund makes additional investments while borrowings are outstanding, this may be construed as a form of leverage. This leverage may exaggerate changes in the Small Cap Contrarian Fund's share value and the gains and losses on the Fund's investments. Leverage also creates interest expenses that may exceed the return on investments made with the borrowings.

ILLIQUID INVESTMENTS. Under the supervision of, and pursuant to the guidelines adopted by, the Board of Directors, Heartland Advisors determines which of a Fund's investments are classified as illiquid. The absence of a trading market can make it difficult to ascertain a market value for illiquid investments. Disposing of illiquid investments may involve time-consuming negotiation and legal expenses, and it may be difficult or impossible for a Fund to sell such an investment promptly at an acceptable price. None of the Funds may invest more than 10% of their respective net assets in illiquid investments.

PORTFOLIO TURNOVER. The Value Fund and the Value & Income Fund will not trade portfolio securities for short-term profits, but when circumstances warrant, securities may be sold without regard to their holding period. During the fiscal years ended December 31, 1994 and 1993, the portfolio turnover rates for the Value Fund were 35% and 51%, respectively, and for the U.S. Government Securities Fund were 95% and 200%, respectively. The portfolio turnover rate for the Value & Income Fund for the fiscal year ended December 31, 1994 was 127% and for the period from October 26, 1993 (commencement of operations) to December 31, 1993 was 6%. Annual portfolio turnover for the Small Cap Contrarian Fund is expected to be less than 200%. A high turnover rate may increase transaction costs and may affect taxes paid by shareholders to the extent short-term gains are distributed.

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HOW TO BUY SHARES

SHARE PRICE

The Fund's shares are sold without a sales charge. Each Fund's share price is the net asset value per share next determined following receipt of an order in proper form or receipt of funds by the Agent if purchase is made by wire. Net asset value is calculated daily as described under "Net Asset Value Calculation." Firststar Trust Company serves as the Fund's transfer and dividend disbursing agent (the "Agent").

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OPENING AN ACCOUNT AND PURCHASING SHARES

BY MAIL TO:

Firststar Trust Company  
Mutual Fund Services, 3rd Floor  
P.O. Box 701  
Milwaukee, WI 53201-0701

BY OVERNIGHT MAIL TO:

Firststar Trust Company  
Mutual Fund Services, 3rd Floor  
615 East Michigan Street  
Milwaukee, WI 53202

To Open an Account:

Complete and sign the Account Application. Make your check payable to either Heartland Value Fund, Heartland Small Cap Contrarian Fund, Heartland Value & Income Fund or Heartland U.S. Government Securities Fund and mail to one of the addresses above.

If you are you are investing through a tax-sheltered retirement plan, such as an IRA, you will need to use a special application

To Add to an Account:

Make your check payable to the Fund you are invested in, indicate your Fund account number on your check, and mail to one of the addresses above. You may also include an "Additional Investment Form" from a prior account statement with your check.

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BY WIRE: (NOT AVAILABLE FOR INVESTMENTS IN RETIREMENT PLANS)

Firststar National Bank  
ABA #0750-00022  
Firststar Trust MFS A/C #112-952-137  
777 East Wisconsin Avenue, Milwaukee, WI 53202  
CREDIT TO: Heartland (name of Fund), (your account number and the title of the account)

To Open an Account:

Call the Agent at 1-800-248-1162 for an account number prior to sending the wire. Specify Fund name, include your name, and your new account number, and wire as described above. Then complete, sign and mail the Account Application to one of the addresses above for mail or overnight mail.

To Add to An Account:

Specify Fund name, include your name and account number, and wire as described above.

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BY TELEPHONE TO THE AGENT:

1-800-248-1162 or 414-287-3702

To Open an Account:

Unless you have elected not to have this privilege on the Account Application, you may call to exchange from another Heartland fund account with the same registration, including name, address and taxpayer ID number. See "Shareholder Services-Exchange Privilege."

To Add to an Account:

Unless you have elected not to have this privilege on the Account Application, you may call to exchange from another Heartland fund account with the same registration, including name, address and taxpayer ID. See "Shareholder Services-Exchange Privilege."

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 AUTOMATICALLY:

To Open an Account:  
 Not available.

To Add to An Account:  
 Use Heartland's automatic investment plan. Sign up for this service on your Account Application, or call 1-800-HEARTLN to add it.

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THROUGH SECURITIES REPRESENTATIVES:

To Open an Account:  
 You may purchase shares through a broker-dealer or financial institution which must promptly forward the order, together with payment, to the Agent. The broker-dealer or financial institution may charge a fee for such services.

To Add to An Account:  
 You may purchase shares through a broker-dealer or financial institution which must promptly forward the order, together with payment, to the Agent. The broker-dealer or financial institution may charge a fee for such services.

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CONDITIONS OF YOUR PURCHASE.

MINIMUM INVESTMENTS. The minimum initial investment for each Fund is \$1,000, except in the case of retirement plan investors and investors who elect to invest through the automatic investment plan (see "SHAREHOLDER SERVICES"). The minimum additional investment, except for reinvestments of distributions and investments under the automatic investment plan, is \$100.

PURCHASES THROUGH SERVICE PROVIDERS. If you purchase shares through a program of services offered or administered by a broker-dealer, financial institution, or other service provider, you should read the program materials provided by the service provider, including information relating to fees, in conjunction with this Prospectus. Certain features of a Fund may not be available or may be modified in connection with the program of services provided. When shares are purchased this way, the service provider, rather than its customer, may be the shareholder of record of the shares. Certain service providers may receive compensation from the Funds or Heartland Advisors for providing such services.

OTHER CONDITIONS. All purchases must be made in U.S. dollars and checks must be drawn on U.S. banks. Cash will not be accepted for the purchase of shares. If a check fails to clear, the purchase to which the check relates will be cancelled and the prospective investor will be liable for any losses or fees incurred by the Funds or the Funds' Agent, including without limitation a \$15 fee to cover bank handling charges for returning checks due to insufficient funds. When purchases are made by check, a Fund can hold payment on redemption of shares so purchased until the Fund is reasonably satisfied that the check has cleared. To avoid such a delay, an investor can wire federal funds as described

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above from a bank, which may charge a fee for that service. Wiring federal funds means that the bank sends money to a bank account maintained by a Fund through the Federal Reserve System.

VALUE FUND CLOSING TO NEW INVESTORS

Effective July 1, 1995, the Value Fund will be closed to new investors, except as described below. Investors who hold shares of the Value Fund, either in their own name or through a service provider, on July 1, 1995, may continue to add to an existing account or may open a new Value Fund account (i) through the purchase of additional Value Fund shares, (ii) through the reinvestment of dividends and cash distributions on any Value Fund shares owned, and (iii) through exchanges from other Heartland Fund accounts or a Portico Money Market Fund account. New accounts which a Value Fund investor may open include accounts where the shareholder is the owner, a joint owner, or a custodian for a minor child. Employee benefit plans that became shareholders before the July 1, 1995 closing date may continue to purchase Fund shares in the course of



If you do not fall into any of these registration categories (i.e., executors, administrators, conservators, or guardians), please call the Agent for further instructions.

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TELEPHONE REDEMPTIONS. Shares may be redeemed by telephone to the Agent, unless the shareholder elects not to have this privilege on the account application. By establishing the telephone redemption service, the shareholder assumes some risks for unauthorized transactions. Heartland Advisors has implemented procedures designed to reasonably assure that telephone instructions are genuine. These procedures include recording telephone conversations, requesting verification of various pieces of personal information and providing written confirmation of such transactions. If the Agent, the Funds, Heartland Advisors or any of their employees fails to abide by these procedures, the Funds may be liable to a shareholder for losses he or she suffers from any resulting unauthorized transaction(s). However, none of the Agent, the Custodian, the Funds, Heartland Advisors or any of their employees will be liable for losses suffered by a shareholder which result from following telephone instructions reasonably believed to be genuine after verification pursuant to these procedures.

There is currently no charge for telephone redemptions, although a charge may be imposed in the future. During periods of substantial economic or market changes, telephone redemptions may be difficult to implement. If a shareholder is unable to contact the Agent by telephone, shares may also be redeemed by delivering the redemption request to the Agent in person or by mail as described above. The Agent and the Funds reserve the right to change, modify or terminate this telephone redemption service at any time.

SIGNATURE GUARANTEES. To protect your account, the Agent and the Funds from fraud, signature guarantees are required for certain redemptions. Signature guarantees enable the Agent to be sure that you are the person who has authorized a redemption from your account. Signature guarantees are required for: (1) any redemption by mail if the proceeds are to be paid to someone other than the person(s) or organization in whose name the account is registered or are to be sent to an address other than the address of the registered holder of the shares; (2) any redemptions by mail which request that the proceeds be wired to a bank; (3) any redemptions by mail where the redemption proceeds exceed \$25,000; and (4) requests to transfer the registration of shares to another owner. These requirements may be waived by the Funds in certain instances.

The following institutions are acceptable guarantors: (a) commercial banks, savings and loan associations and savings banks, which are members of the Federal Deposit Insurance Corporation; (b) credit unions; (c) trust companies; (d) firms which are members of a domestic stock exchange; and (e) foreign branches of any of the above. The Agent cannot accept guarantees from notaries public.

SENDING REDEMPTION PROCEEDS. The Agent will not send redemption proceeds until all payments for the shares being redeemed have cleared, which may take up to 15 days from the purchase date.

BY MAIL. The Agent mails checks for redemption proceeds typically within one or two days, but not later than seven days, after it receives the request and all necessary documents. The Agent will send redemption proceeds in accordance with your instructions.

BY WIRE. The Agent will normally wire redemption proceeds to your bank the next business day after receiving the redemption request and all necessary documents. The signatures on any written request for a wire redemption must be guaranteed. The Agent currently deducts a \$7.50 wire charge from the redemption proceeds. This charge is subject to change. You will be responsible for any charges which your bank may make for receiving wires.

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CERTAIN CONDITIONS. If, due to redemption or transfer, a shareholder's account drops below \$500 for three months or more, the Funds have the right to redeem the shareholder's account, after giving 60 days notice, unless the shareholder makes additional investments to bring the account value to \$1,000. No contingent deferred sales charge will be imposed on any involuntary redemption.

A Fund may suspend the right to redeem shares for any period during which (a) the New York Stock Exchange is closed or the Securities and Exchange Commission determines that trading on the Exchange is restricted; (b) there is an emergency as a result of which it is not reasonably practicable for the Fund to sell its portfolio securities or to calculate the fair value of its net assets; or (c) the Securities and Exchange Commission may permit for the protection of shareholders.

#### CONTINGENT DEFERRED SALES CHARGE

The following information regarding redemptions of shares subject to contingent deferred sales charges applies only to shares of the Funds that were purchased between February 12, 1993 and June 1, 1994 subject to a contingent deferred sales charge and does not apply to shares of the Funds purchased on or after June 1, 1994.

REDEMPTION PRICE. Shares of each Fund purchased between February 12, 1993 and June 1, 1994 that are redeemed within three years of purchase may be subject to a contingent deferred sales charge at the rates set forth below. The charge will be assessed on an amount equal to the lesser of the cost of the shares being redeemed or their net asset value at the time of redemption. Accordingly, no sales charge will be imposed on increases in net asset value above the initial purchase price. In addition, no charge will be assessed on shares derived from reinvestment of dividends or capital gains distributions.

The amount of the contingent deferred sales charge, if any, will vary depending on the number of years from the time of payment for the purchase of the shares until the time of redemption of such shares. The following table sets forth rates of the contingent deferred sales charge for the Funds:

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YEAR SINCE PURCHASE PAYMENT MADE	CONTINGENT DEFERRED SALES CHARGE AS A % OF DOLLAR AMOUNT SUBJECT TO CHARGE
First	3.0%
Second	2.0%
Third	1.0%
Fourth and thereafter	None

</TABLE>

In determining whether a contingent deferred sales charge is applicable to a redemption, the calculation will be made in the manner that results in the lowest possible rate being charged. Therefore, it will be assumed that the redemption is first of shares purchased prior to the adoption of a contingent deferred sales charge, then of shares held for over three years or shares acquired pursuant to reinvestment of dividends or distributions and then of shares held longest during the three-year period. The charge will not be applied to dollar amounts representing an increase in the net asset value since the time of purchase.

AN EXAMPLE. Assume an investor purchased one hundred shares at \$10 per share (at a cost of \$1,000), and in the second year after purchase, the net asset value per share is \$12 and, during such time, the investor has acquired 10 additional shares through dividend reinvestment. If at such time the investor makes his or her first redemption of 50 shares (proceeds of \$600), 10 shares will not be subject to the charge because of dividend reinvestment. With respect to the remaining 40 shares, the charge is applied only to the original cost of \$10 per share and not to the increase in net asset value of \$2 per share. Therefore,

#### PROSPECTUS

\$400 of the \$600 redemption proceeds will be charged at a rate of 2.0% (the applicable rate in the second year after purchase).

REDEMPTIONS AT NET ASSET VALUE. The contingent deferred sales charge is waived with respect to the following limited classes of redemptions: (i) redemptions following the death or disability (as defined in the Internal Revenue Code of 1986) of a shareholder if the Fund is notified of the death or disability at the time redemption is requested and such request is made within one year after such death or disability; (ii) redemptions in connection with retirement plan distributions (a) resulting from the death or disability of the employee or the tax-free return of an excess contribution or (b) to the extent that the redemption represents a minimum required distribution to a shareholder who has attained the age at which distributions are required to commence; (iii) redemptions by current or retired directors and officers of Heartland and Heartland Advisors, full-time employees of Heartland Advisors and retirement plans for such employees, and registered representatives of broker-dealers who have signed dealer agreements with Heartland Advisors for their personal accounts; (iv) redemptions by managed accounts of Heartland Advisors or an affiliated company or redemptions by companies affiliated with Heartland; (v) redemptions by any tax-exempt employee benefit plan for which continuation of its investment in a Fund would be improper under applicable law or regulation, subject to the Fund's right to require an opinion of counsel to that effect; and (vi) redemptions by registered investment companies or their shareholders resulting from reorganization transactions with a Fund. The term "employee" includes an employee's spouse (including the surviving spouse of a deceased employee) and children under 21 and retired employees. The contingent deferred sales charge is also waived in limited circumstances in conjunction with certain shareholder services. (See "Shareholder Services.") The shareholder must certify to the Fund, at the time of redemption, that certain qualifications are met and that the shareholder is entitled to waiver of the contingent deferred sales charge. The waiver will be granted subject to confirmation of the investor's entitlement.

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SHAREHOLDER SERVICES

Each Fund offers a number of shareholder services designed to facilitate investment in its shares. Full details of each of the services and instructions as to how to participate in the various services can be obtained from the Funds or Heartland Advisors.

AUTOMATIC DIVIDEND REINVESTMENT. You may automatically reinvest all dividends and distributions or elect to receive them in the form of a check. If your dividends and distributions are reinvested, they will automatically purchase additional shares of your current Fund, or shares of one of the other three Funds, as indicated on your account application, at the net asset value determined on the dividend or distribution payment date, without any sales charge or fees. You may change your election at any time by writing Heartland Advisors. Heartland Advisors must receive any change seven days prior to a payment date for it to be effective for that payment.

TAX-SHELTERED RETIREMENT PLANS. Shares of each Fund are available for purchase in connection with the following tax-sheltered retirement plans: (i) Keogh Plans (H.R. 10) for self-employed individuals; (ii) Qualified Corporate Pension and Profit-Sharing Plans for employees; (iii) Individual Retirement Accounts and Simplified Employee Pension Plans for individuals and employers; and (iv) 403(b) Plans for employees of most non-profit organizations.

PROSPECTUS  
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The minimum initial retirement plan investment in any Fund is \$500 (\$250 in the case of a spousal IRA). Firststar Trust Company, as the trustee of the Individual Retirement Account plan, charges a \$12.50 annual maintenance fee (subject to change by the trustee) for each Individual Retirement Account. For other tax-sheltered retirement plans, the individual investor must employ a self-directed plan. Detailed information concerning these plans and copies of the plans are available from Heartland Advisors. This information should be read carefully and consultation with an attorney or tax advisor may be advisable.

AUTOMATIC INVESTMENT PLAN. The automatic investment plan of each Fund offers a simple way to maintain a regular investment program. By completing the automatic investment portion of the account application attached to this Prospectus, you may arrange automatic transfers (minimum \$50 per transaction) from your checking account to your account in one of the Funds on a monthly or twice-monthly basis. IRA contributions through the automatic investment plan apply as a current year purchase and may not be applied as prior year contributions. The application must be accompanied by a "voided" check, and be received at least 14 business days prior to the initial transaction. Once

enrolled in the automatic investment plan, you may change the monthly amount or terminate your participation at any time by writing the Agent. Allow five business days for a change to become effective. Your bank must be a member of Automated Clearing House. If the automatic purchase cannot be made due to insufficient funds or a stop payment, a \$15 service fee will be assessed. If you stop making automatic investments when your aggregate investment in a Fund is less than \$500, the Fund reserves the right to redeem your account after giving 60 days notice, unless you make additional investments to bring your account value to \$1,000. The program will automatically be terminated upon redemption of all shares, including an exchange of all shares to another fund. You will receive a confirmation of each transaction from the Agent and your regular bank account statement will show the debit transaction each month.

**SYSTEMATIC WITHDRAWAL PLAN.** You can set up automatic withdrawals from your account at monthly, quarterly, or annual intervals. To begin distributions, you must have an initial balance of \$25,000 in your account and withdraw at least \$100 per payment but no more than 2%, 6%, 12% or 24% of your initial account balance each monthly, quarterly, semi-annual or annual payment, respectively. Shares redeemed under the plan will be redeemed at their net asset value. To establish the systematic withdrawal plan, request a form by calling 1-800-HEARTLN. The systematic withdrawal plan may be terminated by you or by the Funds at any time by written notice. The minimum investment accepted while a withdrawal plan is in effect is \$1,000.

**EXCHANGE PRIVILEGE.** Shares of a Fund which have been registered in your name for at least 15 days may be exchanged for shares of any other Heartland fund, or for shares in the Portico Money Market Fund, provided the fund into which you wish to exchange is qualified for sale in the jurisdiction of residence which you state at the time you make the exchange. Before initiating an exchange, you should obtain from Heartland Advisors and carefully read the prospectus relating to the fund into which you wish to exchange.

**Exchanges Among Heartland Funds.** Under the exchange privilege, each Heartland fund offers to exchange its shares for shares of another Heartland fund on the basis of relative net asset value per share, without the payment of any fees or charges. In order to qualify for the exchange privilege without further approval of the Fund, it is required that the shares being exchanged have a net

PROSPECTUS

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asset value of at least \$1,000, but not more than \$500,000. In addition, if you have certificates for any shares being exchanged, you must surrender such certificates in the same manner as in redemption of shares.

**Exchanges with Portico.** Shareholders may exchange all or a portion of their shares in the Funds for shares of the Portico Money Market Fund at their relative net asset values and may also exchange back into a Heartland fund without the imposition of any charges or fees. These exchanges are subject to the minimum purchase and redemption amounts set forth in the prospectus for the Portico Money Market Fund. No charge to shareholders is imposed in connection with this exchange; however, Heartland Advisors, as distributor, is entitled to receive a fee from the Portico Money Market Fund for certain distribution and support services at the annual rate of .20 of 1% of the average daily net asset value of the shares for which it is the holder or dealer of record.

**How to Exchange.** To exercise the exchange privilege, you need to do one of the following: (a) contact the Agent by telephone (1-800-248-1162 or 414-287-3702) and request the exchange, unless you have elected not to have this telephone privilege by so indicating on the Account Application; (b) complete an Exchange Application available from the Fund's Agent and submit it to the Agent; or (c) contact your broker-dealer or financial institution (either in writing or by telephone) who will advise Heartland of the exchange, but who may charge a fee for such service. See "HOW TO REDEEM SHARES - Telephone Redemptions" for information on transactions by telephone.

**Exchanges of Shares Subject to a Contingent Deferred Sales Charge.** Shares of the Funds that were purchased between February 12, 1993 and June 1, 1994 subject to a contingent deferred sales charge that are exchanged for shares of any other Heartland fund or shares of the Portico Money Market Fund will remain subject to the contingent deferred sales charge schedule of the original shares, payable upon ultimate redemption of the new shares. For purposes of computing the sales charge payable upon redemption of the new shares, the holding period for the original shares is added to the holding period of the new shares.

**Tax and Other Considerations.** An exchange between funds is treated as a sale for federal income tax purposes and, depending upon the circumstances, a short

or long-term capital gain or loss may be realized. If you have questions as to the tax consequences of an exchange, you should consult your tax advisor. The exchange privilege may be modified or terminated at any time upon 60 days prior written notice. Although an investor may make up to four exchanges in any calendar year, Heartland reserves the right to limit the number of exchanges beyond that.

REINVESTMENT PRIVILEGE. If you redeem shares of the Funds that were purchased between February 12, 1993 and June 1, 1994 subject to a contingent deferred sales charge, and then reinvest all or part of the redemption proceeds in any Heartland Fund, you will receive a pro rata credit from Heartland Advisors based on the amount of any contingent deferred sales charge paid relative to the number of shares reinvested. In order to exercise the reinvestment privilege, you must send written notice of your reinvestment to the Fund or the Agent not more than 30 days after the shares are redeemed. Redemption proceeds will be reinvested on the basis of net asset value of the shares in effect immediately after receipt of the written request and the shares will continue to be subject to the contingent deferred sales charge as if redemption had not occurred. Any capital gains tax incurred on redemption of shares of a Fund is not altered by the subsequent exercise of

PROSPECTUS

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this privilege. If redemption resulted in a loss and reinvestment is made in shares of a Fund, the loss will not be recognized.  
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DIVIDENDS, CAPITAL GAINS, DISTRIBUTIONS AND TAXES

DIVIDENDS. Substantially all of the Value Fund's and the Small Cap Contrarian Fund's net investment income will be paid to shareholders annually as a dividend. With respect to the Value & Income Fund, dividends will be paid to shareholders quarterly. In the U.S. Government Securities Fund, dividends will be declared daily and paid monthly. Dividends may be taken in cash or additional shares at net asset value. Dividends and capital gain distributions will be automatically reinvested in additional shares of the same Fund or another Fund, unless a shareholder has elected in writing to the Agent to receive dividends and capital gain distributions in cash.

DISTRIBUTIONS. Capital gains distributions for each Fund, if any, will normally be paid within 30 days after the end of the fiscal year.

TAXES. Each Fund intends to qualify as a "regulated investment company" under Subchapter M of the Internal Revenue Code (the "Code") and, if so qualified, will not be subject to federal income taxes to the extent its earnings are timely distributed. Each Fund also intends to make distributions as required by the Code to avoid the imposition of a 4% excise tax.

Each Fund will distribute substantially all of its net investment income and net capital gains to investors. Distributions from a Fund's income and short-term capital gains are taxed as dividends, and long-term capital gain distributions are taxed as long-term capital gains. Distributions of long-term capital gains will be taxable to the investor as long-term capital gains regardless of the length of time shares have been held. A portion of each Fund's dividends may qualify for the dividends received deduction for corporations. The Funds' distributions are taxable when they are paid, whether a shareholder takes them in cash or reinvests them in additional shares, except that distributions declared in December and paid in January are taxable as if paid on December 31. The federal income tax status of all distributions will be reported to shareholders annually.

"BUYING A DIVIDEND." On the record date for a distribution by a Fund, its share price is reduced by the amount of the distribution. If you buy shares just before the record date ("buying a dividend"), you will pay the full price for the shares, and then receive a portion of the price back as a taxable distribution.

OTHER TAX INFORMATION. Under federal tax law, some shareholders may be subject to a 31% withholding on reportable dividends, capital gains distributions, and redemption payments ("backup withholding"). Generally, investors subject to backup withholding will be those for whom a taxpayer identification number is not on file with the Fund or who, to the Fund's knowledge, have furnished an incorrect number. In order to avoid this withholding requirement, an investor must certify on the account application that the taxpayer identification number provided is correct and that the investment is not otherwise subject to backup withholding, or is exempt from backup withholding.

The foregoing tax discussion is general in nature and each investor is advised to consult his or her tax advisor for additional information.

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THE FUNDS AND THE HEARTLAND ORGANIZATION

The Board of Directors provides broad supervision over the affairs of each Fund, and the officers are responsible for its operations.

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HEARTLAND ADVISORS

Heartland Advisors provides the Funds with overall investment advisory and administrative services under an Investment Advisory Agreement with Heartland. Subject to policies established by Heartland's Board of Directors, Heartland Advisors makes investment decisions on behalf of each Fund, makes available research and statistical data, and supervises the acquisition and disposition of investments by each Fund. Heartland Advisors is also the distributor for each Fund.

Heartland Advisors, founded in 1982, serves as the investment advisor for the Heartland Wisconsin Tax Free and Nebraska Tax Free Funds, two additional series of Heartland, and also provides investment management services for individuals, and institutional accounts, such as pension funds and profit-sharing plans. As of March 31, 1995, Heartland Advisors had approximately \$1.1 billion in assets under management. Heartland Advisors' principal mailing address is 790 North Milwaukee Street, Milwaukee, Wisconsin 53202. William J. Nasgovitz, a Director and President of Heartland and Heartland Advisors, is a controlling person of Heartland Advisors through his ownership of a majority of its voting common stock. Hugh F. Denison and Patrick J. Retzer are also Directors of Heartland and officers and Directors of Heartland Advisors.

Heartland Advisors bears all of its expenses in providing services under its Investment Advisory Agreement and pays all salaries, fees and expenses of the officers and directors of Heartland who are affiliated with Heartland Advisors. Each Fund bears all of its other expenses including, but not limited to, necessary office space, telephone and other communications facilities and personnel competent to perform administrative, clerical and shareholder relations functions; a pro rata portion of salary, fees and expenses (including legal fees) of those directors, officers and employees of Heartland who are not officers, directors or employees of Heartland Advisors; interest expenses; fees and expenses of the Custodian, Transfer and Dividend Disbursing Agent; taxes and governmental fees; brokerage commissions and other expenses incurred in acquiring or disposing of portfolio securities; expenses of registering and qualifying shares for sale with the Securities and Exchange Commission and state securities commissions; accounting and legal costs; insurance premiums; expenses of maintaining the Fund's legal existence and of shareholder meetings; expenses of preparation and distribution to existing shareholders of reports, proxies and prospectuses; and fees and expenses of membership in industry organizations.

For the fiscal year ended December 31, 1994, the Value Fund paid advisory fees of \$1,985,370, or approximately 0.75 of 1% of average net assets during that year. The Small Cap Contrarian Fund pays Heartland Advisors an annual fee for its advisory services at the rate of 0.75 of 1% of the Fund's average daily net assets. While the advisory fees paid by the Value Fund and the Small Cap Contrarian Fund are larger than the fees paid by most mutual funds, the Board of Directors believes they are consistent with the fees paid by many funds with similar investment characteristics and objectives. For the fiscal year ended December 31, 1994, the Value & Income Fund paid advisory fees of \$63,697, or approximately 0.70 of 1% of the Fund's average daily net assets.

For the fiscal year ended December 31, 1994, the U.S. Government Securities Fund paid advisory fees of \$361,242, or approximately .50 of 1% of average net assets. Heartland Advisors voluntarily waived a portion of its fee during that year; had no fee waiver been in effect, the U.S. Government Securities Fund would have paid \$469,614 in advisory fees, or 0.65 of 1% of average net assets for the year. At present, Heartland Advisors is voluntarily waiving 0.15 of 1% of its investment advisory

PROSPECTUS



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 fee for the U.S. Government Securities Fund, resulting in a currently effective annual rate of 0.5 of 1% of average daily net assets. Heartland Advisors may reinstate an additional portion or all of the fee at any time.

PORTFOLIO MANAGERS. William J. Nasgovitz and Hugh F. Denison have served as portfolio managers for the Value Fund since commencement of its operations and October of 1988, respectively. Mr. Nasgovitz and Patrick J. Retzer have served as portfolio managers for the U.S. Government Securities Fund since October of 1988 and Mr. Nasgovitz has served as portfolio manager for the Small Cap Contrarian Fund and the Value & Income Fund since commencement of their respective operations. Mr. Nasgovitz has been President and a Director of Heartland Advisors and Heartland since 1982 and was Senior Vice President-Investments with Dain Bosworth Incorporated from 1988 to June of 1992. Mr. Denison has been Vice President and a Director of Heartland Advisors since 1988 and a Director of Heartland since 1989. Mr. Retzer has been Vice President and Treasurer of Heartland Advisors and Heartland since 1987, a Director of Heartland Advisors since 1988 and a Director of Heartland since 1993.

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 THE DISTRIBUTION PLAN

Each Fund has adopted a Distribution Plan which, among other things, requires it to pay Heartland Advisors, as distributor, a quarterly distribution fee of up to 0.25 of 1% of its average daily net assets computed on an annual basis. Under each Plan, the Fund is obligated to pay distribution fees only to the extent of expenses actually incurred by Heartland Advisors, as distributor, for the current year, and thus there will be no carry-over expenses from previous years. These expenses may include expenses incurred for media advertising, the printing and mailing of prospectuses to persons other than shareholders, the printing and mailing of sales literature, answering routine questions relating to a Fund, and payments to selling representatives, authorized securities dealers, financial institutions, or other service providers for providing services in assisting investors with their investments and/or for providing administrative, accounting and other services with respect to a Fund's shareholders. No fee paid by a Fund under the Plans may be used to reimburse Heartland Advisors for expenses incurred in connection with another Fund. Each Distribution Plan will continue in effect, if not sooner terminated in accordance with its terms, for successive one-year periods, provided that each such continuance is specifically approved by the vote of the Directors, including a majority of the Directors who are not interested persons, of Heartland. For further information regarding the Distribution Plans, see the Statement of Additional Information.

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 NET ASSET VALUE CALCULATION

Each Fund's share price or net asset value per share is computed daily by dividing the total value of the investments and other assets of the Fund, less any liabilities, by the total outstanding shares of the Fund. The net asset value per share is determined as of the close of the New York Stock Exchange regular trading (generally 4:00 p.m. Eastern time) on each day the New York Stock Exchange is opened.

Securities owned by the Funds are valued on the basis of market quotations or at their fair value. Fair value of any of the Funds' debt securities for which market quotations are not readily available will be determined by a pricing service approved by Heartland's Board of Directors, based primarily upon information concerning market transactions and dealer quotations for similar securities. Debt securities having maturities of 60 days or less may be valued at acquisition cost, plus or minus

PROSPECTUS  
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 any amortized discount or premium. Any securities or other assets for which market quotations are not readily available will be valued in good faith at their fair market value using methods determined by Heartland's Board of Directors.

Foreign securities are valued on the basis of quotations from the primary market in which they are traded, and are translated from the local currency into U.S. dollars using current exchange rates. Fluctuations in the

value of such currencies in relation to the U.S. dollar may affect the net asset value of Fund shares even if there has not been any change in the foreign currency denominated values of such securities.

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DESCRIPTION OF FUND SHARES

Heartland is a diversified open-end management investment company registered under the Investment Company Act of 1940, which was organized in 1986 as a Maryland corporation. The authorized common stock of Heartland consists of one billion shares, \$0.001 par value per share. Heartland is a series company, which means the Board of Directors may establish additional series, and may increase or decrease the number of shares in each series. The Funds are each a separate diversified mutual fund series of Heartland. Currently, the Heartland family of funds consists of the following series:

<TABLE>  
<CAPTION>

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FUND	COMMENCED OPERATIONS	AUTHORIZED SHARES
<S>	<C>	<C>
Value Fund	12/28/84	100,000,000
Small Cap Contrarian Fund	4/27/95	100,000,000
Value & Income Fund	10/26/93	100,000,000
U.S. Government Securities Fund	4/9/87	100,000,000
Wisconsin Tax Free Fund	4/3/92	100,000,000
Nebraska Tax Free Fund	9/27/93	100,000,000

</TABLE>

Each share has one vote, and when issued and paid for in accordance with the terms of the offering will be fully paid and non-assessable. On matters affecting an individual Heartland fund (such as approval of advisory contracts and changes in fundamental policy of a fund) a separate vote of the shares of that fund is required. Shares of a fund are not entitled to vote on any matter not affecting that fund. All shares of each Heartland fund vote together in the election of Directors at each meeting of shareholders at which directors are to be elected and on other matters as provided by law, or Heartland's Articles of Incorporation or Bylaws. Heartland's Bylaws do not require that meetings of shareholders be held annually. However, special meetings of shareholders may be called for purposes such as electing or removing directors, changing fundamental policies or approving investment advisory contracts.

Shares of stock are redeemable at net asset value, less any applicable contingent deferred sales charge, at the option of the shareholder. Shares have no preemptive, cumulative voting, subscription or conversion rights and are freely transferable. Shares can be issued as full shares or fractions of shares. A fraction of a share has the same kind of rights and privileges as a full share on a pro rata basis. Shareholder inquiries should be directed to the Funds at the address shown on the back cover of the Prospectus.

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PORTFOLIO TRANSACTIONS

As provided in its Investment Advisory Agreement, Heartland Advisors is responsible for each Fund's portfolio decisions and the placing of portfolio transactions. Purchase and sale orders for a Fund's portfolio securities may be effected through brokers who charge a commission for their services, although it is expected that transactions in debt securities will generally be conducted with dealers acting as principals.

PROSPECTUS  
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In executing such transactions, Heartland Advisors seeks to obtain the best net results for each Fund, taking into account such factors as price (including the brokerage commission or dealer spread), size of order, competitive commissions on similar transactions, difficulty of execution and operational facilities of the firm involved and the firm's risk in positioning a block of securities. While Heartland Advisors seeks reasonably competitive rates, it does not necessarily pay the lowest commission or spreads available. Transactions in smaller companies in which the Value Fund and the Small Cap Contrarian Fund invest may involve specialized services on the part of the broker and thereby entail higher commissions or spreads than would be paid in transactions involving more widely traded securities.

The Funds will not deal with Heartland Advisors in any transaction in which Heartland Advisors acts as a principal. However, Heartland Advisors may serve as broker to a Fund in over-the-counter transactions conducted on an agency basis. Pursuant to plans adopted by Heartland's Board of Directors for each of the Funds under, and subject to, the provisions of Rule 10f-3 under the Investment Company Act of 1940, the Funds may purchase securities in an offering from an underwriter which is a member of an underwriting syndicate of which Heartland Advisors is also a member. The plans and Rule 10f-3 limit the securities that may be so purchased, the time and manner of purchase, the underwriting discount and amount of purchase, and require a review by the Board of Directors of any such transactions at least quarterly.

Heartland Advisors may serve as a broker for any Heartland fund; however, in order for Heartland Advisors to effect any portfolio transactions for the funds, the commissions, fees or other remuneration received by Heartland Advisors must be reasonable and fair compared to, and will not ordinarily be larger than, the commissions, fees or other remuneration paid to other brokers in connection with comparable transactions involving similar securities being purchased or sold on a securities exchange or on NASDAQ during a comparable period of time.

Allocation of transactions, including their frequency, to various dealers is determined by Heartland Advisors in its best judgment and in a manner deemed fair and reasonable to shareholders. The primary consideration is prompt and efficient execution of orders in an effective manner at the most favorable price. Subject to this primary consideration, Heartland Advisors may also consider sales of the shares of any or all of the Heartland funds as a factor in the selection of broker-dealers to execute portfolio transactions.

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PERFORMANCE INFORMATION

From time to time each Fund may advertise its "yield" and "total return." Yield is based on historical earnings and total return is based on historical distributions; neither is intended to indicate future performance. The "yield" of a Fund refers to the income generated by an investment in that fund over a one-month period (which period will be stated in the advertisement). This income is then "annualized." That is, the amount of income generated by the investment during the month is assumed to be generated each month over a 12-month period and is shown as a percentage of the investment.

"Total return" of a Fund refers to the average annual total return for one, five and ten-year periods (or the portion thereof during which a Fund has been in existence). Total return is the change in redemption value of shares purchased with an initial \$1,000 investment, assuming the reinvestment of dividends

PROSPECTUS

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and capital gain distributions and the redemption of the shares at the end of the period. Prior to June 1, 1994, shares of the Funds had been sold subject to a contingent deferred sales charge and prior to February 12, 1993, shares of the Value and U.S. Government Securities Funds had been sold subject to an initial sales charge, neither of which are reflected in the total return figures, rather the figures reflect the current no-load sales structure. Performance information should be considered in light of the particular Fund's investment objectives and policies, characteristics and quality of its portfolio securities and the market conditions during the applicable period, and should not be considered as a representation of what may be achieved in the future. Further information is contained in the Statement of Additional Information.

Each Fund may, from time to time, compare its performance to other mutual funds with similar investment objectives and to the industry as a whole, as quoted by ranking services and publications, such as Lipper Analytical Services, Inc., CDA Technologies, Forbes, Money and Business Week. These rating services and magazines rank the performance of the Funds against all funds over specified periods and in specified categories. The Value Fund and the Small Cap Contrarian Fund would appear in the Small Company Growth or Capital Appreciation categories, the U.S. Government Securities Fund would appear in the Fixed Income or U.S. Government Bond categories and the Value & Income Fund would appear in the Growth and Income category. Each Fund may also compare its performance to recognized stock and bond market indices, including Standard & Pooors 500 Stock Index, the Russell 2000 Stock Index, and the Lehman Intermediate Government Bond Index.

Notes:

HEARTLAND FUNDS

General Information:

1-800-HEARTLN or (414) 347-7777

Account/Price Information:

1-800-248-1162 (24 hrs.) or (414) 287-3702

HEARTLAND FUNDS

790 North Milwaukee Street  
Milwaukee, Wisconsin 53202

INVESTMENT ADVISOR and DISTRIBUTOR

Heartland Advisors, Inc.  
790 North Milwaukee Street  
Milwaukee, Wisconsin 53202

CUSTODIAN, TRANSFER AND  
DIVIDEND DISBURSING AGENT

Firststar Trust Company  
Mutual Fund Services, 3rd Floor  
P. O. Box 701  
Milwaukee, Wisconsin 53201-0701

AUDITOR

Arthur Andersen LLP  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

COUNSEL

Quarles & Brady  
411 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

<TABLE>  
<S><C>

[Heartland HEARTLAND FUNDS  
Funds -----  
Logo] Account Application  
For help with this application, or for an  
IRA or KEOGH account application, please call  
1-800-HEARTLN.

Overnight Mail to: Regular Mail to:  
Firststar Trust Company Firststar Trust Company  
615 E. Michigan P.O. Box 701  
Milwaukee, WI 53202 Milwaukee, WI 53201-0701

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Account/Price Information: 1-800-248-1162 (24 hrs.) or  
(414) 287-3702  
General Information: 1-800-HEARTLN or (414) 347-7777  
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1A. INDIVIDUAL AND JOINT ACCOUNTS  
Individual Account: Use Lines 1 & 3  
Joint Account: Use Lines 1, 2 & 3

1. \_\_\_\_\_  
First name Initial Last name

2. \_\_\_\_\_  
Joint tenant Initial Last name

SOCIAL SECURITY NUMBER

3. \_\_\_\_\_  
Social Security Number of Individual on Line 1

1B. UNIFORM GIFT TO MINOR ACCOUNT (UGMA)

4. \_\_\_\_\_  
Custodian's Name

5. \_\_\_\_\_  
Minor's Name Minor's Social Security Number

1C. CORPORATE PARTNERSHIPS, TRUSTS & OTHER

6. \_\_\_\_\_  
Name of Corporation or Entity Tax ID Number

7. REGISTRATION TYPE: / / Unincorporated Association

/ / Corporation / / Partnership / / Trust

5. AUTOMATIC MONTHLY INVESTMENT PLAN

Each month on the / /5th, / /20th or / / 5th and 20th, please withdraw  
from my checking account in the amount of \$\_\_\_\_\_ and invest in my:

- / / Value Fund account (\$50 min., closed to new investors  
effective 7/1/95)
- / / Small Cap Contrarian account (\$50 min.)
- / / Value & Income Fund account (\$50 min.)
- / / U.S. Government Securities Fund account (\$50 min.)

I (We) have read and understand the conditions of Heartland Funds  
Automatic Investment Plan. I (We) also understand that the Plan may  
be terminated or modified at any time without notice by Heartland  
Funds or Firststar Trust Company.

</TABLE>

2. MAILING ADDRESS

8. \_\_\_\_\_  
Street or P.O. Box

\_\_\_\_\_

City / State / Zip

\_\_\_\_\_

Home Phone (area code + number)

Work Phone

3. EMPLOYER INFORMATION (REQUIRED BY THE NASD)

9. \_\_\_\_\_  
Employer Name

\_\_\_\_\_

Occupation

\_\_\_\_\_

Street or P.O. Box

\_\_\_\_\_

City / State / Zip

/ / Yes / / No I am an associated person of a NASD  
Member Firm, other than Heartland Advisors, Inc.  
If yes, name of NASD Member Firm \_\_\_\_\_

4. INVESTMENT

I wish to open a Heartland account in the indicated amount  
(minimum initial investment of \$1,000, or no minimum  
investment with the Automatic Investment Plan):

Make check payable to: Amount  
/ / Heartland Value Fund (closed to new  
investors effective 7/1/95) \$ \_\_\_\_\_  
/ / Heartland Small Cap Contrarian Fund \$ \_\_\_\_\_  
/ / Heartland Value & Income Fund \$ \_\_\_\_\_  
/ / Heartland U.S. Government  
Securities Fund \$ \_\_\_\_\_

AUTHORIZATION TO MY BANK  
- Please Attach Voided Check -  
(Conditions on reverse side.)

\_\_\_\_\_

Bank Name

\_\_\_\_\_

Name(s) on your Bank Account

\_\_\_\_\_

Bank Address

\_\_\_\_\_

Account Number

\_\_\_\_\_

City / State / Zip

\_\_\_\_\_

Signature of Owner(s) - Required for Automatic Investing

<TABLE>  
<S><C>

6. DIVIDENDS AND CAPITAL GAINS

All dividends and capital gains distributions will be reinvested in the same Heartland fund UNLESS a box below is checked.

// Pay dividends and capital gains distributions in cash.  
// I would like to diversify my portfolio by investing my distributions in another fund:  
// Value Fund (closed to new investors effective 7/1/95) A/C # \_\_\_\_\_  
// Small Cap Contrarian Fund A/C # \_\_\_\_\_  
// Value & Income Fund A/C # \_\_\_\_\_  
// U.S. Government Securities Fund A/C # \_\_\_\_\_

7. TELEPHONE PRIVILEGES

I (We) hereby authorize the Agent to honor any telephone requests believed to be genuine in accordance with the procedures discussed in the prospectus UNLESS refused by checking the appropriate box below.  
TO WITHHOLD SUCH AUTHORIZATION, YOU MUST CHECK THE APPROPRIATE BOX BELOW.

Telephone EXCHANGE Privilege

// NO telephone exchange privilege for me or my Advisor.

Telephone REDEMPTION Privilege

// NO telephone redemption privilege for me or my Advisor.

10. SHAREHOLDER SIGNATURE(S)

I (We) am (are) or legal age to have received and read the Prospectus and agree to its terms. I authorize any instruction contained herein and certify, under penalties of perjury

1. that the social security or other taxpayer identification number is correct, and (strike if not true)
2. that I am not subject to withholding either because I have not been notified that I am subject to withholding as a result of a failure to report all interest or dividends, or I was subject to withholding and the Internal Revenue Service has notified me that I am no longer subject to withholding.

8. INVESTMENT INFORMATION

- a) What other funds do you own? \_\_\_\_\_  
\_\_\_\_\_  
b) What is your average investment? \_\_\_\_\_  
c) Annual Income \$ \_\_\_\_\_  
d) Net Worth \$ \_\_\_\_\_

// I am a resident of Wisconsin or Nebraska, please send a prospectus for the Heartland Wisconsin Tax Free and Nebraska Tax Free Funds.  
// Please send a prospectus for the Portico Money Market Fund

9. DUPLICATE STATEMENT FOR ADVISOR/PLANNER

Please send duplicate confirmation statements to the Financial Advisor, Planner or other interested party as listed below:

\_\_\_\_\_  
Name of Advisor/Planner/Dealer  
\_\_\_\_\_  
Company Name  
\_\_\_\_\_  
Address  
\_\_\_\_\_  
City/State/Zip  
\_\_\_\_\_  
Advisor/Planner/Dealer No.  
X \_\_\_\_\_  
Customer Signature (authorizes duplicate statements)

X \_\_\_\_\_  
Signature of Shareholder Date  
X \_\_\_\_\_  
Signature of Co-Owner (if any) Date

SIGN HERE IF APPLICABLE TO YOUR ACCOUNT:

\_\_\_\_\_  
Corporate Officer/Partner/Trustee Title  
\_\_\_\_\_  
Corporate Officer/Partner/Trustee Title

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AUTOMATIC INVESTING - AUTHORIZATION TO MY BANK  
(continued from reverse side)

I (We) authorize you via the ACH Network to honor all debit entries initiated by me from time to time through Mellon Bank on behalf of the Firststar Trust Company. All such debits are subject to sufficient collected funds in my account to pay the debit when presented.

I (We) agree that your treatment of each entry, and your rights to respect it, shall be the same as if it were signed personally by me (or either or both of us as appropriate). I (We) further agree that if any such entries are dishonored with good and sufficient cause, you shall be under no liability whatsoever.

</TABLE>