

## Client Relationship Summary (CRS) February 12, 2025

### Item 1 - Introduction

Financial Advisor Network, Inc. is registered with the Securities Exchange Commission (SEC) as a Registered Investment Advisor (RIA). The compensation structure and fees differ as an RIA than that of a registered broker-dealer and it is important that you understand these differences. At [Investor.gov/CRS](http://Investor.gov/CRS) you can find free tools to assist you in researching firms and financial professionals as well as educational materials about investing, RIAs and broker-dealers. You should carefully consider which types of accounts and services are right for you.

### Item 2 - Relationships and Services

*What types of investment services and account advice can you provide me?*

Financial Advisor Network, Inc provides investment advisory services which include financial planning, tax preparation and investment management. We will discuss your investment goals and create a plan to achieve those goals based on your objectives, time horizon, risk tolerance, tax bracket and dollar value of your account(s). Accounts are designed using an Investment Policy Statement which identifies the target percentage of equity and fixed income exposure. We will regularly monitor your account. All assets are managed on a discretionary basis, where we shall have the authority, without prior consultation with you (unless you impose restrictions on our discretionary authority), to buy, sell, trade and allocate the investments within your account(s) consistent with your investment objectives. Our discretionary authority over your account(s) will continue until our engagement is terminated. All business is transacted through our custodian, Charles Schwab, Inc.

We do not limit the scope of our investment advisory services to proprietary products or a limited group or type of investment.

The minimum account level required to open an account is \$250,000 per household.

*Given my financial situation, should I choose an investment advisory service? Why or Why not?*

*How will you choose investments to recommend to me?*

**Additional Information:** For more detailed information about our *Advisory Business* and the *Types of Clients* we generally service, please see Items 4 and 7, respectively in our **ADV Part 2A.**

### Item 3 - Fees, Conflicts, and Standard of Conduct

*What fees will I pay?*

If you open an advisory account, you will pay an on-going asset-based fee three times a year (every four months) for our services, based on the value of the cash and investments in your advisory account(s). The more assets you have in your advisory account(s), the more you will pay us for our investment management services. Therefore, we have an incentive to encourage you to increase the assets maintained in accounts we manage. We do not collect commissions or other transaction-based forms of compensation and we do not select or recommend certain investment products based on any additional compensation to be received. Our fees are based on the following schedule:

| <u>Assets Under Management</u> | <u>Annual Rate</u> |
|--------------------------------|--------------------|
| On the first \$250,000         | 1.25%              |
| On the next \$750,000          | 0.90%              |
| On the next \$1,000,000        | 0.75%              |
| Over \$2,000,000               | 0.50%              |

You will authorize us to directly debit these fees from your account(s). We offer financial planning and consulting services on an hourly fixed fee basis of \$300 per hour. Our chosen custodian, is Charles Schwab, Inc. and they may charge fees for certain transactions. Some investments such as mutual funds impose additional fees. Understand that you will be charged these fees whether or not your account(s) make or lose money. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

*What are your legal obligations to me when acting as my investment advisor?*

When we act as your investment advisor, we are held to a fiduciary standard that covers our entire investment advisory relationship with you. We must abide by certain laws and regulations in our interactions with you. We have to act in your best interest and not put our own interests above yours. Our interest can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand, so that you have the option whether or not to agree to them. For example, you have several options when you are considering rolling over your retirement accounts. We must tell you all your options even if the result is that you do not invest with us.

*How do your financial professionals make money?*

Our financial professionals are compensated on an assets under management basis or a salary basis, with an optional bonus element. Financial professionals compensated on a salary basis do not receive additional compensation based on the amount of assets they are managing nor do they receive higher compensation when working with more complex portfolios. Bonuses are generally based on the overall performance of the firm. You should discuss your financial professional's compensation directly with your financial professional.

#### **Item 4 -Disciplinary History**

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

We do not have any legal or disciplinary events against our company or any of its employees. You may visit [www.Investor.gov/CRS](http://www.Investor.gov/CRS) to research our firm and any of our financial professionals.

#### **Item 5 -Additional Information**

For additional information on our advisory services, please see our Form ADV brochure on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) You can search this site by our unique identifying number, known as CRD. Our CRD number is 125537.

You may at any time request a current copy of our ADV brochure or this document (Client Relationship Summary) by contacting our Chief Compliance Officer at (631) 226-9046 option 3.

We are always here to help you and encourage you to ask questions about our investment services and your accounts.

A copy of our ADV Part 2A is available at: <https://adviserinfo.sec.gov/firm/summary/125537>