

Introduction

Our firm, Financial Advisors Network, Inc., is an investment adviser registered with the Securities and Exchange Commission. We feel that it is important for you to understand how advisory and brokerage services and fees differ in order to determine which type of account is right for you. There are free and simple tools available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about investment advisers, broker-dealers, and investing.

What investment services and advice can you provide me?

We are a registered investment adviser that offers investment advisory services, including Wrap Comprehensive Portfolio Management, Financial Planning & Consulting, and Corporate Trust Services, to clients. If you open an advisory account with our firm, we'll meet with you to understand your current financial situation, existing resources, goals, and risk tolerance. Based on what we learn, we'll recommend a portfolio of investments that is monitored at least annually, and if necessary, rebalanced to meet your changing needs, stated goals and objectives. We'll offer you advice on a regular basis and contact you at least annually to discuss your portfolio.

We manage accounts on a discretionary basis. After you sign an agreement with our firm, we're allowed to buy and sell investments in your account (except for first trust deeds) without asking you in advance. If we recommend first trust deeds to you, you make the ultimate decision regarding their purchase or sale. Any other limitations will be described in the signed advisory agreement. We will have discretion or non-discretion until the advisory agreement is terminated by you or our firm.

We do not restrict our advice to limited types of products or investments.

Our firm does not impose requirements for opening and maintaining accounts or otherwise engaging us.

Financial Planning & Consulting is included in our Wrap Comprehensive Portfolio Management service for no additional fee.

Financial Planning & Consulting is also offered as a separate service for a flat or hourly fee. We do not monitor your investments for the Financial Planning & Consulting service.

Additional information about our advisory services is in Item 4 of our Firm Brochure and Item 5 of our Wrap Brochure, which are available online at <https://adviserinfo.sec.gov/firm/brochure/152083>.

Questions to Ask Us:

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What type of investments do you manage for me on a non-discretionary basis?
- What is your relevant experience, including your licenses, education and other qualifications? What do those qualifications mean?

What fees will I pay?

You will be charged an ongoing quarterly fee based on the value of the investments in your account. Our maximum annual fee is 1.75% for our Wrap Comprehensive Portfolio Management service. Our fees vary and are negotiable depending, for example, on the services you receive and the amount of assets in your account. Since our fee is based on a percentage of your assets, the more assets you have in your account, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our compensation. Our firm's fees will be automatically deducted from your account. In rare cases, our firm will agree to send you invoices.

The custodian that holds your assets charges you a transaction fee when we buy or sell an investment for you. We pay the custodian's transaction fees charged to you for our Wrap Comprehensive Portfolio Management service. We have an incentive to recommend assets without transaction fees in order to reduce the amount of the custodian's transaction fees that we will have to pay on your behalf. The fees for wrap programs are

therefore higher than a typical asset-based advisory fee. Any accounts with transaction fees to be paid by you will be specified in the signed agreement.

In rare cases, we may select third party money managers, such as SEI, to assist us with managing your account. If selected, they will charge you a fee, which will be described in their agreement with you.

For our Financial Planning & Consulting service, our annual flat fee ranges from \$1,250 to \$3,500 and our maximum hourly rate is \$350. We charge an upfront retainer when you sign an agreement for this service.

You may also pay charges imposed by the custodian holding your accounts for certain investments and maintaining your account. Some investments, such as mutual funds, index funds, exchange traded funds, and variable annuities, charge additional fees. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Additional information about our fees is in Item 5 of our Firm Brochure and Item 4 of our Wrap Brochure, which are available online at <https://adviserinfo.sec.gov/firm/brochure/152083>.

Questions to Ask Us:

- Help me understand how these fees and costs may affect my investments. If I give you \$1,000,000 to invest, how much will go to fees and costs and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

We have an incentive to recommend that you invest in first trust deed funds managed by FFCM, Inc. because our firm's owner is a part owner of FFCM, Inc. Our firm's financial professionals include licensed insurance agents who have an incentive to recommend commissionable insurance products to you in order to increase their compensation. We also have an incentive to recommend the services of Kamps & Associates Accounting Services LLC, an affiliated tax and accounting firm, and Independent Recordkeeping, Inc., an affiliated recordkeeper firm.

Additional information about our conflicts of interest is in Item 10 of our Firm Brochure and Item 9 of our Wrap Brochure, which are available online at <https://adviserinfo.sec.gov/firm/brochure/152083>.

Questions to Ask Us:

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

How do your financial professionals make money?

Our financial professionals are partially or wholly compensated based on the revenue our firm earns from their advisory services or recommendations.

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

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

Additional Information

You can find additional information about our firm's investment advisory services on the SEC's website at www.adviserinfo.sec.gov by searching CRD # 152083. You may also contact our firm at 866-526-7726 to request a copy of this relationship summary and other up-to-date information.

Questions to Ask Us:

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