

Financial Security Advisory ♦ Management

Dually Registered



Client Relationship Summary (CRS)

ADV Part III

June 29, 2020

Financial Security Advisory, Inc. and Financial Security Management, Inc.
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gofsg.com

Securities Offered through Financial Security Management, Inc. Member FINRA/SIPC

Financial Security Advisory, Inc. is an Investment Advisory firm registered with the Securities and Exchange Commission (SEC). **Financial Security Management, Inc.** Is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC).

Brokerage and Investment Advisory services and fees differ and it is important for you to understand these differences. Depending on your needs, we may recommend a brokerage account, an investment advisory account, or both. Feel free to ask for more information. There are some suggested questions on page 3 .

Types of Relationships and Services. *Our accounts and services fall into two categories.*

Broker-Dealer Services Financial Security Management, Inc.
<p>* If you open a brokerage account, you will pay us a transaction-based fee, or commission every time you buy and at times, when you sell an investment.</p> <p>* We may recommend investments, if you choose, but ultimately, the investment decision is yours. This includes the purchase and sale of said investment as well as the strategy to be used to achieve your goals. We do not have discretionary authority in your account(s).</p> <p>* As part of our services, we offer educational and retirement planning strategies and can provide additional cash management recommendations. We do not regularly monitor brokerage accounts.</p> <p>* You will receive account statements directly from the fund or annuity company.</p> <p>* We offer a limited selection of mutual funds and annuities. Other firms could offer a greater range of choices that may have lower costs.</p>

Investment Advisory Services Financial Security Advisory, Inc.
<p>* If you open an advisory account, you will pay an ongoing, asset-based fee.</p> <p>* We will discuss your investment goals and design a strategy to achieve them. We will design and implement a diversified investment portfolio that suits your objectives. We regularly monitor your portfolio and investment strategy.</p> <p>* We offer accounts that allow us to buy and sell investments on your behalf without asking you in advance. These are known as discretionary accounts.</p> <p>*We will also provide a detailed statement with your individualized account performance on a tri-annual basis. Additionally, you will also receive statements from the custodian of your holdings (i.e. Charles Schwab & Co., Inc.).</p> <p>*Our advice will cover mutual funds, ETFs, and other securities offered through Charles Schwab. Other firms could provide advice on a greater range of choices that may have lower costs.</p>

Our Obligation to you. *We must follow specific laws and regulations in our interactions with you.*

We must act in your best interest by placing your interest before ours when recommending an investment plan involving securities.

We are held to a fiduciary standard that applies to the entire investment advisory relationship with you.

Fees and Costs. *Fees and costs will affect the value of your account over time. Ask your financial professional to give you additional information on the fees and costs you will pay.*

Broker-Dealer Costs and Fees Financial Security Management, Inc.
<p>* We are paid through <i>transaction-based fees</i> that are assessed each time you purchase and in some cases, when you sell a security. We are also paid with trails, which are fees deducted from the account as long as you hold the investment.</p> <p>With mutual funds, the fee is taken from your investment and deducted up front in an A-share. In a C-share, the fees are paid annually and you may pay a sales charge if you sell the security early. These fees reduce the value of your investment and are used, in part, to pay our commissions.</p> <p>With annuities, they also utilize <i>transaction-based fees</i>. In addition, they charge fees for the insurance risk, administrative fees, and fees for adding benefits and or bonuses to the contract. In the annuity, there are mutual funds that charge fees in addition to the fees paid to the annuity company. Surrender charges also apply to an annuity when you take money from your contract before the end of a surrender period. These fees reduce the value of your investment and are used, in part, to pay our commissions.</p> <p>* FSM does not charge any additional fees. We are paid only by the commissions from your investment.</p>

Investment Advisory Costs and Fees Financial Security Advisory, Inc.
<p>*We are paid through <i>asset-based fees</i>. You will pay an ongoing fee at the beginning of each tri-annual period. The fee is based on the total value of your advisory account according to the fee schedule in our ADV Part IIA Brochure.</p> <p>The amount paid to our firm and your financial professional does not vary on the type of securities we select on your behalf. This <i>asset-based fee</i> is deducted from your account and reduces the value of your account. The higher your account value, the more we will charge. This is incentive for us to increase to increase the assets in your account.</p> <p>The custodian, Charles Schwab & Co., may impose additional fees for wires, transfer or bank and other charges. We are not compensated for these charges.</p> <p>* Asset- based fees may cost more than transaction-based fees on an account. Asset-based fees may make more sense to you if you prefer a more hands on approach to overseeing your accounts. Advisory accounts are regularly monitored and adjusted to keep on track with your long-term investment goals.</p>

Conflicts of Interest. *We benefit from the services we provide.*

<p>We can make larger commissions by selling you variable annuities. The annuity companies also pay additional commissions for the riders and other benefits you add to your contract.</p>
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<p>N/A</p>

Legal and Disciplinary History.

At this time, neither the firms nor our financial professionals have any reportable legal or disciplinary history.

Additional Information.

For more information on our our firms and financial professionals visit Investor.gov or BrokerCheck.FINRA.org. You can also visit our website at www.gofsg.com. For additional information on our advisory service, please see our ADV Part IIA Brochure.

For more information on the Client Relationship Summary (Form CRS,) please visit Investor.gov/CRS

Conversation Starters. *Ask your financial professional ...*

- 1. Given my financial situation, should I choose and investment advisory account or a brokerage account? Why?***
- 2. How do you choose the investments you recommend for my account?***
- 3. What is your background, including licensing, education and certifications? What do the certifications mean?***
- 4. How do fees apply to my accounts? How much is deducted and how much gets invested?***
- 5. Will you receive more commission and or fee if I choose one product or another?***
- 6. Do you have any disciplinary history?***
- 7. Will my account be monitored? How often and in what way?***