

A Summary of Your Advisory Relationship with Financial Advisory Corporation

March 31, 2023

Introduction

Financial Advisory Corporation (FAC) is registered with the Securities and Exchange Commission as an Investment Adviser. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. The SEC offers free and simple tools to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs) which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Our firm offers investment advisory services and financial planning to investors, what we call wealth management.

Our firm provides investment discretion for the following services. If you invest on a discretionary basis, our firm will buy and sell investments in your accounts without requiring your pre-approval on an ongoing basis until you notify us in writing to switch to a non-discretionary basis. This is more fully described in our Form ADV Part 2A, Item 16. These services are monitored continuously as part of our standard service.

- Portfolio management
- Buying and selling securities
- Investment recommendations
- Financial planning
- Retirement planning
- Wealth transfer and estate planning

Our firm does not require a minimum account size. Rather, a minimum annual fee of \$18,000 is charged for the above services. Paying our services in this way allows us to be a fiduciary for you and obligated to act in your best interest.

For additional information including minimum investment amounts, please see

<https://www.adviserinfo.sec.gov/IAPD/default.aspx> for our **Form ADV, Part 2A brochure** (Items 4, 5 and 7).

Conversation Starters:

- *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 is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

What fees will I pay?

Our fees are assessed quarterly and are disclosed in our Form ADV Part 1A, Item 5.E. and more fully described in our Form ADV Part 2A, Item 5. Some fees create a conflict of interest described below and in more detail in our Firm's Part 2A.

- Our firm charges you asset-based fees. More assets in the account will cause you to pay more in fees and therefore we may have an incentive to encourage you to increase the amount of money invested in those accounts.

There are other fees and costs related to our investment advisory services and investments in addition to the principal fees and costs listed above that you will pay directly or indirectly. Examples of the most common fees and costs are transaction fees, fees related to mutual funds and exchange trade funds (ETFs).

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

Conversation Starters:

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

What fees will I pay?
(continued)

make on your investments over time. Please make sure you understand what fees and costs you are paying.

For more detailed information about our fees and costs please review our [Form ADV, Part 2A brochure](#) (specifically Items 5) which can also be found at <https://www.adviserinfo.sec.gov/IAPD/default.aspx>.

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 must 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 is an example to help you understand what this means.

- The more assets in your investment account(s), the more fees you will pay, and therefore we have incentive to encourage you to increase the assets in your account(s). For example, recommending rollovers from retirement plan assets such as a 401(k) to an IRA that is advised by our firm can increase the amount of advisory fees you will pay.
- Arrangements with custodians of your assets also present a potential conflict of interest due to services that are beneficial to us when we recommend you use them to maintain custody of your financial assets.

Conversation Starter:

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

How do your financial professionals make money?

Our only source of revenue is from the management fees we receive from our clients. Our financial professionals are paid a salary and since no products are sold, receive zero commission income. Our firm earns NO additional revenue from our financial professionals when they manage accounts, invest for our clients, and make certain recommendations.

Conversation Starter:

- *What compensation do your advisors receive?*

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

Our firm has no disciplinary history. Visit Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

Conversation Starter:

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

Additional Information

You can find additional information about our services and request a copy of the relationship summary by visiting www.facwealth.com; emailing at loran@facwealth.com or calling us at 616-235-5260.

Conversation Starter:

- *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?*