

# DISCLOSURE BROCHURE

THE INVESTMENT ADVISERS ACT OF 1940 RULE 203-1

**Part 2A of Form ADV: Firm Brochure**



**FINANCIAL SERVICES ADVISORY**  
— DISCIPLINE = FREEDOM —

SEC File #: 801-18801  
Firm IARD/CRD #: 104513

**Financial Services Advisory**  
REGISTERED INVESTMENT ADVISOR

Cover Page **ITEM 1**

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This Disclosure Brochure provides information about the qualifications and business practices of Financial Services Advisory which should be considered before becoming a client. You are welcome to contact us should you have any questions about the contents of this brochure; our contact information is listed to the right. Additional information about Financial Services Advisory is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The information contained in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities administrator. Furthermore, the term "registered investment advisor" is not intended to imply that Financial Services Advisory has attained a certain level of skill or training.

BROCHURE  
DATED

**15**  
**JANUARY**  
**2020**



## MATERIAL CHANGES

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ITEM 2

There are no material changes to report. This Disclosure Brochure has been reviewed and is current as of the date indicated on the cover.

**QUESTIONS:** Our Chief Compliance Officer, David Petersen, is available to address any questions that you may have regarding any services, conflicts of interest and/or disclosures made in this Disclosure Brochure.

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## ADVISORY BUSINESS

### Who We Are

Financial Services Advisory (hereinafter referred to as “FSA,” “the Advisor,” “we,” “us” and “our”) is a fee-only registered investment advisor<sup>1</sup> incorporated in 1982 as a Maryland corporation. As a fiduciary, we put your interests first as we help you achieve your financial goals. Our FSA Next<sup>®</sup> offering<sup>2</sup> is designed to assist young families and individuals to begin investing and planning for their future.

#### Owners

The following persons control FSA:

Name	Title	CRD#
David R. Petersen	Chief Compliance Officer and Founding Partner	716333
James E. Joseph	President	2943563
Ronald J. Rough	Director of Portfolio Management	2083110

#### Assets Under Management

As of December 31, 2019, our assets under management totaled:

Client Discretionary Managed Accounts ..... \$645,980,603

We do not offer non-discretionary asset management services.

### Our Mission

Our mission is to be an indispensable financial partner with every client we serve.

### Why FSA Next<sup>®</sup>?

As a financial advisor, one of the most difficult conversations is to inform someone at or near retirement that they may need to keep working or scale back their lifestyle. We have found ourselves wishing we had the opportunity to teach principles and provide practical tools at an earlier age that lead to financial success.

For this reason, we developed FSA Next<sup>®</sup> - a service built upon the philosophy:

**DISCIPLINE = FREEDOM<sup>3</sup>**

<sup>1</sup> The term “registered investment advisor” is not intended to imply that Financial Services Advisory has attained a certain level of skill or training. It is used strictly to reference the fact that we are “registered” as a licensed “investment advisor” with the United States Securities & Exchange Commission and “Notice Filed” with such other state regulatory agencies that may have limited regulatory jurisdiction over our business practices.

<sup>2</sup> Financial Services Advisory is a fiduciary, as defined within the meaning of the Employer Retirement Income Security Act of 1974 (“ERISA”) and/or as defined under the Internal Revenue Code of 1986 (the “Code”) for any FSA Next<sup>®</sup> service provided to a client who is (i) a plan participant or beneficiary of a retirement plan subject to ERISA or as described under the Code or (ii) the beneficial owner of an Individual Retirement Account (“IRA”).

<sup>3</sup> Inspired by the book by: Willink, Jocko (2015). *Extreme Ownership*, New York, NY: St. Martin’s Press.

We believe, through FSA Next<sup>®</sup>, that a disciplined approach to spending, saving and investing, combined with well-defined goals and a long-term time horizon, will give you the best chance of achieving financial freedom.

## How Can You Achieve Financial Freedom?

Financial freedom is more than just buying or selling investments - it's about:

- ❖ Taking advantage of long-term time horizons - Just like aiming an arrow towards a target, small adjustments at the start can have a dramatic effect on where you land in the future. FSA Next<sup>®</sup> is designed to make sure you are properly aligned to hit your financial targets.
- ❖ Being **S.M.A.R.T.**: Have clearly defined goals -
  - S**pecific
  - M**easurable
  - A**chievable
  - R**elevant
  - T**ime-Bound
- ❖ Leveraging the advice of experts - No one has time to be an expert in everything. Partner with a CERTIFIED FINANCIAL PLANNER™ through FSA Next<sup>®</sup> to develop a strategy that will give you the best chance at achieving your financial goals.

## What Is the FSA Next<sup>®</sup> Experience?

We have a 3-step process for FSA Next<sup>®</sup>.

### Step 1: 30 Minute Consultation

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Our first session gives us the opportunity to get to know each other. We do an assessment of where you are relative to your short- and long-term goals. We listen to your concerns, ask a lot of questions and try to gain an understanding of how we can add value to your current situation.

### Step 2: Personal Financial Analysis (“PFA”)

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The PFA is an analysis of your financial situation. Together we will review your current spending and savings habits and assess the trajectory towards your financial targets. If adjustments need to be made, we can assist in developing a strategy to get you on track towards achieving those goals. Our areas of focus include:

- ❖ Budgeting
- ❖ Cash Flow
- ❖ Retirement Savings
- ❖ Debt Management
- ❖ Investment Allocation
- ❖ Education Savings
- ❖ Basic Tax Planning

### Step 3: Ongoing Financial Planning Services and Asset Management

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Younger individuals generally experience a number of transitions both personally and professionally. The choices you make during this time may dictate the lifestyle you will be able to live throughout the course of your life. Once you complete the PFA, it will become the blueprint for you and your advisor to decide upon the ongoing topics of focus. These



topics are to help keep you on track towards achieving your financial goals and may change over time. You may need further assistance from outside professionals (i.e., attorneys, accountants, insurance agents, etc.) to address your financial situation. Should this be the case, we may recommend the services of these outside professionals to help with implementation (see Item 14, “Financial Planning Disclosure”). FSA Next® provides you with ongoing access to your personal financial advisor who can help you navigate these changes and aid in decision making.

You appoint us to provide ongoing asset management services through Institutional Intelligent Portfolios®, an automated, online investment management platform (the Program) and sponsored by Performance Technologies, Inc., d/b/a Schwab Performance Technologies (SPT), according to the terms and conditions made available through the Program. We are independent and not owned by, affiliated with or sponsored or supervised by SPT, Charles Schwab & Co. Inc. (Schwab), Charles Schwab Bank or any of their affiliates (collectively, Schwab). The Program is an automated, online investment management and technology platform that we use to offer two (2) investment strategies we have constructed and manage consisting of exchange-traded funds (ETFs), mutual funds and cash.

The Program is designed to provide guidance and professional assistance to individuals who are beginning the process of accumulating wealth. You will have access to your accounts and a financial interface online and will also have the opportunity to confer with us with respect to your accounts.

Our fee for this service is described below under Item 5, “Fees and Compensation.” For additional information on Schwab Performance Technologies, Inc., see “Custodial Services” under Item 12, “Brokerage Practices.”

## FEES AND COMPENSATION

ITEM 5

### FSA Next® Fees

Fees are comprised of the following:

1. A one-time fee of \$1,500 for preparation of the Personal Financial Analysis (“PFA”) due in advance.
2. After the PFA presentation, an ongoing financial planning services fee of \$1,800 annually, billed quarterly in advance.
3. A 1.00% annual management fee on assets managed.

The ongoing financial planning service does not require you to utilize our asset management services. However, you are not able to receive only asset management and opt out of financial planning services.

We retain discretion to reduce our fees on a client-to-client basis depending on anticipated future earning capacity, anticipated future asset additions, related accounts, account composition and the size of the portfolio to be managed. Such fees will be fully disclosed to you in the FSA Next® Client Profile and Agreement prior to conducting any advisory services.

You authorize us to utilize the services of a third-party payment facilitator to deduct the one-time fee for the PFA as well as the fee for ongoing financial planning services.



Asset management is provided on an asset-based fee arrangement. Management fees are calculated by taking the aggregate fair market value of your portfolio multiplied by one-fourth the corresponding annual percentage rate (i.e.,  $1.00\% \div 4 = 0.25\%$ ).

We require a minimum initial investment of \$5,000 to manage the Institutional Intelligent Portfolios® (the “Program”).

### Protocols for FSA Next®

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The following protocols establish how we handle your managed accounts and what you should expect when it comes to (i) managing your account, (ii) your bill for investment services, (iii) deposits and withdrawals of funds and (iv) other fees charged to your account(s).

#### Discretion

We will establish discretionary trading authority on FSA Next® accounts to execute securities transactions using the investment engine available on the System where certain key parts of our investment process are automated.

You can instruct us to exclude up to three (3) ETFs or mutual funds from your portfolio. However, we have full authority to select an investment strategy and portfolio based on the information we have gathered about you.

#### Billing

Your account will be billed quarterly in advance based on the aggregate fair market value of the assets in your account on March 31, June 30, September 30 and December 31.

For new accounts, asset management fees are pro-rated from inception through the end of the quarterly billing period. We do not prorate our quarterly fee for deposits or withdrawals you make during a calendar quarter.

Asset management fees will be deducted first from any money market funds or cash balances. If such assets are insufficient to satisfy payment of such fees, a portion of the account assets will be liquidated to cover the fees.

#### Fee Exclusions

Our fees are not set or supervised by Schwab. You do not pay brokerage commissions or any other fees to Schwab as part of the Program. Schwab does receive other revenues in connection with the Program.

Regarding the Program, neither Schwab Performance Technologies, Inc. (“SPT”) nor Schwab receive any management fee, brokerage commissions or other fees as part of the Program as disclosed in the Program Disclosure Brochure. However, SPT and Schwab, along with their other affiliates, will receive other revenues in connection with the Program.

For additional information of the Program, see Schwab Performance Technologies, Inc. under “Custodial Services” in Item 12, “Brokerage Practices.”

### Termination of FSA Next® Services

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Either party, by written notification to the other party, may terminate the FSA Next® Client Profile and Agreement at any time provided such written notification is received before the close of business on any business day of the week. Such notification should include the date the termination will go into effect, if not immediate, along with any final instructions on the account.

Once the termination of investment advisory services has been implemented, neither party has any obligation to the other; we no longer earn management fees or give investment advice, and you become responsible for making your own investment decisions. In the event termination does not fall on the last day of a calendar quarter, we will refund any unearned fees.

## PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

ITEM 6

We currently do not offer any performance-based asset management services.

## TYPES OF CLIENTS

ITEM 7

The types of clients we serve are described in Item 4, “Who We Are.” Our minimum initial investment to participate in the Program is disclosed above under “FSA Next® Fee” in Item 5 above in the “Fees and Compensation” section of this Brochure.

## METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

ITEM 8

### Methods of Analysis and Investment Strategies

#### Institutional Intelligent Portfolios® (the “Program”)

Through the online investment management platform Institutional Intelligent Portfolios® (the “Program”), sponsored by Performance Technologies, Inc., d/b/a Schwab Performance Technologies (“SPT”), we will allocate your investment management assets on a discretionary basis among two investment strategies that follow different investment philosophies. Clients with long-term time horizons will generally experience several market cycles during which different investment strategies will fall in and out of favor. Our solutions:

- ❖ **Global Tactical** - This growth-oriented strategy is designed for clients with long-term time horizons who have a high tolerance for market volatility. When fully invested, this portfolio targets an allocation that is 80% stocks and 20% cash/fixed income. The Global Tactical portfolio aims to reduce losses during sustained downward trends by selling positions and moving to cash.
- ❖ **Global Market** - This growth-oriented strategy is designed for clients with long-term time horizons who have higher tolerance for market volatility. This portfolio targets an allocation that is 80% stocks and 20% cash/fixed income. The Global Market portfolio remains fully invested through all phases of the market cycle.

These strategies have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, such as the Program, with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is applicable to our management of your investment assets through the Program:

1. Initial Interview - At the opening of the account, we, through our designated representatives, shall obtain from you information sufficient to determine your financial situation and investment objectives.
2. Individual Treatment - The account is managed on the basis of your financial situation and investment objectives.
3. Contact - At least annually, we shall contact you to determine whether your financial situation or investment objectives have changed or if you want to impose and/or modify any reasonable restrictions on the management of the account.
4. Consultation Available - We shall be reasonably available to consult with you relative to the status of the account.
5. Ability to Impose Restrictions - You can instruct us to exclude up to three (3) ETFs or mutual funds within your portfolio.
6. No Pooling - Your beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian but rather represents a direct and beneficial interest in the securities which comprise the account.
7. Separate Account - A separate account is maintained for you with the Custodian.
8. Ownership - You retain indicia of ownership of the account (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations).

By enrolling in the Program, you will be limited in the universe of investment options that are available. Specifically, the investment options available through the Plan are limited to ETFs, mutual funds and cash allocations, whereas we recommend various other types of securities when providing investment advisory services outside the Program.

## Managing Risk

There are several risks that can negatively affect the value of your portfolio. These can include:

- ❖ **Market Risk** - Market risk consists of outside risk factors that can affect the performance of the financial markets, which in turn causes you to experience losses arising from movements in market prices.
- ❖ **Interest Rate Risk** - Interest rate risk can affect the value of investments. Essentially, when the interest rate on a bond begins to rise, the value (bond price) begins to drop; vice versa, when interest rates on a bond fall, the bond value rises.
- ❖ **Principal Risk** - Principal risk is the risk of losing the amount you invested due to bankruptcy or default.
- ❖ **Currency Risk** - Currency risk is the risk that arises from the change in price of one currency against that of another. Investment values in international securities can be affected (favorably or adversely) by currency rate changes.
- ❖ **Inflation Risk** - The reduction of purchasing power of investments over time.

Other risks could include political, tax, over-concentration and liquidity, to name a few. However, notwithstanding these risk factors, the most important thing for you to understand is that regardless of how we analyze securities or the investment strategy and methodology we use to guide us in the management of your investment portfolio, investing in a security involves a risk of loss that you should be willing and prepared to bear.

### Risks Specific to the Institutional Intelligent Portfolios®

ETFs or mutual funds in which the strategy may invest involve certain inherent risks generally associated with investments in a portfolio of securities, including the risk that the general level of security prices may decline, thereby adversely affecting the value of each unit of the ETF or mutual fund. Moreover, an ETF or a mutual fund may not fully replicate the

performance of its benchmark index because of the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF or mutual fund and the index with respect to the weighting of securities or the number of securities held. ETFs or mutual funds in which the strategies invest have their own fees and expenses as set forth in the ETF or mutual fund prospectuses. ETFs or mutual funds may have exposure to derivative instruments, such as futures contracts, forward contracts, options and swaps. There is a risk that a derivative may not perform as expected. The main risk with derivatives is that some types can amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative, or that the counterparty may fail to honor its contract terms, causing a loss for the ETF or mutual fund. Use of these instruments may also involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that an ETF could not close out a position when it would be most advantageous to do so. Some ETFs available, including Schwab ETFs™, or mutual funds are less than ten years old. Accordingly, there is limited data available to use when assessing the investment risk of some of these ETFs or mutual funds. As a result, one or more of the following may occur: (i) poor liquidity in or limited availability of the ETFs or (ii) lack of market depth causing the ETFs to trade at excessive premiums or discounts.

## DISCIPLINARY INFORMATION

ITEM 9

We have no legal or disciplinary events to report.

## OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

ITEM 10

We are a fee-only registered investment advisor; none of our supervised persons are licensed by or are related to another financial industry participant, and therefore, no disclosure is necessary for this item.

## CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

ITEM 11

### Code of Ethics

As a fiduciary, we have a duty to render unbiased investment advice and at all times act in your best interest. To maintain this ethical responsibility, we have adopted a Code of Ethics that establishes the fundamental principles of conduct and professionalism expected by all personnel in performing their duties. Our Code of Ethics is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just and good by promoting:

- ❖ Honest and ethical conduct
- ❖ Full, fair and accurate disclosure
- ❖ Compliance with applicable rules and regulations
- ❖ Reporting of any violation of the Code
- ❖ Accountability

To help you understand our ethical culture and standards, how we control sensitive information and what steps have been taken to prevent personnel from abusing their inside position, a copy of our Code of Ethics is available for review upon request.



## Client Transactions

These trading policies are our internal disclosures and guidelines regarding transactions related to tradable securities (i.e., mutual funds, ETFs and ETNs).

### Participation or Interest

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It is against our policies for any owner, officer, director or employee to invest with you or with a group of clients or to advise you or a group of clients to invest in a private business interest or other non-marketable investment unless prior approval has been granted by our Chief Compliance Officer and such investment is not in violation of any SEC and/or state rules and regulations.

### Class Action Policy

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We do not elect to participate in class action lawsuits on your behalf. Such decisions are yours or with an entity you designate. However, if you have specific questions, you may contact us and we will help explain the particulars. Any final determination of whether to participate, and the completion and tracking of any such related documentation, shall rest with you.

## Personal Trading

We and our employees are permitted to personally invest our own monies in securities which may also be from time to time the same securities owned in your account. Such investment purchases are independent of, and not connected in any way to, the investment decisions made on your behalf. However, there may be instances where investment purchases for you may also be made in an employee's account. In these situations, we have implemented the following guidelines in order to ensure our fiduciary integrity:

1. No access person of ours (i.e., any officer or an employee who has prior access to information regarding clients' purchase or sale of securities) shall buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public upon reasonable inquiry. No employee of ours shall prefer his or her own interest to that of yours or any other advisory client.
2. We review all securities holdings for all our access employees. An appointed officer reviews these holdings on a regular basis.
3. We require that all employees act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
4. Any individual not in observance of the above may be subject to termination.

Personal trading activities are monitored by our Chief Compliance Officer, or his designee, to ensure that such activities do not impact your security or create conflicts of interest.

## BROKERAGE PRACTICES

ITEM 12

### Custodial Services

#### Charles Schwab & Co., Inc.

We have custodial arrangements with Schwab, a licensed broker-dealer (member FINRA/SIPC), through its Schwab Advisor Services. Schwab offers us services which include custody of securities, trade execution, clearance and settlement of transactions.

We are not a subsidiary, or an affiliated entity, of Schwab. We have sole responsibility for investment advice rendered, and our advisory services are provided separately and independently from Schwab.

Our recommendation for you to custody your assets with Schwab has no direct correlation to the services we receive from Schwab and the investment advice we offer you, although we do receive economic benefits through our relationship with Schwab that are typically not available to Schwab retail clients. This creates an incentive for us to recommend Schwab based on the economic benefits we receive rather than on your interest in receiving most favorable execution. These benefits include the following products and services (provided without cost or at a discount):

- ❖ Receipt of duplicate client statements and confirmations;
- ❖ Research related products and tools;
- ❖ Consulting services;
- ❖ Access to a dedicated trading desk;
- ❖ Access to batch trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to accounts);
- ❖ The ability to have advisory fees deducted directly from accounts;
- ❖ Access to an electronic communications network for order entry and account information;
- ❖ Access to mutual funds with no transaction fees and to certain institutional money managers;
- ❖ Discounts on compliance, marketing, research, technology and practice management products or services provided to us by third-party vendors; and
- ❖ Discounted and/or complimentary attendance at conferences, meetings and other educational events, as well as financial contributions to client entertainment and/or educational seminars.

Schwab at times pays for business consulting and professional services received by our related persons. Some of the products and services made available by Schwab may benefit us and not you or your account. These products or services may assist us in managing and administering your accounts. Other services made available by Schwab are intended to help us manage and further develop our business enterprise. The benefits received by us or our personnel do not depend on the amount of brokerage transactions directed to Schwab.

**QUESTIONS:** Our Chief Compliance Officer is available to address any questions that you may have regarding the above custodial relationship with Schwab and any corresponding conflicts of interest presented by such arrangements.

## Direction of Transactions and Commission Rates (Best Execution)

We have a fiduciary duty to put your interests before our own. Schwab's advisory support services create an economic benefit to us and a potential conflict of interest to you in that our recommendation to custody your account(s) with Schwab may have been influenced by these arrangements/services. This is not the case; we have selected Schwab as the custodian of choice based on:

1. Schwab's competitive transaction charges, trading platform and on-line services for account administration and operational support;
2. Schwab's general reputation, trading capabilities, investment inventory, their financial strength and our personal experience working with Schwab staff.

## Schwab Performance Technologies, Inc.

Schwab Performance Technologies, Inc. ("SPT"), an affiliate of Schwab, provides portfolio management services through Institutional Intelligent Portfolios<sup>®</sup> as indicated under Item 4, "Advisory Business."

If you engage us through the Program, your portfolio will be held in a brokerage account that you open at Schwab. We are independent of and not owned by, affiliated with or sponsored or supervised by SPT, Schwab or their affiliates. We, and not Schwab, are your investment advisor and primary point of contact with respect to the Program. As between us and Schwab, we are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for you, choosing a suitable investment strategy and portfolio for your investment needs and goals and managing that portfolio on an ongoing basis. If you do not wish to place your assets with Schwab, then we cannot manage your account through the Program.

This platform enables us to make the Program available to you online, which includes a system that automates certain key parts of our investment process (the "System"). The System includes an online questionnaire that helps us determine your investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. We will recommend a portfolio via the System in response to your answers to the online questionnaire. You may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information it has about you. The System also includes an automated investment engine for us to manage your portfolio on an ongoing basis through automatic rebalancing (and tax-loss harvesting if you are eligible and elect this option).

### Rebalancing

The System will rebalance your account periodically by generating instructions to Schwab to buy and sell shares of ETFs or mutual funds and depositing or withdrawing funds through the "Sweep Program," considering the asset allocation for your investment strategy. Rebalancing trade instructions can be generated by the System when (i) the percentage allocation of an ETF or mutual fund varies by a set parameter established by us, (ii) we decide to change the ETFs or mutual funds or your percentage allocations for an investment strategy or (iii) we decide to change your investment strategy, which could occur, for example, when you make changes to your investment objective or client profile or if you impose or modify restrictions on the management of your account.

### Sweep Program

Each investment strategy involves a cash allocation (“Cash Allocation”) that will be held in a sweep program at Charles Schwab Bank (the “Sweep Program”). The Cash Allocation will be a minimum of 4% of an account’s value to be held in cash and may be higher, depending on the investment strategy you choose. The Cash Allocation will be accomplished through enrollment in the Sweep Program, a program sponsored by Schwab. By enrolling in the Program, you consent to having the free credit balances in your brokerage accounts at Schwab swept into deposit accounts (“Deposit Accounts”) at Charles Schwab Bank (“Schwab Bank”) through the Sweep Program. Schwab Bank is an FDIC-insured depository institution that is a Schwab affiliate. The Sweep Program is a required feature of the Program. If the Deposit Account balances exceed the Cash Allocation for your investment strategy, the excess over the rebalancing parameter will be used to purchase securities as part of rebalancing. If you request cash withdrawals from your accounts, this likely will require the sale of ETF or mutual fund positions in your accounts to bring your Cash Allocation in line with the target allocation for your chosen investment strategy. If you have taxable accounts, those sales may generate capital gains (or losses) for tax purposes. In accordance with an agreement with Schwab, Schwab Bank has agreed to pay an interest rate to depositors participating in the Sweep Program that will be determined by reference to an index.

The Program is described in the Schwab Performance Technologies, Inc. Institutional Intelligent Portfolios® Disclosure Brochure (the “Program Disclosure Brochure”), which is delivered to clients by SPT during the online enrollment process. SPT’s role is limited to delivering the Program Disclosure Brochure to you and administering the Program so that it operates as described in the Program Disclosure Brochure. Under the Program:

- ❖ You do not pay any fees to SPT in connection with the Program or pay brokerage commissions or any other fees to Schwab as part of the Program.
- ❖ Schwab does receive other revenues in connection with the Program.
- ❖ SPT may aggregate purchase and sale orders for ETFs or mutual funds across accounts enrolled in the Program, including your account, other clients’ accounts of ours and with accounts for clients of other independent investment advisory firms using the Program.
- ❖ We do not pay SPT fees for offering the Program so long as we maintain \$100 million in client assets in accounts at Schwab that are not enrolled in the Program. If we do not meet this condition, then we must pay SPT an annual licensing fee of 0.10% of the value of our clients’ assets in the Program. This arrangement presents a conflict of interest as it provides an incentive for us to recommend that clients maintain their accounts with Schwab. Notwithstanding, we may generally recommend to our clients that they maintain investment management accounts with Schwab based on the considerations discussed in Item 12 below which mitigates this conflict of interest.

For further description of services and details on costs of the Program, please refer to the Program Disclosure Brochure delivered to you by SPT.

## REVIEW OF ACCOUNTS

ITEM 13

We review your account(s) on an ongoing basis to ensure that your overall long-term investment objectives are being addressed. The general economy, market conditions and/or changes in tax law can trigger more frequent reviews. Your cash needs will be adjusted as necessary.



It is your exclusive obligation and sole responsibility to immediately notify us, in writing, if there is a change in your financial situation or investment objective(s) including, but not limited to, personal/financial situation, goals, needs or concerns/views regarding economic/political/financial climate as well as any changes in investment alternatives, restrictions, etc. for the purpose of reviewing, evaluating or revising any of our previous recommendations and/or services.

Access to your monthly statements is available online through Schwab.

We provide you with access to certain online aggregation or financial planning applications/platforms (Platforms) that allow you to view your financial information including Held-Away Assets (see “Held-Away Assets,” Item 14, “Client Referrals and Other Compensation”) that are not managed by us.

## CLIENT REFERRALS AND OTHER COMPENSATION

ITEM 14

### Referral Compensation

We do not receive any economic benefit from an independent party for managing your account(s). In addition, we do not compensate persons/firms for client referrals.

### Other Compensation (Indirect Benefit)

We receive an indirect economic benefit from Schwab in the form of support products and services they make available to us (see “Custodial Services” above under Item 12, “Brokerage Practices,” for more detailed information on these products and service, how they benefit us and the related conflicts of interest).

### Financial Planning Disclosure

We are not a law firm, accounting firm or an insurance agency, and no portion of our services should be construed as comprehensive financial planning or legal, insurance or accounting advice. Rather, you should seek the advice of your attorney, insurance agent, accountant or other corresponding professional advisor with respect to such issues. We do not prepare estate planning documents or tax returns, nor do we sell insurance products.

You may require further assistance from outside professionals (i.e., attorneys, accountants, insurance agents, etc.) to address your financial situation when preparing your financial analysis. Should this be the case and you don’t have a professional of your choosing, we may recommend the services of outside professionals we know to help with implementation, but you should understand that our referral of a professional to you could present a conflict of interest because:

- ❖ We could have an economic incentive to refer you to a specific professional.
- ❖ The professional could also make referrals to us.

You further understand that any financial planning, consulting and investment recommendations by us are subject to various market, currency, economic, political, tax and business risks and that those recommendations/decisions will not always be profitable.

You are free at all times to accept or reject any recommendation from us, and you acknowledge having the sole authority with regard to the implementation, acceptance or

rejection of any recommendation or advice and/or services from us and any recommendations (i.e., estate planning, retirement planning, taxes, etc.) should be discussed and/or implemented, at your sole discretion, with the corresponding professional advisor(s) (i.e., broker, accountant, attorney, etc.) of your choosing (which may include affiliated entities and/or representatives of us).

**QUESTIONS:** Our Chief Compliance Officer is available to address any questions that you may have regarding the above disclosures.

## Held Away Assets

“Held-Away Assets” are defined as your investment assets or accounts that are (i) not designated by you to be subject to our discretionary management services under the terms and conditions of our Client Profile and Agreement, (ii) not included in calculating your performance and not subject to fees based upon a computation of your assets under our management, (iii) contained in your employer sponsored retirement plan accounts for which we do not maintain trading authority or (iv) any specific individual securities that are purchased for your account at your direction and not based upon our investment advice or determination to purchase the individual securities as part of our ongoing discretionary management authority. When specifically requested by you and as agreed to by us, we may provide investment advice related to the Held-Away Assets subject to the terms and conditions of our Client Profile and Agreement which includes the following:

- ❖ We do not accept responsibility to provide ongoing review, monitoring or performance evaluation of any Held-Away Assets including retirement plan allocations sponsored by your employer, all of which is your or your designated professional’s ongoing responsibility.
- ❖ If requested by you, we may consult or assist you regarding Held-Away Assets in matters that include, but are not limited to, disposition of assets, transferring of non-managed funds to/from the account(s) or assist with trades within the non-managed account(s) but only as directed by you. You remain responsible for all decisions and consequences regarding the Held-Away Assets and agree to release and hold us harmless, and all persons associated with us, from any and all losses and/or other liabilities resulting from the Held-Away Assets(s).
- ❖ Our investment advice shall be limited by the investment choices available within your retirement plan, and we are not responsible for any costs, expenses, transaction fees, redemption fees, penalties or otherwise resulting from any account transactions.
- ❖ We will not have, nor will we accept, any authority to effect any type of transactions or changes via the plan website on your behalf including, but not limited to, changing investment allocation, changing beneficiaries or effecting account disbursements or transfers to any individual or entity.
- ❖ It is your exclusive obligation and sole responsibility to immediately notify us, in writing, if there is a change in your financial situation or investment objective(s) including, but not limited to, personal/financial situation, goals, needs or concerns/views regarding economic/political/financial climate as well as any changes in investment alternatives, restrictions, etc. for the purpose of reviewing, evaluating or revising any of our previous recommendations and/or services.
- ❖ We shall not be responsible for any costs, damages, penalties or otherwise resulting from the failure to notify us.

## Retirement Rollovers

When it comes to your retirement account, you have four options to consider when changing employers or retiring:

- ❖ Leave the account assets in the former employer’s plan, if permitted.
- ❖ Roll over the assets to the new employer’s plan, if one is available and rollovers are permitted.
- ❖ Roll over the account assets to an Individual Retirement Account (an “IRA”).
- ❖ Cash out the retirement account assets (there may be tax consequences and/or IRS penalties depending on your age).

Should you approach us to advise you on which option would be the best for your particular situation, we have an economic incentive to recommend you roll over your retirement account to a managed IRA account with us where we would earn a management fee on the assets. This can create a potential conflict of interest and render our advice as subjective and a disadvantage to you. Therefore, if we recommend you roll over your retirement account to an individually managed IRA account, you are under no obligation to engage us to manage your assets. You are free to take your account anywhere.

## CUSTODY

ITEM 15

### Advisory Fee Deduction

We do not take possession of or maintain custody of your funds or securities. Physical possession and custody of your funds and/or securities are maintained with Schwab as indicated above in Item 12, “Brokerage Practices.”

We do, however, meet the definition of custody since you have authorized us to deduct our advisory fees directly from your account. Therefore, to comply with the United States Securities and Exchange Commission’s Custody Rule (1940 Act Rule 206(4)-2) requirements, and to protect you as well as to protect our advisory practice, we have implemented the following regulatory safeguards:

- ❖ Your funds and securities will be maintained with a qualified custodian (Schwab) in a separate account in your name.
- ❖ Authorization to withdraw our advisory fees directly from your account will be approved by you prior to engaging in any advisory or asset management services. Please note that Schwab does not verify the accuracy of the management fee calculation.

**QUESTIONS:** Our Chief Compliance Officer is available to address any questions that you may have regarding the above disclosures relating to custody and the corresponding conflict of interest presented by such arrangements.

## INVESTMENT DISCRETION

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ITEM 16

### Securities and Amount Bought or Sold

We will establish discretionary trading authority on FSA Next® accounts to execute securities transactions using the investment engine available on the System where certain key parts of our investment process are automated.

You can instruct us to exclude up to three (3) ETFs or mutual funds from your portfolio. However, we have full authority to select an investment strategy and portfolio based on the information we have gathered about you.

## VOTING CLIENT SECURITIES

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ITEM 17

We do not vote client proxies related to the Program. Therefore, with respect to the Program, you are required to submit an Issuer Communication and Release Information Form, or similarly named form, to receive proxies and corporate actions directly from the issuer of securities. You will then directly receive proxies or other solicitations as they arise. You may contact us to discuss any questions you may have with respect to a particular solicitation.

## FINANCIAL INFORMATION

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ITEM 18

We are not required to include financial information in our Disclosure Brochure since we will not take physical custody of client funds or securities or bill client accounts six (6) months or more in advance for more than \$1,200.

We are not aware of any current financial conditions that are likely to impair our ability to meet our contractual commitments to you. In addition, we have not, nor have any of our officers and directors, been the subject of a bankruptcy petition at any time during the past ten years.

**END OF DISCLOSURE BROCHURE**

## FORM ADV: PART 2B

BROCHURE SUPPLEMENT



## Financial Services Advisory, Inc.

One Church Street, Suite 901  
Rockville, Maryland 20850

### CONTACT INFORMATION

800.235.4567  
301.949.7300  
301.949.7034 Fax

[www.FSAinvest.com](http://www.FSAinvest.com)

### SUPERVISION

**David R. Petersen**  
Chief Compliance Officer

Tel: 301.949.7300  
e-Mail: [Dave@FSAinvest.com](mailto:Dave@FSAinvest.com)

Mr. Petersen is responsible for the regulatory oversight of our advisory practice - ensuring that we are operating in compliance with federal and state regulations.

His responsibilities include reviewing investment activities to ensure all supervised persons are acting in your best interest in performing their duties.

Ronald J. Rough, Director of Portfolio Management, supervises the investment activities of Mr. Petersen on an ongoing basis to ensure your best interests are served. Mr. Rough can be reached at 301-949-7300.

BROCHURE SUPPLEMENT  
DATED

1

**JANUARY  
2020**

This Brochure Supplement provides information about David R. Petersen that is an accompaniment to the Disclosure Brochure for our firm, Financial Services Advisory, Inc. You should have received both of these together as a complete disclosure packet. If you did not receive our Disclosure Brochure or if you should have questions about this Brochure Supplement for Mr. Petersen, you are welcome to contact us - our contact information is listed to the left.

Additional information about Financial Services Advisory, Inc. and David R. Petersen are also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## David R. Petersen, CFP®

CRD#: 716333

Year of Birth: 1956

### EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

#### Education

1980 - Brigham Young University: Bachelor of Science in Finance

#### Licenses

FINRA Exams: Series 7 - General Securities Representative (Retired)  
Series 63 - Uniform Securities Agent State Law Examination (Retired)

Designations: **CERTIFIED FINANCIAL PLANNER™ (CFP®) Certification<sup>1</sup>** - The CFP® designation requires one to meet education, examination, experience, and ethics requirements. In addition, CFPs are required to meet rigid standards and annual continuing education requirements.

#### Business Background

02/1982 - Present.....Financial Services Advisory, Inc.  
Position: Founding Partner and Chief Compliance Officer

Mr. Petersen works with clients providing financial and investment advice, as well as serving as a point of contact for prospective clients. In addition, he is a member of the firm's leadership team.

Mr. Petersen co-founded FSA in 1982 upon the belief that successful investing requires an active, disciplined management strategy. His belief to building and preserving wealth requires that you must not only take advantage of advancing markets but more importantly adapt to changing environments and protect capital in declining markets to ultimately have financial peace of mind.

Over 35 years, Mr. Petersen has managed client assets by having an exit strategy and has coined the firm's mantra: "Preserving money is just as important as making it."

### DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report.

### OTHER BUSINESS ACTIVITIES

Mr. Petersen is not involved in any other business activities. Full focus of his attention is directed to meeting your financial and investment needs.

### ADDITIONAL COMPENSATION

Mr. Petersen does not receive any economic benefit, incentives, sales awards, prizes or bonuses that are based on the number or amount of sales, client referrals, or from opening new accounts.

<sup>1</sup> Certified Financial Planner Board of Standards, Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™, and federally registered CFP (with flame logo), which it awards to individuals who successfully complete initial and ongoing certification requirements.



## FORM ADV: PART 2B

BROCHURE SUPPLEMENT



## Financial Services Advisory, Inc.

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### SUPERVISION

**David R. Petersen**  
Chief Compliance Officer

Tel: 301.949.7300  
e-Mail: Dave@FSAinvest.com

Mr. Petersen is responsible for the regulatory oversight of our advisory practice - ensuring that we are operating in compliance with federal and state regulations.

His responsibilities include reviewing investment activities to ensure all supervised persons are acting in your best interest in performing their duties.

BROCHURE SUPPLEMENT  
DATED

1

**JANUARY  
2020**

This Brochure Supplement provides information about James E. Joseph that is an accompaniment to the Disclosure Brochure for our firm, Financial Services Advisory, Inc. You should have received both of these together as a complete disclosure packet. If you did not receive our Disclosure Brochure or if you should have questions about this Brochure Supplement for Mr. Joseph, you are welcome to contact us - our contact information is listed to the left.

Additional information about Financial Services Advisory, Inc. and James E. Joseph are also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## James E. Joseph, CFP®

CRD#: 2943563

Year of Birth: 1974

### EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

#### Education

1997 - West Virginia University: Bachelor of Science in Finance

#### Licenses

FINRA Exams: Series 7 - General Securities Representative (Retired)  
Series 63 - Uniform Securities Agent State Law Examination (Retired)  
Series 66 - Uniform Combined State Law Examination

Designations: **CERTIFIED FINANCIAL PLANNER™ (CFP®) Certification<sup>1</sup>** - The CFP® designation requires one to meet education, examination, experience, and ethics requirements. In addition, CFPs are required to meet rigid standards and annual continuing education requirements.

#### Business Background

01/2017 - Present .....Financial Services Advisory, Inc.  
Position: President  
11/2004 - 12/2016 .....Financial Services Advisory, Inc.  
Position: Vice President  
08/1999 - 10/2004 .....Charles Schwab & Company, Inc.  
Position: Financial Consultant  
06/1998 - 08/1999 .....Morgan Stanley Dean Witter  
Position: Account Executive

Mr. Joseph works with clients providing financial and investment advice, as well as serving as a key point of contact for prospective clients. In addition, he leads the firm's strategic initiatives as a member of the leadership team while overseeing the management and financial advisor teams.

Since joining FSA in 2004, Mr. Joseph has maintained a client-first philosophy, ensuring that client needs and expectations are met. This is evident in the infrastructure of FSA, namely service teams for every client and their financial review process. This has helped FSA remain responsive to the changing needs of clients.

Mr. Joseph's passion to help people grow has reached his team members as well. He led the charge to redesign our firm's culture to become a "learning organization," guaranteeing team members receive an opportunity to shine their gifts and grow as people and not just employees.

Prior to joining FSA, he worked with other firms, including Charles Schwab and Morgan Stanley, where he developed client portfolios and helped build cash flow strategies and retirement plans to meet each client's unique needs and goals.

### DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report.

### OTHER BUSINESS ACTIVITIES

Mr. Joseph is not involved in any other business activities. Full focus of his attention is directed to meeting your financial and investment needs.

### ADDITIONAL COMPENSATION

Mr. Joseph does not receive any economic benefit, incentives, sales awards, prizes or bonuses that are based on the number or amount of sales, client referrals, or from opening new accounts.

<sup>1</sup> Certified Financial Planner Board of Standards, Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™, and federally registered CFP (with flame logo), which it awards to individuals who successfully complete initial and ongoing certification requirements.

## FORM ADV: PART 2B

BROCHURE SUPPLEMENT



## Financial Services Advisory, Inc.

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### SUPERVISION

**David R. Petersen**  
Chief Compliance Officer

Tel: 301.949.7300  
e-Mail: Dave@FSAinvest.com

Mr. Petersen is responsible for the regulatory oversight of our advisory practice - ensuring that we are operating in compliance with federal and state regulations.

His responsibilities include reviewing investment activities to ensure all supervised persons are acting in your best interest in performing their duties.

BROCHURE SUPPLEMENT  
DATED

1

**JANUARY  
2020**

This Brochure Supplement provides information about Ronald J. Rough that is an accompaniment to the Disclosure Brochure for our firm, Financial Services Advisory, Inc. You should have received both of these together as a complete disclosure packet. If you did not receive our Disclosure Brochure or if you should have questions about this Brochure Supplement for Mr. Rough, you are welcome to contact us - our contact information is listed to the left.

Additional information about Financial Services Advisory, Inc. and Ronald J. Rough are also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Ronald J. Rough, CFA

CRD#: 2083110

Year of Birth: 1960

### EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

#### Education

1982 - Miami University: Bachelor of Arts in Economics and Diplomacy and Foreign Affairs

#### Licenses

FINRA Exams: Series 2 - Non-Member General Securities (Retired)  
Series 24 - General Securities Principal (Retired)  
Series 65 - Uniform Investment Advisor Law Examination

Designations: **Chartered Financial Analyst (CFA) Charterholder** - The CFA designation requires the candidate to have a bachelor's degree, 4 (four) years professional working experience in the investment field, and successfully passed the examination process. In addition, Charterholders are required to meet rigid standards and are encouraged to meet annual continuing education requirements.

#### Business Background

05/2006 - Present .....Financial Services Advisory, Inc.

Position: Director of Portfolio Management

09/1995 - 04/2006 .....Genworth Financial Asset Management, Inc.

Position: Vice President and Director of Portfolio Management

09/1986 - 09/1995 .....Schabacker Investment Management, Inc.

Position: Director of Portfolio Management

Mr. Rough joined FSA in 2006 and is responsible for the day-to-day management of client portfolios. This includes portfolio construction, fund selection, and risk management.

With more than 30 years of experience in the investment management business, Mr. Rough is a respected authority on a wide range of investment topics. Over the years, he has been quoted frequently in the general media, as well as in various trade publications. A warm and engaging speaker, he is often invited to speak to organizations about all things financial. At FSA, he writes a monthly market commentary and develops presentations for clients and prospects.

Prior to joining FSA, Mr. Rough was director of portfolio management for Genworth Financial Asset Management (GFAM), a Los Angeles-based subsidiary of Genworth Financial, managing nearly \$13 billion of client assets. Mr. Rough's tenure with GFAM spanned 11 years and included nearly all aspects of investment management, including asset allocation, portfolio construction, manager selection and due diligence, and risk management.

Prior to his career with GFAM, Mr. Rough spent nine years with Schabacker Investment Management. His first job after graduating from college was serving on the White House Task Force on Private Sector Initiatives under President Ronald Reagan.

Mr. Rough received a Bachelor of Arts degree from Miami University in Ohio with a double major in economics and diplomacy and foreign affairs.

### DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report.

### OTHER BUSINESS ACTIVITIES

Mr. Rough is not involved in any other business activities. Full focus of his attention is directed to meeting your financial and investment needs.

### ADDITIONAL COMPENSATION

Mr. Rough does not receive any economic benefit, incentives, sales awards, prizes or bonuses that are based on the number or amount of sales, client referrals, or from opening new accounts.



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## FORM ADV: PART 2B

BROCHURE SUPPLEMENT



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### SUPERVISION

**David R. Petersen**  
Chief Compliance Officer

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e-Mail: Dave@FSAinvest.com

Mr. Petersen is responsible for the regulatory oversight of our advisory practice - ensuring that we are operating in compliance with federal and state regulations.

His responsibilities include reviewing investment activities to ensure all supervised persons are acting in your best interest in performing their duties.

BROCHURE SUPPLEMENT  
DATED

1

**JANUARY  
2020**

This Brochure Supplement provides information about Kimberly A. Scott that is an accompaniment to the Disclosure Brochure for our firm, Financial Services Advisory, Inc. You should have received both of these together as a complete disclosure packet. If you did not receive our Disclosure Brochure or if you should have questions about this Brochure Supplement for Ms. Scott, you are welcome to contact us - our contact information is listed to the left.

Additional information about Financial Services Advisory, Inc. and Kimberly A. Scott are also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Kimberly A. Scott, CFP®

CRD#: 5523788

Year of Birth: 1986

### EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

#### Education

2009 - Virginia Tech: Bachelor of Science in Finance (Dean's List)

#### Licenses

FINRA Exams: Series 7 - General Securities Representative (Retired)  
Series 66 - Uniform Combined State Law Examination

Designations: **CERTIFIED FINANCIAL PLANNER™ (CFP®) Certification<sup>1</sup>** - The CFP® designation requires one to meet education, examination, experience, and ethics requirements. In addition, CFPs are required to meet rigid standards and annual continuing education requirements.

#### Business Background

03/2013 - Present .....Financial Services Advisory, Inc.

Position: Senior Financial Advisor

01/2010 - 03/2013 .....DMJ Wealth Advisors, LLC

Position: Investment Advisory Representative

Ms. Scott provides financial planning and advising services. She is also responsible for managing relationships with existing and potential clients.

Prior to joining FSA, Kim worked at a financial planning firm in Greensboro, NC, where she gained valuable knowledge in assisting clients with their specific planning needs. She earned her degree in finance from Virginia Tech with a concentration in financial planning.

As a CERTIFIED FINANCIAL PLANNER™ professional, Ms. Scott is passionate about helping people reach their goals and achieve financial security. She takes great pride in helping families and business owners through retirement planning, education planning, investment planning, and estate planning. She actively participates in pro bono work and enjoys spending her time mentoring financial planning students from her alma mater.

### DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report.

### OTHER BUSINESS ACTIVITIES

Ms. Scott is not involved in any other business activities. Full focus of her attention is directed to meeting your financial and investment needs.

### ADDITIONAL COMPENSATION

Ms. Scott does not receive any economic benefit, incentives, sales awards, prizes or bonuses that are based on the number or amount of sales, client referrals, or from opening new accounts.

<sup>1</sup> Certified Financial Planner Board of Standards, Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™, and federally registered CFP (with flame logo), which it awards to individuals who successfully complete initial and ongoing certification requirements.

## FORM ADV: PART 2B

BROCHURE SUPPLEMENT



## Financial Services Advisory, Inc.

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### SUPERVISION

**David R. Petersen**  
Chief Compliance Officer

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e-Mail: Dave@FSAinvest.com

Mr. Petersen is responsible for the regulatory oversight of our advisory practice - ensuring that we are operating in compliance with federal and state regulations.

His responsibilities include reviewing investment activities to ensure all supervised persons are acting in your best interest in performing their duties.

BROCHURE SUPPLEMENT  
DATED

1

**JANUARY  
2020**

This Brochure Supplement provides information about Mary Ann Drucker that is an accompaniment to the Disclosure Brochure for our firm, Financial Services Advisory, Inc. You should have received both of these together as a complete disclosure packet. If you did not receive our Disclosure Brochure or if you should have questions about this Brochure Supplement for Ms. Drucker, you are welcome to contact us - our contact information is listed to the left.

Additional information about Financial Services Advisory, Inc. and Mary Ann Drucker are also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Mary Ann Drucker

CRD#: 2495181

Year of Birth: 1966

### EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

#### Education

1998 - George Washington University: Masters of Business Administration in Finance and Investments

1992 - University of Maryland: Bachelor of Science in Finance

1990 - University of Maryland: Bachelor of Arts in Economics

#### Licenses

FINRA Exams: Series 7 - General Securities Representative (Retired)  
Series 63 - Uniform Securities Agent State Law Examination (Retired)  
Series 65 - Uniform Investment Advisor Law Examination (Active)

#### Business Background

05/2011 - Present .....Financial Services Advisory, Inc.  
Position: Assistant Portfolio Manager

04/2004 - 05/2010 .....Keystone Asset Management, Inc.  
Position: Senior Portfolio Manager and Research Analyst

02/1998 - 03/2004 .....Beatty Haynes & Patterson, Inc.  
Position: Trader and Client Service

05/1990 - 02/1998 .....Merrill Lynch  
Position: Registered Representative

Ms. Drucker is a member of the firm's investment management team. She assists the Director of Portfolio Management in the functions of account management, research and fund relations. She is the primary trader for the firm and helps keep client accounts aligned with the firm's various strategies.

Prior to joining FSA, Ms. Drucker worked with other registered investment advisory firms and with a major brokerage firm. Her broad experience in portfolio management, security analysis, trading, client servicing and operations has helped her to appreciate all of the components that work together to better serve clients.

### DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report.

### OTHER BUSINESS ACTIVITIES

Ms. Drucker is not involved in any other business activities. Full focus of her attention is directed to meeting your financial and investment needs.

### ADDITIONAL COMPENSATION

Ms. Drucker does not receive any economic benefit, incentives, sales awards, prizes or bonuses that are based on the number or amount of sales, client referrals, or from opening new accounts.



Financial Services Advisory  
GROW WISER®

## PRIVACY NOTICE

### ***Our Commitment to You***

As a client of FSA, you share both personal and financial information with us. This information enables us to provide you with responsive, personalized service and allows us to help you achieve your goals. Your privacy is important to us, and we are dedicated to safeguarding your personal and financial information.

### ***Information Provided by Clients***

In the normal course of doing business, we typically obtain the following non-public personal information about our clients:

- Personal information regarding our clients' identity such as name, address and social security number;
- Information regarding securities transactions effected by us; and
- Client financial information such as net worth, assets, income, bank account information and account balances.

### ***How We Manage and Protect Your Personal Information***

FSA is an independent, privately-owned firm. Therefore we do not have any affiliates with whom we share your personal and financial information. We do not sell information about current or former clients to third parties, nor is it our practice to disclose such information to third parties unless requested to do so by a client or authorized client representative or, if necessary, in order to process a transaction or service an account. As permitted by law, we may share your information without your permission to our third-party service providers in order to help administrate our business, such as brokerage and custodial firms, legal counsel, accountants, consultants and technology companies. Companies we hire for services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality.

At FSA, we understand how important it is to protect your personal and financial information. That's why we have in place physical, electronic and procedural safeguards. Our staff is educated regarding the importance of confidentiality and privacy related to our related policies and procedures which restrict the use of client information and require that it be held in strict confidence.

### ***Our Commitment to Keeping You Informed***

We will annually provide you a notice describing our privacy policy. In addition, we will inform you promptly if there are changes to our policy.

Please do not hesitate to contact us with questions about this notice.