

Financial Sense Securities, Inc.
Form CRS Relationship Summary – June 30, 2020

Introduction

Financial Sense Securities, Inc. is registered with the SEC and a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Financial Sense Securities, Inc. does business as Financial Sense Wealth Management. **We are a broker-dealer and provide brokerage accounts and services rather than advisory accounts and services.** This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. There are some suggested questions on these two pages.

Is a brokerage account right for you? There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you.

Relationship and Services

Our brokerage services include buying and selling securities at your direction and providing you with investment recommendations, research, planning services and investor education from time to time or at your request. We offer mutual funds, exchange traded funds (ETF's), domestic and international equities, options, fixed income securities, corporate bonds, municipal bonds, precious metals and variable annuities. We do not monitor your brokerage account on an on-going basis but will review your portfolio from time to time and provide investment recommendations. You make the ultimate decision regarding the purchase or sale of investments.

Conversation Starters. Ask your financial professional – *Given my financial situation, should I choose a brokerage 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? The fees you pay will be for brokerage services. If you open a brokerage account you will pay us a **transaction-based** fee, generally referred to as a commission, every time you buy or sell an investment. Depending on the investment product you select, these fees can include up-front commissions, as well as fees that are incurred on an on-going basis for as long as you hold the investment (“trails”). If we buy a security from you, or sell a security to you for our own account (as “principal”), we may mark the price up or down, which is a benefit to us. Because we are compensated for transactions, we have an incentive to encourage you to trade more frequently and in greater amounts. You will also pay fees for custodial or administrative services, as well as fees and expenses that are included in the expense ratios of certain of your investments, including in mutual funds, ETF's, and variable annuities.

For additional information about the fees and costs for our brokerage services, please ask your financial professional. There are no minimum requirements to open a brokerage account. You may also pay miscellaneous fees that your account's custodian may charge, including wire fees, transfer fees, and other 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.

Conversation starters. Ask your financial professional -- *Help me understand how these fees and costs might affect my investments. If I give you \$100,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

Standard of Conduct

Our Obligations to You. We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree with you otherwise, we are not required to monitor your portfolio or investments on an ongoing basis. When we provide recommendations, we must eliminate these conflicts or tell you about them and in some cases reduce them.

Summary of Fees and Costs

Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay. **How do your financial professionals make money?** Our financial professionals make money from the commissions you are charged and trails charged by the sponsors and managers of the investment product recommended. The fee you pay is based on the specific transaction and not the value of your account. With stocks or exchange-

traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “**mark-up**” or “**mark-down**”). With mutual funds, this fee (typically called a “**load**”) reduces the value of your investment. Some investments impose additional fees that will reduce the value of your investments over time (e.g. mutual funds and variable annuities). You may also be required to pay fees when certain investments are sold (e.g. surrender charges for selling variable annuities). The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.

Comparison

Compare with Typical Advisory Accounts. You could also open an advisory account with an **investment adviser**, where you will pay an ongoing **asset-based fee** that is based on the value of the cash and investments in your advisory account. Features of a typical advisory account include:

- Advisors provide advice on a regular basis. They discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account.
- You can choose an account that allows the adviser to buy and sell investments in your account without asking you in advance (a “**discretionary account**”) or the adviser may give you advice and you decide what investments to buy and sell (a “**non-discretionary account**”). Please note our affiliated investment adviser only offers discretionary accounts.
- If you were to pay an asset-based fee in an advisory account, you would pay the fee periodically, even if you do not buy or sell. You may choose to work with an investment adviser who provides investment advice for an hourly fee, or provides a financial plan for a one-time fee.
- For an adviser that charges an asset-based fee, the more assets you have in an advisory account, including cash, the more you will pay the adviser. So the adviser has an incentive to increase the assets in your account in order to increase its fees.

Conflicts of Interest

We benefit from our recommendations to you. 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 recommendation we provide to you. Here are some examples to help you understand what this means.

Third-Party Payments: We receive payments from third party product sponsors and managers (or their affiliates) when we recommend or sell certain products. As such, we have an incentive to recommend (or to invest your assets in) products of third-parties that pay us over products of third-parties that do not pay us or pay us less.

Revenue Sharing: Certain managers and sponsors (or their affiliates) share the revenue they earn when you invest in certain of their investment products (primarily mutual funds and variable annuities) with us. As such, we have an incentive to recommend (or to invest your assets in) products of sponsors and managers that share their revenue with us, over other products of sponsors or managers that do not share their revenue, or who share less.

Principal Trading: We may buy or sell securities to you from our own account. Because we earn compensation (such as commission equivalents, mark-ups, mark-downs, and spreads) and can receive other benefits in principal transactions, we have an incentive to trade with you on a principal basis and to recommend securities that we hold in inventory.

Conversation Starter. Ask your financial professional – How might your conflicts of interest affect me, and how will you address them?

Additional Information

We encourage you to seek out additional information. We do not have any disciplinary information to disclose but you may want to visit brokercheck.org for information regarding your financial professional.

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

For additional information, please visit the Who We Are and How We Can Help sections of our website www.financialsense.com. You may also contact us at 888-486-3939. To report a problem to the SEC, visit Investor.gov or call the SEC’s toll free investor assistance line at: 800-732-0330.