



Form ADV Part 2B- Individual Disclosure Brochure
For

Jeffrey D. Stanga, CFP®

Financial Management Network, Inc.

26041 Acero, Mission Viejo, CA

92691 (949) 455-0300

July 1, 2022

The Brochure Supplement provides information about the background and qualifications of Jeffrey D. Stanga (CRD# 6387255) in addition to the information contained in the Financial Management Network, Inc. Brochure. If you have not received a copy of this Brochure Supplement or if you have any questions about the contents of this Brochure Supplement, please contact Jeffrey G. Merwin, Chief Compliance Officer at (949) 455-0300 or by email at jmerwin@fmncc.com.

Additional information about Jeffrey D. Stanga is available on the SEC's Investment Adviser Public Disclosure website at <https://adviserinfo.sec.gov>.

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Item 2 - Educational Background and Business Experience

Jeffrey D. Stanga (“Jeffrey”, or “Mr. Stanga”) was born in 1982. Mr. Stanga attended California Polytechnic State University in San Luis Obispo where he received his Bachelor of Science in Business Administration in 2004.

Employment History:

April 2022 – Present	FMN Capital Corporation Registered Representative
April 2022 – Present	Financial Management Network Financial Advisor
April 2021- April 2022	Financial Management Network Consultant
June 2006 – Present	Scevro Finance Owner
August 2014 – April 2021	FMN Capital Corporation Registered Representative
August 2014 – April 2021	Financial Management Network Financial Advisor

CERTIFIED FINANCIAL PLANNER™ (“CFP®”)

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP® (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP® Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- **Education** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP® Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP® Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- **Examination** – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- **Experience** – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- **Ethics** – Agree to be bound by CFP® Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- **Continuing Education** – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- **Ethics** – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice, including Jeffrey D. Stanga, providing advice to you. Mr. Stanga has applicable legal or disciplinary events required to be disclosed under this Item.

In March 2021, Mr. Stanga submitted a Letter of Acceptance, Waiver, and Consent (AWC) for the purpose of proposing a settlement, without admitting or denying the findings and solely for the purposes of the proceeding. The findings consisted of Mr. Stanga failing to fully disclose the nature of his outside business activities. Specifically, Mr. Stanga sold a private placement offering of membership units in connection with a residential real estate flipping business. Although Mr. Stanga provided written notice to the firm describing his involvement as an “investor, [who] gives advice and opinions on buying/fixing/selling residential homes,” he failed to fully disclose his role as “manager,” as well as the fact that the business was an investment-related business. This regulatory action was initiated by FINRA and resulted in a one-year suspension which concluded in April 2022.

On two separate occasions, occurring In January/February of 2014, Mr. Stanga faced allegations of selling unsuitable products to clients, specifically, Direct Investment-DPP & LP Interests, while working under Scevro Finance Inc. Both matters were ultimately settled, and Mr. Stanga promptly paid the settlement amount. One matter was settled in San Bernadino Superior Court while the other was settled in FINRA arbitration. It is important to note that the individuals who filed the complaints against Mr. Stanga were never clients of FMNCC, and the products were sold by Mr. Stanga prior to joining Financial Management Network, Inc. Additional information can be found on the FINRA’s BrokerCheck system and the Investment Adviser Public Disclosure (IAPD) website. The BrokerCheck link is www.finra.org/brokercheck; The IAPD link is www.advisersinfo.sec.gov. In order to access the Mr. Stanga’s disciplinary history, click on the links provided and enter Mr. Stanga’s CRD number, which is: 6387255.

In November 2021, the Disciplinary and Ethics Commission (Commission) and Mr. Stanga entered into a Consent Order in which Mr. Stanga agreed that CFP Board would issue a suspension of his right to use the CFP® certification marks beginning on the date of the Consent Order and ending on April 4, 2022. <https://www.cfp.net/verify-a-cfp-professional/certification-and-background/0b24a7bf-f2bb-4bdd-8726-a6556ddb7608?limit=20&pg=1&lastName=Stanga&firstName=Jeff>

Item 4 - Other Business Activities

Registered Investment Advisers are required to disclose all material facts regarding any other business activities an Investment Advisory Representative may engage in and further disclose the manner in which Financial Management Network, Inc. supervises these activities should they exist. Jeffrey Stanga has had an Independent Contractor relationship as a Registered Representative of FMN Capital Corporation, a registered Broker-Dealer registered with the U.S. Securities and Exchange Commission (“SEC”) and a member of the Financial Industry Regulatory Authority (“FINRA”) since August 2014. Financial Management Network, Inc. may recommend that a client purchase and/or sell investments and enter into other financial transactions. Should the client enter into said transactions with Jeffrey Stanga in his Registered Representative capacity, the client should understand that he or she shall be using the brokerage services of FMN Capital Corporation and that FMN Capital Corporation will receive brokerage commissions and transaction fees for effecting said transactions. In addition, a conflict of interest may exist because Jeffrey may, in addition to receiving a portion of the fees client pays Financial Management Network, Inc. for any of its services, receive brokerage commissions as a consequence of acting as broker of such transactions. The amount of compensation received will be disclosed in the offering circular or other documentation describing such securities transactions. Financial Management Network, Inc. recognizes the possible conflict of interest and discloses all material facts to the client in its agreements and disclosure documents, as well as its Brochure and Brochure Supplements provided to clients.

As mentioned above, Jeffrey Stanga is paid a portion of the fees Financial Management Network, Inc. receives from clients (as an Investment Advisory Representative) and commissions for sales of securities or other investment products placed through FMN Capital Corporation as a Registered Representative including distribution or services (“trail”) fees from the sale of mutual funds (also known as “12b-1 fees”) and/or variable annuities. Due to the fact that FMN Capital Corporation is paid these trails and/or 12b-1 fees, the potential for an incentive to recommend investment products based on the compensation received, rather than on the client’s needs is created. Although the incentive may exist, the Supervision Staff of Financial Management Network, Inc. and FMN Capital Corporation monitor all transactions initiated by Mr. Stanga to ensure that if any conflicts of interest do arise, then they are promptly disclosed before determining if said transactions are appropriate for the client. It is not just the Firm policy, but also a legal obligation that Mr. Stanga put his client’s interests first when making any recommendations.

Mr. Stanga is also a licensed insurance agent and provides insurance products and services through his company, Scevro Finance. He spends approximately 2 hours per month during trading hours offering insurance services and products. Should any recommendations or sales be made, there is the potential of a conflict of interest. In order to mitigate any potential conflicts of interest, the Firm requires that all investment adviser

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representatives disclose when such insurance recommendations are made. In addition, the Firm requires investment adviser representatives to disclose to clients that they may purchase recommended insurance products from other unaffiliated insurance agents. Insurance compensation will be separate and distinct from investment advisory fees charged by the Firm.

Jeffrey Stanga also has outside business activities with Aliso Viejo Country Club. Since November 1st, 2020 Mr. Stanga has been the President of the men's golf club and spends approximately 5 hours per month coordinating the tournaments. This activity is not investment related.

Item 5 – Additional Compensation

As mentioned in Item 4, Jeffrey Stanga may receive additional compensation from sales of insurance products. Mr. Stanga may be eligible to receive incentive awards (including prizes such as trips or bonuses) for recommending certain types of insurance policies or other investment products that he recommends.

While Mr. Stanga endeavors at all times to put the interest of the Firm's clients first as part of his fiduciary duty, the possibility of receiving incentive awards could create a conflict of interest. However, when Mr. Stanga provides investment advisory services, he is a fiduciary under the Investment Advisers Act and has a duty to act in the client's best interest and to make full and fair disclosures of all material facts and conflicts of interest.

Additionally, Mr. Stanga may receive compensation from product sponsors. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational or training events or marketing or advertising initiatives. Such compensation may not be tied to the sale of any products. Mr. Stanga receives compensation as a result of the client's participation in Financial Management Network, Inc. The Firm shares a portion of the account fees that the client pays with him, which may be more than what he would receive at another investment advisory firm. This compensation may also include other types of compensation, such as bonuses, awards or other things of value offered by Financial Management Network, Inc. The Firm may pay Mr. Stanga in different ways, such as reimbursement of fees for items such as administrative services, and other things of value such as free or reduced-cost marketing materials, payments in connection with the transition of association from another broker/dealer or investment advisory firm to Financial Management Network, Inc., advances of advisory fees, or attendance at certain Firm conferences or top producer forums and events.

Item 6 – Supervision

Jeffrey G. Merwin, Chief Compliance Officer of Financial Management Network, Inc, supervises Jeffrey Stanga, as named in this Form ADV Part 2B Investment Adviser Brochure Supplement. Mr. Merwin may be contacted at (949) 455-0300 or

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Financial Management Network, Inc. has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of FMN. Further, FMN is subject to regulatory oversight by various agencies. These agencies require registration by FMN and its Supervised Persons. As a registered entity, FMN is subject to examinations by regulators, which may be announced or unannounced. FMN is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

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