

## Customer Relationship Summary Nazelrod & Associates Financial Services, Inc.

December 31, 2021

This summary relates to you, our customer, and your relationship with our firm, Nazelrod & Associates Financial Services, Inc. (“NAFS”, “we”, “us”, “our”), a registered investment advisor with the state of Maryland. Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [www.Investor.gov/CRS](http://www.Investor.gov/CRS), which also provides educational materials about broker dealers, investment advisors, and investing.

### **What investment services and advice can you provide me?**

We provide the following investment advisory services to retail investors: portfolio management, income tax preparation and management, estate and gift tax preparation and management, and insurance and risk analysis services. We offer these services as part of a wrap fee program and we provide monitoring on an ongoing basis as part of our standard service. Accounts are generally discretionary (pursuant to your granting of authority that we make trades without the need for your authorization of each trade.) In this case, our authority is limited to buying and selling securities in accordance with your pre-discussed investment strategy. Upon request, account may be non-discretionary (all recommendations pursuant to financial advice are approved by you before execution of any trade). In non-discretionary accounts, you make the ultimate decision regarding the purchase or sale of investments. Our advice is not limited to proprietary or a limited menu of products. To open an advisory account, a \$300,000 portfolio minimum applies. For additional information, please see our Form ADV Part 2A, “Wrap Fee Program Brochure” Items 4 & 5. Also, please visit our web site at [www.NazelrodAssociates.com](http://www.NazelrodAssociates.com).

**Conversation Starter: 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?**

The fee for investment advisory services is assessed as a percentage of assets under management (“AUM”). The fee is charged in advance, on a quarterly basis. We offer a “wrap fee program” with the following fee schedule (rates are quarterly): 0.5% for the first \$200,000 of assets, 0.4% for the next \$300,000 of assets (\$200,001-\$500,000), 0.3% for the next \$500,000 of assets (\$500,001-\$1,000,000), 0.175% for the next \$4,000,000 of assets (\$1,000,001-\$5,000,000), and .0875% for the portion of assets over \$5,000,000. Fees associated with wrap fee programs will include most transaction costs and are typically higher than an asset based advisory fee program that does not include such costs. Since our fees are asset-based, the more assets you invest, the more you will pay in fees. A conflict of interest exists in that we have an incentive to encourage you to increase the assets in your account. Other costs incurred by retail investors may include custodian fees, account maintenance fees, fees related to mutual funds and variable annuities, and ticket charges from broker dealers. 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. For additional information, please see our Form ADV Part 2A, “Wrap Fee Program Brochure” Item 4.

**Conversation Starter: 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 are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

*When we act as your investment adviser*, we have to 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 are some examples to help you understand what this means. In the Wrap Fee Program, since we pay trading costs, this presents a conflict of interest in that the incentive exists to trade less to increase our profitability, and this may not be in your best interest. Conversely, a conflict of interest exists if we believe placing a trade will increase your portfolio value and our billing as a result, if the trade is not in your best interest. Further, the fact that we receive compensation for our services presents an inherent conflict of interest in that the incentive exists for us to advise you in a way that increases our compensation instead of what is in your best interest.

**Conversation Starter: How might your conflicts of interest affect me and how will you address them?**

For additional information on our conflicts of interest, please see our ADV Part 2.

**How do your financial professionals make money?**

Our financial professionals are paid from the advisory fees collected from you (which are based on your assets under management). When licensed as such, our financial professionals receive compensation from the sale of investment or insurance products (in the form of commissions), or from providing tax preparation and related services. Our financial professional can earn more or less money depending on the services or products that are provided to you. This creates a conflict of interest in that the professional may be motivated to work with you in a way that increases his or her compensation, instead of the way that may best suited to your needs.

**Do you or your financial professional have legal or disciplinary history?**

No. Visit [www.Investor.gov/CRS](http://www.Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

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

For additional information about our services, or to request this relationship summary, please call us at 410-583-7662 or visit us at [www.NazelrodAssociates.com](http://www.NazelrodAssociates.com). The relationship summary for LaSalle St. Securities, LLC can be found at [www.LaSalleSt.com](http://www.LaSalleSt.com) or by calling 630-600-0500.

**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?**

### Summary of Material Changes

Below is a summary of the material changes since our last annual filing dated 12/31/2020:

The wrap fee program described herein is the only investment advisory program we offer, and we no longer provide any non-wrap fee programs to clients. We have not offered non-wrap fee programs to new clients since 2010, and we no longer have any clients in non-wrap fee programs. As such, under the heading “What fees will I pay?”, the following language has been deleted as it no longer applies:

Prior to June 2010, we offered a “non-wrap fee program” for which clients may be “grandfathered”. The fee charged for this program is 0.25% per quarter of “AUM”. However, transaction costs, including commissions are additional costs to the client on top of this asset charge. We no longer offer this program to new clients, however, for “grandfathered” clients, the “Wrap” or “non-Wrap” fee schedule which is less expensive ultimately depends on the specifics of that portfolio. This presents a conflict of interest for these clients in that our billing may be higher or lower depending on the program chosen.