

June 29, 2020

CLIENT RELATIONSHIP SUMMARY

Grodsky Associates is a small brokerage firm that is registered with the Securities and Exchange Commission (SEC). The firm processes transactions on a fully-disclosed basis through National Financial Services. Brokerage and investment advisory services and fees differ. It is important for you to understand the differences. This Client Relationship Summary provides details about our brokerage services, fees and other important information.

Free tools are available for investors to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs). There you can also find educational materials about broker-dealers, investment advisors and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Grodsky Associates offers brokerage services to retail investors primarily on an agency basis. We buy and sell securities for individuals, joint accounts, trusts and estates based upon the client's needs, preferences and risk tolerance. The firm offers individual, joint tenants, Transfer on Death and Retirement accounts (IRAs, Roth IRAs, SEP, Rollover and SIMPLE plans. We also handle educational savings plans. The firm also offers margin and options accounts. The firm takes orders on a solicited and unsolicited basis. We also handle some discretionary accounts.

Grodsky Associates does not offer proprietary products and does not act as a market maker. It buys and sells publicly-traded securities on the open market. We try to match investments with our clients' preferences and needs.

There are no account opening or annual maintenance fees at Grodsky Associates. There is an annual fee of \$35 for IRA accounts that is charged by National Financial.

Grodsky Associates is a full-service broker-dealer. We offer various services that are expected of broker-dealers. Our goal is to always act in the best interests of our clients and to put client interests above our own.

CONVERSATION STARTERS: Ask your financial professional these questions to learn more.

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?

Fees, whether commissions, mark-ups or mark-downs, or sales charges are charged on all securities transactions. Commissions vary based upon the size of the transaction, the activity of the account and costs of the trade. Most trades incur commissions of 1% of principal or less. The minimum commission is generally \$35. However, the firm sometimes charges less than \$35 to accommodate the trade. On small trades, the commission may be well in excess of 1%. Grodsky Associates has costs associated with every trade that are charged to the firm by National Financial. Mutual fund fees are set by mutual fund companies. Mutual fund fees are disclosed in the mutual fund prospectus given to investors at the time of purchase. There are generally no fees charged on mutual funds liquidations.

National Financial charges a miscellaneous fee of \$3 per transaction. There is a \$35 annual fee on IRA accounts charge by National Financial. Wires fees are \$15 for outgoing wires charged by National Financial.

Fees and commissions are charged whether or not your investments increase in value. Fees reduce your return on your investments and are something investors must be aware of. Grodsky Associates makes money from the difference between its commissions and what it pays to its account executives and clearing firm.

CONVERSATION STARTERS:

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

WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we provide you with a recommendation, 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 recommendations that we provide you.

If we recommend an investment transaction and you agree, both Grodsky Associates and your account executive make money on that transaction. The possibility of a conflict of interests exists. It is important that you are aware of the reason for the recommendation and the costs of executing them.

CONVERSATION STARTERS:

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

HOW DO YOUR INVESTMENT PROFESSIONALS MAKE MONEY?

Grodsky Associates' account executives are compensated on a commission basis. They make money by buying and selling securities for retail customers. Their compensation is a percentage of what they charge to their clients. As their commission total rises, so does their pay.

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. You can visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

CONVERSATION STARTER:

As a financial professional, do you have any disciplinary history? If so, for what type conduct?

For additional information about Grodsky Associates or to request a copy of this relationship summary, please call 973-243-0300.

CONVERSATION STARTER:

Who is my primary contact person? Is he a representative of the broker-dealer? Who can I talk to if I have concerns about how this person is treating me?