

30 March 2021

## **Makrod Investment Associates, Inc. Form CRS Relationship Summary**

**Makrod Investment Associates, Inc. ("Makrod")** is registered with the Securities and Exchange Commission as an Investment Adviser. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

We offer non-discretionary investment advisory services through separately managed accounts to individuals, high net worth individuals, pension and profit sharing plans, trusts and charitable organizations. We advise on long term investments using fundamental analysis. We typically construct portfolios around various types of investments, with an emphasis on equities, fixed income and cash/money market funds. We will provide advice on other types of investments such as limited partnerships, mutual funds, certificates of deposit, etc. As a non-discretionary service, we discuss potential investments with you before entering transactions. You make the ultimate decision regarding the purchase or sale of securities. You sign a limited power of attorney with your custodian/broker-dealer allowing us to place trades in your account and, upon your consent, we place the respective trades for you. You may impose restrictions on investing in certain securities or types of securities and direct us to purchase or sell specific securities for your account which we would not otherwise recommend. As part of our standard services, our investment advisors informally monitor your accounts on an ongoing basis and formally review them on approximately a bimonthly basis. We report to clients semi-annually. We prefer that new accounts (i.e. new client relationships) have a minimum size of \$500,000; however, exceptions are made for referrals from existing clients. We have no other account opening requirements.

**For additional information, please see our Form ADV brochure (Items 4 and 7 of Part 2A) posted on our firm's website at the following URL: <http://makrod.com/images/adv-part-2a.pdf>**

*Conversation Starters. Ask your financial professional-*

*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?

Makrod is compensated for its advisory services by a percentage of assets under management. Though the fee is negotiable, the standard fee schedule is as follows:

- 1% of the first \$1,000,000
- ¾ of 1% of the next \$1,000,000
- .6 of 1% of the next \$3,000,000
- .45 of 1% of the balance

Fees are payable from your account directly or can be billed to you on either a semi-annual or quarterly basis as you prefer. Clients generally pay fees in advance (five months in advance for a semi-annual billing cycle and two months in advance for a quarterly billing cycle) but can request to pay in arrears. Our valuation of your portfolio for billing is based on your custodian's report. Clients also pay fees to their custodians such as brokerage and other transaction costs which may include, but are not limited to, brokerage commissions on trading, costs for wire transfers or overnight mail of funds, check printing fees, and account maintenance fees. Clients also pay

mutual funds and/or exchange-traded funds fees which are separate and distinct from our fees (described in each fund's prospectus). As a firm that charges asset-based fees, we are paid more as your assets with us grow which gives us an incentive to encourage you to increase the assets in your account.

**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 brochure (especially Items 5.A., B., C., and D and Item 12 of Part 2A) posted on our firm's website at the following URL:**

**<http://makrod.com/images/adv-part-2a.pdf>**

*Conversation Starter. Ask your financial professional-*

*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 adviser? 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 interests 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 is an example to help you understand what this means: We are a closely-held family business. As such, there is a risk that personal loyalties could affect the management of employee conduct.*

*Conversation Starter. Ask your financial professional-*

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

**For additional information, please see our Form ADV brochure posted on our firm's website at the following URL: <http://makrod.com/images/adv-part-2a.pdf>**

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

Our financial professionals are paid a salary and bonus which are based on the general revenue of the firm and the professionals' experience in the field.

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

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

*Conversation Starter. Ask your financial professional-*

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

**For additional information about our services, please see our Form ADV, this Form CRS Relationship Summary and other details posted on our firm's website, with available downloads, at the following link:**

**<http://makrod.com/images/adv-part-2a.pdf>. If you have questions or would like more up-to-date information, or to request a copy of this Form CRS Relationship Summary, please call 973.239.1033.**

*Conversation Starters. Ask your financial professional-*

*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?*