

# **Form ADV Part 2A: Brochure for Nazelrod & Associates Financial Services, Inc.**

## ***Item 1 Cover Page***

Brochure Date: 12/31/2010

Nazelrod & Associates Financial Services, Inc.  
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[www.NazelrodAssociates.com](http://www.NazelrodAssociates.com)

Throughout this document, the terms “we”, “us”, and “our” should be understood to reference Nazelrod & Associates Financial Services, Inc.

This brochure provides information about the qualifications and business practices of Nazelrod & Associates Financial Services, Inc. If you have any questions about the contents of this brochure, please contact us at (410) 583-7662. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Nazelrod & Associates Financial Services, Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Any reference to Nazelrod & Associates Financial Services, Inc. or its representatives as being a “registered investment adviser” or being “registered” does not imply a certain level of skill or training.

## ***Item 2 Material Changes***

The material change(s) to this brochure since the last annual update on 12/31/2009 are stated below. It should be noted that the following statement(s) only cover material changes since the last annual update of this brochure.

- Changes to the format and content of this brochure were enacted by regulators in 2010. This brochure conforms to these new standards.

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## ***Item 4 Advisory Business***

Nazelrod & Associates Financial Services, Inc. was established in 1997. Eugene D. Nazelrod is the president and principal owner. Nazelrod & Associates Financial Services, Inc. offers advice to its clients in the fields of Investments, Insurance, Taxes, and Financial Planning.

Currently, Nazelrod & Associates Financial Services, Inc. offers its Comprehensive Financial Management Program (CFMP) as the program through which it serves clients. Through this program, we create a customized financial plan for each client based on the client's specific situation, risk tolerance, and goals. This includes recommendations for a customized investment portfolio, recommendations for tax planning specific to the client's tax situation, and recommendations for ways of managing the risks that the client may face through his or her life.

The specific asset management services that are included through this program include, but are not limited to: portfolio management (including asset allocation, performance measurement, and position tracking), income tax management (including tax planning for income derived from assets and active sources, and return preparation), estate & gift tax management (planning and return preparation for taxes derived from the transfer of assets), insurance and risk management (planning and recommendations for managing risks that have the potential to damage asset accumulation and usage). It is our belief that proper investment advice includes analyzing and managing all of the factors that impact an investment portfolio. The goal of the Comprehensive Financial Management Program is to address all of these areas in order to best pursue the clients investment objectives.

We review with the client, and provide reporting to the client on the above issues, no less than quarterly.

We allow clients to place restrictions on investing in certain securities or types of securities. However, if we believe such restrictions would prohibit us from properly doing our job, we will discuss these concerns with the client. If we do not feel that we are able to come to a reasonable resolution on such a matter, we reserve the right to terminate the advisory agreement.

We currently do not participate in a wrap fee program.

As of 12/31/2010 our assets under management are as follows:

- Assets managed on a discretionary basis: \$42,300,000
- Assets managed on a non-discretionary basis: \$0

For the purposes of the above figures, our definition of "assets under management" includes only the accounts subject to an executed investment advisory agreement with Nazelrod & Associates Financial Services, Inc.

## ***Item 5 Fees and Compensation***

### **Comprehensive Financial Management Program (CFMP)**

For clients entering into an advisory agreement for our Comprehensive Financial Management Program (CFMP) after June 2010, the fee schedule is as follows:

The Fee will be charged in advance upon establishment of the value of the portfolio based upon the proportion of the number of days remaining in the quarter and thereafter, quarterly, beginning on the first working day of each calendar quarter. The fee will be based on the portfolio value on the last working day of the previous quarter, and is calculated according to the following schedules:

Schedule 1: Stocks, Bonds, Options, Exchange Traded Funds, & No Load/Load Waived Mutual Funds

<u>From</u>	<u>To</u>	<u>Quarterly Rate</u>	<u>Annualized Equivalent</u>
\$ 0	\$ 200,000	0.5%	2.00%
\$ 200,001	\$ 500,000	0.45%	1.80%
\$ 500,001	\$ 1,000,000	0.425%	1.70%
\$ 1,000,001	\$ 5,000,000	0.1625%	0.65%
\$ 5,000,001	Above	0.0875%	0.35%

If client's portfolio has substantially all of the investments for this schedule in mutual funds paying a .25% annual trailing commission or 12b-1 fee (.0625% per quarter) to Eugene or Jason Nazelrod as a registered representative of LaSalle St. Securities (as is currently common with Load Waived mutual funds), at the sole discretion of the Advisor, the quarterly rate in the above schedule may be reduced by .0625% at each level. For example, the first rate level would be reduced from .5% to .4375%.

Schedule 2: Annuities, Variable Life, & C Share Mutual Funds

<u>From</u>	<u>To</u>	<u>Quarterly Rate</u>	<u>Annualized Equivalent</u>
\$ 0	\$ 200,000	0.25%	1.00%
\$ 200,001	\$ 500,000	0.225%	0.90%
\$ 500,001	\$ 1,000,000	0.2125%	0.85%
\$ 1,000,001	Above	0.0875%	0.35%

As of the drafting of this agreement, Nazelrod & Associates Financial Services, Inc. does not feel there is a suitable selection of Annuity or Variable Life products that are no-load or low-load products; the substantial majority of these products pay a full commission to a broker/agent. Since Eugene D. Nazelrod or Jason E. Nazelrod, in their capacity as registered representatives of a broker/dealer and licensed insurance agents, will generally earn what we consider to be a "full commission" on the sale of Annuities, Variable Life, and C Share Mutual Funds, the fee charged by Nazelrod & Associates Financial Services, Inc. will be reduced. The above referenced "Schedule 2", will only be used for products actually sold through Eugene D. Nazelrod or Jason E. Nazelrod, in their capacity as registered representatives of a broker/dealer and/or licensed insurance agents. Any investment or insurance product included under this agreement that is NOT sold through Eugene D. Nazelrod or Jason E. Nazelrod, in their capacity as registered representatives of a broker/dealer and licensed insurance agents will be billed under the rates of Schedule 1.

It is our belief that commissions earned are sufficient to compensate for certain basic investment services. However, with the nature of the Comprehensive Financial Management Program covering advanced investment and asset management services, the fee charged based on Schedule 2 is to compensate Nazelrod & Associates Financial Services, Inc. for the provision of these advanced services. These advanced services include, but are not limited to, income tax planning and return preparation, estate planning and return preparation, risk management and analysis, additional financial planning, and budgeting and debt analysis.

As stated previously, it is our belief that proper investment advice includes analyzing and managing all of the factors that impact an investment portfolio, including income as a funding source, taxes and debt that may reduce investable assets, and risks that pose threats to investable assets. The goal of the Comprehensive Financial Management Program is to address all of these areas in order to best pursue the clients investment objectives.

External Account/Manual Entry Charge

Client accounts held in a manner that requires Nazelrod & Associates Financial Services, Inc. to manually enter transaction or other account data will be subject to an additional charge of .0375% per quarter (.15%

annualized). This charge typically arises for client accounts held at financial institutions other than those recommended by Nazelrod & Associates Financial Services, Inc., or otherwise held in a manner that precludes Nazelrod & Associates Financial Services, Inc. from electronically downloading the necessary data through Nazelrod & Associates Financial Services, Inc.'s existing electronic download systems.

#### Minimum Fee

A minimum of \$250,000 of assets under management must be maintained. If the balance of the assets under management declines below \$250,000, a minimum Fee of \$1250 per quarter will be billed.

#### Fee Calculation Example

The above rate schedules are calculated on a progressive basis. For example, a client with a mutual fund portfolio balance at the end of the quarter of \$550,000 would pay .25% on the first \$200,000, .225% on the next \$300,000, and .2125% on the remaining \$50,000. This yields a quarterly fee of \$1281.25, or .233%. This is equivalent to .93%, on an annualized basis. If this client additionally had annuity balances of \$250,000 at the end of the quarter, the charge for these assets would be .25% on the first \$200,000 and .225% on the remaining \$50,000, resulting in a fee of \$612.50. The total quarterly fee would be \$1893.75. Lastly, if \$100,000 of the client's mutual fund portfolio is held in his current employer's 401(k) plan, and incurs the External Account/Manual Entry Charge of .0375%, this charge would be \$37.50 for the quarter, bringing the total quarterly fee to \$1931.25.

#### Third Party Fee Disclosure

Client should understand that the fees listed above pertain only to those associated with this agreement with Nazelrod & Associates Financial Services, Inc., and does not include expenses or cost of third parties. Nazelrod & Associates Financial Services, Inc. does not control costs that may be charged by other parties, including but not limited to, mutual fund companies, insurance companies, broker/dealers, or stock exchanges.

For clients entering into an advisory agreement for our Comprehensive Financial Management Program (CFMP) before June 2010, previous fee schedules may be grandfathered. Our fees are not negotiable.

We generally require that our fees be deducted directly from the clients' accounts. We may allow an exception to this rule if the client can demonstrate that deducting the fees from the account would cause an undue hardship. Our fees are billed and deducted quarterly.

Clients may pay additional costs from third parties in the course of conducting business. These costs may include, but are not limited to, custodian fees, mutual fund expenses, insurance company expenses, stock exchange expenses, and postage & service fees. In general, transaction costs known as "ticket charges" are not passed through to the client, but rather are born by us. However, if in the discretion of Nazelrod & Associates Financial Services, Inc., we deem a client to be requesting an excessive level of trading, we reserve the right to notify the client that future trades will be subject to ticket charge trading costs. We will provide the client with the applicable rates, and offer the client the option to be subject to these rates or to terminate our agreement.

Clients should note that representatives of Nazelrod & Associates Financial Services, Inc. may also be securities licensed registered representatives of a broker/dealer, and/or licensed insurance agents. As such, an advisor representative, in his or her capacity as a broker dealer registered representative or insurance agent, may receive commissions or 12(b)-1 fees for the transaction of mutual fund, insurance related products, or other securities in Client's portfolio. Transaction fees and commissions for mutual funds, insurance products, and other securities received by an affiliated broker/dealer and paid to its agents shall not exceed reasonable amounts, or limits by regulatory bodies. Client should consult a prospectus for all securities transacted in the primary market, or consult a brokerage account fee schedule for all securities transacted through a brokerage account in the secondary market. No commissions or 12(b)-1 fees will be paid to Nazelrod & Associates Financial Services, Inc.

If the account does not contain sufficient funds to pay fees, Nazelrod & Associates Financial Services, Inc. has limited authority to sell or redeem securities holdings in sufficient amounts to pay its fees. Upon the termination of our agreement, we will refund to the client the prorated portion of the quarterly fee represented by the number of days remaining in the quarter relative to the total days in the quarter.

Since representatives of Nazelrod & Associates Financial Services, Inc. may also earn commissions on the sale of products, clients should be aware that this may present a conflict of interest. Representatives of Nazelrod & Associates Financial Services, Inc. may have the incentive to recommend investment products based on the compensation received, rather than on a client's needs. Our policy to attempt to mitigate this conflict of interest is to adjust the Nazelrod & Associates Financial Services, Inc. billing according to whether a representative of Nazelrod & Associates Financial Services, Inc. is paid a "full" commission on the sale of the product. We consider a "full" commission to be that which is paid to a representative of Nazelrod & Associates Financial Services, Inc., in his or her capacity as a broker dealer registered representative or insurance agent, which exceeds a .25% annualized rate. As discussed above, investments with an annualized commission rate of .25% or less will generally be billed according to Schedule 1, and investments with an annualized commission rate of more than .25% will generally be billed according to Schedule 2. However, clients should be aware commission rates paid by various companies are not standardized, and our policy will not fully dispel this conflict of interest.

Clients should be aware that they have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with us. However, clients should also be aware that doing so may affect our ability to efficiently gather data for these accounts, and as such may increase the costs we charge (as discussed above), or may preclude us from efficiently servicing the account at all.

According to our latest estimates, commissions paid to representatives of Nazelrod & Associates Financial Services, Inc. for clients of Nazelrod & Associates Financial Services, Inc. do not exceed 50% of the total of commissions paid to representatives of Nazelrod & Associates Financial Services, Inc. and fees charged by Nazelrod & Associates Financial Services, Inc.

Please see Item 12 of this document for more information on brokerage practices.

## ***Item 6 Performance-Based Fees and Side-By-Side Management***

Nazelrod & Associates Financial Services, Inc., nor any of its representatives, accepts performance based fees. Performance based fees are fees based on a share of capital gains on or capital appreciation of the assets of a client.

## ***Item 7 Types of Clients***

Clients of Nazelrod & Associates Financial Services, Inc. are generally individuals and trusts. For our Comprehensive Financial Management Program (CFMP), a minimum of \$250,000 of assets under management must be maintained. If the balance of the assets under management declines below \$250,000, a minimum Fee of \$1250 per quarter will be billed.

As of 12/31/2010, our client composition is as follows:

Total Clients: 62

High Net Worth Clients: 15

Non-High Net Worth Clients: 47

A High Net Worth Client is defined one as having \$750,000 or more of assets under management

## ***Item 8 Methods of Analysis, Investment Strategies and Risk of Loss***

Our method of analysis for formulating and recommending investment strategies is as follows:

We pursue a “Top Down” strategy. This means that we start with the four asset classes of Stocks, Bonds, Commodities, and Real Estate. We then break these asset classes into style groups. These groups may include, but are not limited to:

- Stocks: Large vs. Small, Growth vs. Value, Domestic vs. International.
- Bonds: Long vs. Short Maturity, High vs. Low Credit Quality, Domestic vs. International.
- Commodities: Precious Metals vs. Industrial Materials
- Real Estate: Domestic vs. International.

With these style groups, we perform fundamental and technical analysis, which may include data analysis at the international, national, and sector levels, and we identify areas we feel are relatively more attractive and areas we feel are relatively less attractive, and recommend overweighting or underweighting accordingly. As stated previously, these recommendations are adjusted to each client's specific risk tolerance and objectives.

We generally recommend clients use mutual funds or other packaged products to allow the fund manager to perform the individual security selection. We perform research on the managers of these packaged products, and recommend funds based on our research.

Our interpretation of the risk of loss that our clients face includes, but is not limited to the following:

Investing in securities involves risk of loss that clients should be prepared to bear. The primary asset classes of Stocks, Bond, Commodities, and Real Estate can all suffer large and extended downturns, and clients should be prepared to experience such downturns. Past performance should not be considered an indicator of future results.

Risks specific to our investment strategy include, but are not limited to the following:

If an area we recommend to underweight performs relatively well, or an area we recommend to overweight performs relatively poorly, this could lead to clients' accounts having smaller gains or greater losses than would have otherwise been realized. Additionally, if a particular fund we recommend underperforms its peers, this could also lead to clients' accounts having smaller gains or greater losses than would have otherwise been realized.

Our strategy relies on having diversified portfolios. Such a strategy greatly reduces or eliminates unsystematic risk (risk of failure by any individual security), but does not avoid systematic risk (the risk inherent to the markets in general).

## ***Item 9 Disciplinary Information***

Nazelrod & Associates Financial Services, Inc., nor any of its representatives, have any known legal or disciplinary events material to its performance of its advisory duties.

## ***Item 10 Other Financial Industry Activities and Affiliations***

Eugene D. Nazelrod & Jason E. Nazelrod are both registered representatives of LaSalle St. Securities, LLC, a registered Broker-Dealer. Additionally, Eugene D. Nazelrod & Jason E. Nazelrod are both licensed insurance agents for the Life and Health lines of insurance. As such, Eugene D. Nazelrod & Jason E. Nazelrod may earn commissions on the sale of investment and insurance products. As stated previously, clients should be aware that this may present a conflict of interest in that we may have the incentive to recommend investment products based on the compensation received, rather than on a client's needs. As stated previously, we have taken steps to attempt to mitigate this conflict of interest.



Eugene D. Nazelrod & Jason E. Nazelrod are both Certified Public Accountants (CPAs) and employees of the accounting firm, Nazelrod & Associates, P.A. In general, in our capacity as such, we will recommend that we perform tax, accounting, and related services for engagements we feel capable of performing and are allowed to perform under AICPA standards. Clients should be aware that this may present a conflict of interest in that we are not able to provide an independent referral for where a client should have such services performed, and a client's interests may be better served by having these services performed elsewhere.

## ***Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

### Code of Ethics

These *Code of Ethics*' Principles express our recognition of our responsibilities to the public, to clients, to colleagues, and to employers.

#### Principle 1 – Integrity

*We shall offer and provide professional services with integrity.*

We may be placed by clients in position of trust and confidence. The ultimate source of such public trust is our personal integrity. In deciding what is right and just, we rely on our integrity as the appropriate touchstone. Integrity demands honesty and candor which must not be subordinated to personal gain and advantage. Within the characteristic of integrity, allowance can be made for innocent error and legitimate difference of opinion; but integrity cannot co-exist with subordination of one's principles. Integrity requires us to observe not only the letter but also the spirit of this *Code of Ethics*.

#### Principle 2 – Objectivity

*We shall be objective in providing professional services to clients.*

Objectivity requires intellectual honesty and impartiality. It is an essential quality for any professional. Regardless of the particular service rendered or the capacity in which we function, we should protect the integrity of our work, maintain objectivity, and avoid subordination of our judgment that would be in violation of this *Code of Ethics*.

#### Principle 3 – Competence

*We shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which we are engaged.*

One is competent only when he or she has attained and maintained an adequate level of knowledge and skill, and applies that knowledge effectively in providing services to clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation or client referral is appropriate. In addition to assimilating the common body of knowledge required and acquiring the necessary experience for practicing in our various disciplines, we shall make a continuing commitment to learning and professional improvement.

#### Principle 4 – Fairness

*We shall perform professional services in a manner that is fair and reasonable to clients, principals, partners and employers, and shall disclose conflict(s) of interest in providing such services.*

Fairness requires impartiality, intellectual honesty and disclosure of conflict(s) of interest. It involves a subordination of one's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests. Fairness is treating others in the same fashion that you would want to be treated, and is an essential trait of any professional.

#### Principle 5 – Confidentiality

*We shall not disclose any confidential client information without the specific consent of the client unless in response to proper legal process, to defend against charges of wrongdoing by properly empowered professional association or in connection with a civil dispute.*

A client, by seeking our services, may be interested in creating a relationship of personal trust and confidence with us. This type of relationship can only be built upon the understanding that information supplied to us will be confidential. In order to provide the contemplated services effectively and to protect the client's privacy, we shall safeguard the confidentiality of such information.

#### Principle 6 – Professionalism

*Our conduct in all matters shall reflect credit upon the profession.*

Because of the importance of the professional services rendered by practitioners in our industry, there are attendant responsibilities to behave with dignity and courtesy to all those who use those services, including fellow professionals, and those in related professions. We also have an obligation to cooperate with fellow practitioners to enhance and maintain the profession's public image and to work jointly with other practitioners to improve the quality of services. It is only through the combined efforts of all practitioners, and in cooperation with other professionals, that this vision can be realized.

#### Principle 7 – Diligence

*We shall act diligently in providing professional services.*

Diligence is the provision of services in a reasonably prompt and thorough manner. Diligence also includes proper planning for, and supervision of, the rendering of professional services.

#### Participation or Interest in Client Transactions and Personal Trading

With the exception of packaged products such as mutual funds and annuities, we do not invest in the same securities that we recommend to clients. Additionally, our related person Broker-Dealer, LaSalle St. Securities, LLC, has informed us that they do not buy or sell client securities for/from its own accounts. As such, we do not believe a conflict of interest exists here.

### **Item 12 Brokerage Practices**

In recommending Broker-Dealers, we generally recommend LaSalle St. Securities, LLC, as this is the broker-dealer through which Eugene D. Nazelrod and Jason E. Nazelrod are registered representatives. With regard to the commissions charged by LaSalle St. Securities, LLC, these costs are generally born by the representatives of Nazelrod & Associates Financial Services, Inc., and are not passed through to Nazelrod & Associates Financial Services, Inc. clients. As such, these costs are not directly a factor for clients, but rather, are a factor for our own profitability, and may influence the fees we charge clients.

The soft dollar benefits we receive from broker-dealers or third parties in exchange for providing business to them we believe to be minimal to none. We do not receive research of any material value in exchange for providing business to third parties, and as such, we do not believe there is a resulting conflict of interest.

In selecting broker-dealers, this is not based on whether we receive client referrals since, to date, we have substantially received no client referrals, and we do not foresee that this policy will change.

As stated previously, we generally direct trades to be executed through LaSalle St. Securities, LLC. Clients should note that not all advisors direct trades through recommended broker-dealers. Additionally, as stated previously, Eugene D. Nazelrod & Jason E. Nazelrod have an economic relationship with LaSalle St. Securities, LLC, as they may earn commissions on transactions placed this broker-dealer. Clients should also note that directing trades as such cannot guarantee the most favorable execution.

In general, we do not aggregate the purchase or sale of securities for multiple client account because, generally speaking, this is not available to us in our current structure. However, since the brokerage trading costs are paid by the representatives of Nazelrod & Associates Financial Services, Inc. and not the clients of Nazelrod &

Associates Financial Services, Inc., this trading aggregation practice should have little material impact on our clients.

### ***Item 13 Review of Accounts***

We generally review client account on an ongoing basis, but no less frequently than quarterly. All reviews are performed by Eugene D. Nazelrod and/or Jason E. Nazelrod, and these duties are split on an as needed basis.

Written reports for the Comprehensive Financial Management Program (CFMP) are provided quarterly, and contain the following sections:

- Statement of Objectives
- Investments
  - Asset Allocation Report
  - Quarterly Portfolio Summary
  - Historical Portfolio Performance (Including Investment Costs Only)
  - Historical Portfolio Performance (Including All CFMP Costs)
  - Portfolio Value vs. Investment
  - Portfolio Detail of Current Holdings
- Tax Planning
  - Current Year's Realized Capital Gains/Losses Report
  - Current Year's Income and Dividends Paid Report
  - Current Unrealized Gains/Losses Report
- Estate Planning & Life Insurance
  - Current Estate Planning & Life Insurance Statement
- Risk Management & Insurance, Personal Finance & Debt Management
  - Current Risk Management & Insurance Statement
  - Current Personal Finance & Debt Statement

### ***Item 14 Client Referrals and Other Compensation***

In general, with the exception of payment for services we render, we do not accept items of economic benefit from any individual or entity in excess of \$100 per year per individual or entity. Additionally, with the exception of payment for services rendered, we do not provide items of economic benefit to individuals or entities in excess of \$100 per year per individual or entity. An exception to this rule would be transfers/receipts among family members. Lastly, we do not compensate for referrals.

### ***Item 15 Custody***

Per the Maryland Securities Division, it is their position that an advisor that directly deducts fees from a client account is deemed to have custody of client assets. Since Nazelrod & Associates Financial Services, Inc. deducts fees directly from client accounts, we are deemed to have custody of client assets by the Maryland Securities Division. The deductions made by Nazelrod & Associates Financial Services, Inc. are limited to fees. Additionally, LaSalle St. Securities, LLC, a related person broker-dealer, has custody of assets of Nazelrod & Associates Financial Services, Inc. clients. Statements from LaSalle St. Securities or other financial institutions with which we direct business should be received by clients no less frequently than quarterly. We urge our clients to carefully review these statements and compare them with the reports that Nazelrod & Associates Financial Services, Inc. provides to you.

### ***Item 16 Investment Discretion***

Nazelrod & Associates Financial Services, Inc. does accept a limited discretionary authority over client accounts. This discretion is generally limited to allowing Nazelrod & Associates Financial Services, Inc. to rebalance the client's portfolio to remain within the parameters of the agreed upon allocation model. The allocation model pursues a general level of risk versus return, over the long run. The asset classes and style groups presented in the allocation model may be dynamic over time in order to remain within a targeted risk/return range. Thus, Nazelrod & Associates Financial Services, Inc. has the discretion in performing the rebalance to select the timing of the transactions, and the specific securities used. However, any requests by the client regarding timing of transactions or security selection will generally be adhered to. This authority is granted to Nazelrod & Associates Financial Services, Inc. upon the client signing our advisory agreement.

### ***Item 17 Voting Client Securities***

Nazelrod & Associates Financial Services, Inc. does not have authority to vote on client securities. Clients will receive proxy materials directly from the custodian or transfer agent. Clients may contact us with questions on these materials.

### ***Item 18 Financial Information***

Nazelrod & Associates Financial Services, Inc. does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. As such, we are not required to include a balance sheet here.

Since Nazelrod & Associates Financial Services, Inc. has discretionary authority over client accounts as described earlier, we are disclosing the following financial condition(s) that we believe are reasonably likely to impair our ability to meet contractual commitments to our clients:

- None

### ***Item 19 Requirements for State-Registered Advisers***

All required items have been answered elsewhere in this document.

## Form ADV Part 2B: Brochure Supplement for Eugene D. Nazelrod

### ***Item 1 Cover Page***

Supplement Date: 12/31/2010

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This brochure supplement provides information about Eugene D. Nazelrod, which supplements the Nazelrod & Associates Financial Services, Inc. brochure. You should have received a copy of that brochure. Please contact us if you did not receive the Nazelrod & Associates Financial Services, Inc. brochure or if you have any questions about the contents of this supplement. Additional information about Eugene D. Nazelrod is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ***Item 2 Educational Background and Business Experience***

### Date of Birth

- January 7, 1948

### Post Secondary Education

- Towson University: Bachelor of Science (BS) degree in Finance (1974)
- Morgan State University: Masters of Business Administration (MBA) degree concentrating in Accounting and Finance (1976)

### Employment History and Duties

- Owner of Nazelrod & Associates, P.A. (1987-present), performing tax, accounting, and consulting services. Approximate percentage of time currently spent on these duties is 40%.
- Owner and Registered Representative of Nazelrod & Associates Financial Services, Inc. (1997-present), performing services offered by the registered investment advisor. Approximate percentage of time currently spent on these duties is 30%.
- Registered Representative of LaSalle St. Securities, LLC (1997-present), performing services related to the sale of securities. Approximate percentage of time currently spent on these duties is 20%.
- Licensed Insurance Agent (1995-present), performing services related to the sale of insurance products. Approximate percentage of time currently spent on these duties is 10%.

### Professional Certifications and Licenses, and Minimum Qualifications

- Certified Public Accountant (CPA) (1981)
  - Initial Minimum Qualifications: To attain the Certified Public Accountant license, applicants must satisfy the following requirements:
    - Education - Satisfactorily complete a Board approved-accounting curriculum while earning a minimum of 150 semester hours or their equivalent (51 semester hours must be in accounting and related subjects), including the attainment of a baccalaureate or higher degree that meets the following requirement: A major in accounting on the baccalaureate level, or its substantial equivalent. Applicants must have completed one course each in auditing, managerial accounting or cost accounting, U.S. Federal Income Tax; nine semester undergraduate semester hours/12 undergraduate quarter hours in financial accounting; and elective accounting courses.
    - Examination - Pass the Uniform CPA Examination. The examination, administered in 14 hours over multiple days, contains the following sections: Business Law and Professional Responsibilities (LPR); Auditing (AUD); Accounting and Reporting (ARE); and Financial Accounting and Reporting (FARE). Examination candidates must pass each of the sections of the Uniform CPA Examination with a grade of 75%.
    - Experience - Following passage of the Uniform CPA Examination, an applicant must file a Report of Practical Experience form that documents that the applicant has a minimum of 2,000 hours of experience in accounting-related activities verified and endorsed by a licensed CPA.
    - Ethics - After passing the Uniform CPA Examination, a candidate must complete a Home Study Course in Professional Ethics that is offered by the American Institute of Certified Public Accountants. The candidate must send a copy of the ethics course completion certificate with the Report of Practical Experience in order to complete the license application process.
  - Ongoing Minimum Qualifications: Individuals who become licensed must complete the following continuing education requirements in order to maintain the license:
    - Continuing Education – Complete 80 hours of continuing education hours every two years, including four hours on the *Code of Ethics* to maintain competence and keep up with developments in the public accounting field.
- FINRA Series 7 General Securities Representative (2001) (Supersedes his Series 6 License of 1992)

- Initial Minimum Qualifications: To attain the Series 7 license, an individual must complete the following:
  - Examination - 250 multiple choice questions (administered in two parts of 125 questions each) over 6 hours total testing time. This registration qualifies a candidate for the solicitation, purchase, and/or sale of all securities products, including corporate securities, municipal securities, municipal fund securities, options, direct participation programs, investment company products, and variable contracts.
- Ongoing Minimum Qualifications: Continuing education consists of two mandatory programs:
  - Regulatory Element - requires all registered individuals to complete a 4 hour computer-based training program within 120 days of the second anniversary of their registration approval dates and every three years thereafter. The program focuses on compliance, regulatory, ethical and sales practice standards. Its content is derived from industry rules and regulations, as well as widely accepted standards and practices within the industry.
  - Firm Element - requires broker-dealers to establish a formal training program to keep covered registered persons up-to-date on job- and product-related subjects. In planning, developing and implementing the Firm Element, each broker-dealer must consider its size, structure, scope of business and regulatory concerns. Each broker-dealer must administer its Firm Element Continuing Education Program in accordance with its annual Needs Analysis and Written Training Plan, and must maintain records documenting the content of the program and completion of the program.
- FINRA Series 63 Uniform Securities Agent State Law (1993)
  - Initial Minimum Qualifications: To attain the Series 63 license, an individual must complete the following:
    - Examination - 60 multiple choice questions over 1 hour and 15 minutes testing time. The Series 63 is designed to qualify candidates as securities agents. The examination covers the principles of state securities regulation reflected in the Uniform Securities Act.
  - Ongoing Minimum Qualifications: Covered by the FINRA Regulatory Element and Firm Element described above.
- FINRA Series 65 Uniform Investment Advisor Law (1993)
  - Initial Minimum Qualifications: To attain the Series 65 license, an individual must complete the following:
    - Examination - 130 multiple choice questions over 3 hours testing time. The Series 65 is designed to qualify candidates as investment adviser representatives.
  - Ongoing Minimum Qualifications: Covered by the FINRA Regulatory Element and Firm Element described above.
- Life, Health, and Variable Product Insurance Licenses (1995)
  - Initial Minimum Qualifications:
    - Education/Experience – Either:
      - Satisfactory completion of a 60-hour study course given by an approved school or course provider, or
      - Regular employment by an insurer, producer, or agency as described on the Affidavit contained in the licensing bulletin.
    - Examination – 130 questions over 3 hours and 30 minutes testing time. The examination covers the following sections: General; Life Insurance Basics; Life Insurance Policies; Life Insurance Policy Provisions, Options & Riders; Annuities; Federal Tax Considerations For Life Insurance and Annuities; Health Insurance Basics; Individual Health Insurance Policy General Provisions; Disability Income and Related Insurance; Medical Plans; Group Health Insurance; Dental Insurance; Health Insurance for Senior Citizens and Special Needs Individuals; Federal Tax Considerations for Health Insurance; Long-Term Care (LTC) Policies; State Portion Content.
  - Ongoing Minimum Qualifications: Individuals who become licensed must complete the following continuing education requirements:

- Continuing Education – Complete 24 hours of continuing education in approved courses every two years, including three hours covering Ethics. In addition to this, producers selling Long-Term Care Insurance must complete a 4 hour training course on Long-Term Care every two years.
- Certified Financial Planner (CFP) (1999)
  - Initial Minimum Qualifications: 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, administered in 10 hours over a two-day period, 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.
  - Ongoing Minimum Qualifications: 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.
- FINRA Series 24 General Securities Principal (2002)
  - Initial Minimum Qualifications: To attain the Series 24 license, an individual must complete the following:
    - Examination - 150 multiple choice questions; 3 hours and 30 minutes testing time. This examination qualifies individuals required to register as general securities principals in order to manage or supervise the member's investment banking or securities business for corporate securities, direct participation programs, and investment company products/variable contracts.
  - Ongoing Minimum Qualifications: Covered by the FINRA Regulatory Element and Firm Element described above.

\* It should be noted that the above requirements are as of 12/31/2010. Applicants may have been subject to different requirements at the time of their pursuit of the license or designation.

### ***Item 3 Disciplinary Information***

Eugene D. Nazelrod has no legal or disciplinary events we believe would be material to a client or perspective clients in evaluating his ability to perform his duties through Nazelrod & Associates Financial Services, Inc.



#### ***Item 4 Other Business Activities and Conflicts of Interest***

- Registered Representative of LaSalle St. Securities, LLC: Eugene D. Nazelrod is a Registered Representative of LaSalle St. Securities, LLC. In this capacity, he assists clients in the brokerage of securities and may earn commissions for performing such duties. These commissions may take the form of “up-front” or “trailing” commissions. This may present a conflict of interest for clients of Nazelrod & Associates Financial Services, Inc., since an incentive may be present to recommend investment products based on the compensation received, rather than on the client’s needs. Our policy to attempt to mitigate this conflict of interest is to adjust the Nazelrod & Associates Financial Services, Inc. billing according to whether a representative of Nazelrod & Associates Financial Services, Inc. is paid a “full commission” on the sale of the product. For more information on this policy, please see Item 5 Fees and Compensation in the Nazelrod & Associates Financial Services, Inc. brochure.
- Licensed Insurance Agent: Eugene D. Nazelrod is a licensed insurance agent. In this capacity, he assists clients in selecting and purchasing insurance related products, and may earn a commission for performing such duties. These commissions may take the form of “up-front” or “trailing” commissions. This may present a conflict of interest for clients of Nazelrod & Associates Financial Services, Inc., since an incentive may be present to recommend insurance products based on the compensation received, rather than on the client’s needs. Our policy to attempt to mitigate this conflict of interest is to adjust the Nazelrod & Associates Financial Services, Inc. billing according to whether a representative of Nazelrod & Associates Financial Services, Inc. is paid a “full commission” on the sale of the product. For more information on this policy, please see Item 5 Fees and Compensation in the Nazelrod & Associates Financial Services, Inc. brochure.
- Certified Public Accountant (CPA) with Nazelrod & Associates, P.A.: Eugene D. Nazelrod is a CPA with Nazelrod & Associates, P.A. In this capacity, he advises and assists clients in areas related to tax, accounting, and consulting engagements. Typically, Nazelrod & Associates, P.A. bills clients for these services and Eugene D. Nazelrod earns a salary from Nazelrod & Associates, P.A. This may present a conflict of interest for clients of Nazelrod & Associates Financial Services, Inc., since we will generally recommend that we perform tax, accounting, and related services for engagements we feel capable of performing and are allowed to perform under AICPA standards. As such, we are not able to provide an independent referral for where a client should have such services performed, and a client’s interests may be better served by having these services performed elsewhere.

#### ***Item 5 Additional Compensation***

In general, with the exception of payment for services we render, we do not accept items of economic benefit from any individual or entity in excess of \$100 per year per individual or entity. Additionally, with the exception of payment for services rendered, we do not provide items of economic benefit to individuals or entities in excess of \$100 per year per individual or entity. An exception to this rule would be transfers/receipts among family members. Lastly, we do not compensate for referrals.

#### ***Item 6 Supervision***

Nazelrod & Associates Financial Services, Inc. has two advisor representatives, Eugene D. Nazelrod and Jason E. Nazelrod, and no other employees. Thus, duties for supervision take the form of cross supervision where Eugene supervises Jason and Jason supervises Eugene.

Additionally, all implemented changes to all clients’ portfolios are reviewed by both Eugene and Jason Nazelrod. Nazelrod & Associates Financial Services, Inc. reviews advice provided to clients no less frequently than quarterly. This supervision of advice takes the form of: firm level meetings discussing current advisory position, review of transactions, review of quarterly reports provided to clients, and jointly conducted quarterly meetings.

Our supervisory guidelines are laid out in our firm document, “Policy and Procedures Manual of Nazelrod & Associates Financial Services, Inc. Pursuant to the Investment Advisers Act of 1940”. All advisor representatives are required to review this policy manual at least annually. Our belief is that such policies are in compliance with the Maryland Securities Act.

Eugene or Jason Nazelrod may be contacted at (410) 583-7662. Additional mailing or emailing information is included for each individual on the cover page of the respective individual’s Form ADV Part 2B.

### ***Item 7 Requirements for State-Registered Advisers***

All required items have been answered elsewhere in this document.

## Form ADV Part 2B: Brochure Supplement for Jason E. Nazelrod

### ***Item 1 Cover Page***

Supplement Date: 12/31/2010

Jason E. Nazelrod  
Nazelrod & Associates Financial Services, Inc.  
600 Fairmount Avenue, Suite 300  
Towson, MD 21286  
(410) 583-7662 (410) 583-7718 (fax)  
[JNazelrod@NazelrodAssociates.com](mailto:JNazelrod@NazelrodAssociates.com)  
[www.NazelrodAssociates.com](http://www.NazelrodAssociates.com)

This brochure supplement provides information about Jason E. Nazelrod, which supplements the Nazelrod & Associates Financial Services, Inc. brochure. You should have received a copy of that brochure. Please contact us if you did not receive the Nazelrod & Associates Financial Services, Inc. brochure or if you have any questions about the contents of this supplement. Additional information about Jason E. Nazelrod is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ***Item 2 Educational Background and Business Experience***

### Date of Birth

- April 18, 1974

### Post Secondary Education

- University of Delaware: Bachelor of Science (BS) degree in Economics (1996)
- University of Maryland: Masters of Business Administration (MBA) degree, concentrating in Finance and Accounting (2003)

### Employment History and Duties

- Employee of Nazelrod & Associates, P.A. (1996-present), performing tax and consulting services. Approximate percentage of time currently spent on these duties is 30%.
- Registered Representative of Nazelrod & Associates Financial Services, Inc. (2000-present), performing services offered by the registered investment advisor. Approximate percentage of time currently spent on these duties is 30%.
- Registered Representative of LaSalle St. Securities, LLC (1997-present), performing services related to the sale of securities. Approximate percentage of time currently spent on these duties is 30%.
- Licensed Insurance Agent (1998-present), performing services related to the sale of insurance products. Approximate percentage of time currently spent on these duties is 10%.

### Professional Certifications and Licenses, and Minimum Qualifications

- FINRA Series 7 General Securities Representative (1997)
  - Initial Minimum Qualifications: To attain the Series 7 license, an individual must complete the following:
    - Examination - 250 multiple choice questions (administered in two parts of 125 questions each) over 6 hours total testing time. This registration qualifies a candidate for the solicitation, purchase, and/or sale of all securities products, including corporate securities, municipal securities, municipal fund securities, options, direct participation programs, investment company products, and variable contracts.
  - Ongoing Minimum Qualifications: Continuing education consists of two mandatory programs:
    - Regulatory Element - requires all registered individuals to complete a 4 hour computer-based training program within 120 days of the second anniversary of their registration approval dates and every three years thereafter. The program focuses on compliance, regulatory, ethical and sales practice standards. Its content is derived from industry rules and regulations, as well as widely accepted standards and practices within the industry.
    - Firm Element - requires broker-dealers to establish a formal training program to keep covered registered persons up-to-date on job- and product-related subjects. In planning, developing and implementing the Firm Element, each broker-dealer must consider its size, structure, scope of business and regulatory concerns. Each broker-dealer must administer its Firm Element Continuing Education Program in accordance with its annual Needs Analysis and Written Training Plan, and must maintain records documenting the content of the program and completion of the program.
- FINRA Series 63 Uniform Securities Agent State Law (1997)
  - Initial Minimum Qualifications: To attain the Series 63 license, an individual must complete the following:
    - Examination - 60 multiple choice questions over 1 hour and 15 minutes testing time. The Series 63 is designed to qualify candidates as securities agents. The examination covers the principles of state securities regulation reflected in the Uniform Securities Act.
  - Ongoing Minimum Qualifications: Covered by the FINRA Regulatory Element and Firm Element described above.
- Life, Health, and Variable Product Insurance Licenses (1998)

- Initial Minimum Qualifications:
  - Education/Experience – Either:
    - Satisfactory completion of a 60-hour study course given by an approved school or course provider, or
    - Regular employment by an insurer, producer, or agency as described on the Affidavit contained in the licensing bulletin.
  - Examination – 130 questions over 3 hours and 30 minutes testing time. The examination covers the following sections: General; Life Insurance Basics; Life Insurance Policies; Life Insurance Policy Provisions, Options & Riders; Annuities; Federal Tax Considerations For Life Insurance and Annuities; Health Insurance Basics; Individual Health Insurance Policy General Provisions; Disability Income and Related Insurance; Medical Plans; Group Health Insurance; Dental Insurance; Health Insurance for Senior Citizens and Special Needs Individuals; Federal Tax Considerations for Health Insurance; Long-Term Care (LTC) Policies; State Portion Content.
- Ongoing Minimum Qualifications: Individuals who become licensed must complete the following continuing education requirements:
  - Continuing Education – Complete 24 hours of continuing education in approved courses every two years, including three hours covering Ethics. In addition to this, producers selling Long-Term Care Insurance must complete a 4 hour training course on Long-Term Care every two years.
- Certified Financial Planner (CFP) (2000)
  - Initial Minimum Qualifications: 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, administered in 10 hours over a two-day period, 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.
  - Ongoing Minimum Qualifications: 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.
- Certified Public Accountant (CPA) (2005)
  - Initial Minimum Qualifications: To attain the Certified Public Accountant license, applicants must satisfy the following requirements:

- Education - Satisfactorily complete a Board approved-accounting curriculum while earning a minimum of 150 semester hours or their equivalent (51 semester hours must be in accounting and related subjects), including the attainment of a baccalaureate or higher degree that meets the following requirement: A major in accounting on the baccalaureate level, or its substantial equivalent. Applicants must have completed one course each in auditing, managerial accounting or cost accounting, U.S. Federal Income Tax; nine semester undergraduate semester hours/12 undergraduate quarter hours in financial accounting; and elective accounting courses.
- Examination - Pass the Uniform CPA Examination. The examination, administered in 14 hours over multiple days, contains the following sections: Business Law and Professional Responsibilities (LPR); Auditing (AUD); Accounting and Reporting (ARE); and Financial Accounting and Reporting (FARE). Examination candidates must pass each of the sections of the Uniform CPA Examination with a grade of 75%.
- Experience - Following passage of the Uniform CPA Examination, an applicant must file a Report of Practical Experience form that documents that the applicant has a minimum of 2,000 hours of experience in accounting-related activities verified and endorsed by a licensed CPA.
- Ethics - After passing the Uniform CPA Examination, a candidate must complete a Home Study Course in Professional Ethics that is offered by the American Institute of Certified Public Accountants. The candidate must send a copy of the ethics course completion certificate with the Report of Practical Experience in order to complete the license application process.
- Ongoing Minimum Qualifications: Individuals who become licensed must complete the following continuing education requirements in order to maintain the license:
  - Continuing Education – Complete 80 hours of continuing education hours every two years, including four hours on the *Code of Ethics* to maintain competence and keep up with developments in the public accounting field.

\* It should be noted that the above requirements are as of 12/31/2010. Applicants may have been subject to different requirements at the time of their pursuit of the license or designation.

### ***Item 3 Disciplinary Information***

Jason E. Nazelrod has no legal or disciplinary events we believe would be material to a client or perspective clients in evaluating his ability to perform his duties through Nazelrod & Associates Financial Services, Inc.

### ***Item 4 Other Business Activities and Conflicts of Interest***

- Registered Representative of LaSalle St. Securities, LLC: Jason E. Nazelrod is a Registered Representative of LaSalle St. Securities, LLC. In this capacity, he assists clients in the brokerage of securities and may earn commissions for performing such duties. These commissions may take the form of “up-front” or “trailing” commissions. This may present a conflict of interest for clients of Nazelrod & Associates Financial Services, Inc., since an incentive may be present to recommend investment products based on the compensation received, rather than on the client’s needs. Our policy to attempt to mitigate this conflict of interest is to adjust the Nazelrod & Associates Financial Services, Inc. billing according to whether a representative of Nazelrod & Associates Financial Services, Inc. is paid a “full commission” on the sale of the product. For more information on this policy, please see Item 5 Fees and Compensation in the Nazelrod & Associates Financial Services, Inc. brochure.

- Licensed Insurance Agent: Jason E. Nazelrod is a licensed insurance agent. In this capacity, he assists clients in selecting and purchasing insurance related products, and may earn a commission for performing such duties. These commissions may take the form of “up-front” or “trailing” commissions. This may present a conflict of interest for clients of Nazelrod & Associates Financial Services, Inc., since an incentive may be present to recommend insurance products based on the compensation received, rather than on the client’s needs. Our policy to attempt to mitigate this conflict of interest is to adjust the Nazelrod & Associates Financial Services, Inc. billing according to whether a representative of Nazelrod & Associates Financial Services, Inc. is paid a “full commission” on the sale of the product. For more information on this policy, please see Item 5 Fees and Compensation in the Nazelrod & Associates Financial Services, Inc. brochure.
- Certified Public Accountant (CPA) with Nazelrod & Associates, P.A.: Jason E. Nazelrod is a CPA with Nazelrod & Associates, P.A. In this capacity, he advises and assists clients in areas related to tax and consulting engagements. Typically, Nazelrod & Associates, P.A. bills clients for these services and Jason E. Nazelrod earns a salary from Nazelrod & Associates, P.A. This may present a conflict of interest for clients of Nazelrod & Associates Financial Services, Inc., since we will generally recommend that we perform tax, accounting, and related services for engagements we feel capable of performing and are allowed to perform under AICPA standards. As such, we are not able to provide an independent referral for where a client should have such services performed, and a client’s interests may be better served by having these services performed elsewhere.

### ***Item 5 Additional Compensation***

In general, with the exception of payment for services we render, we do not accept items of economic benefit from any individual or entity in excess of \$100 per year per individual or entity. Additionally, with the exception of payment for services rendered, we do not provide items of economic benefit to individuals or entities in excess of \$100 per year per individual or entity. An exception to this rule would be transfers/receipts among family members. Lastly, we do not compensate for referrals.

### ***Item 6 Supervision***

Nazelrod & Associates Financial Services, Inc. has two advisor representatives, Eugene D. Nazelrod and Jason E. Nazelrod, and no other employees. Thus, duties for supervision take the form of cross supervision where Eugene supervises Jason and Jason supervises Eugene.

Additionally, all implemented changes to all clients’ portfolios are reviewed by both Eugene and Jason Nazelrod. Nazelrod & Associates Financial Services, Inc. reviews advice provided to clients no less frequently than quarterly. This supervision of advice takes the form of: firm level meetings discussing current advisory position, review of transactions, review of quarterly reports provided to clients, and jointly conducted quarterly meetings.

Our supervisory guidelines are laid out in our firm document, “Policy and Procedures Manual of Nazelrod & Associates Financial Services, Inc. Pursuant to the Investment Advisers Act of 1940”. All advisor representatives are required to review this policy manual at least annually. Our belief is that such policies are in compliance with the Maryland Securities Act.

Eugene or Jason Nazelrod may be contacted at (410) 583-7662. Additional mailing or emailing information is included for each individual on the cover page of the respective individual’s Form ADV Part 2B.

### ***Item 7 Requirements for State-Registered Advisers***

All required items have been answered elsewhere in this document.