

# GROVE POINT INVESTMENTS, LLC AND GROVE POINT ADVISORS, LLC

## CLIENT RELATIONSHIP SUMMARY DISCLOSURE

August 10, 2023

Grove Point Investments, LLC is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Grove Point Advisors, LLC is an investment adviser registered with the Securities and Exchange Commission (SEC). Grove Point Investments, LLC and Grove Point Advisors, LLC are subsidiaries of Grove Point Financial, LLC ("Grove Point"). Broker-dealer 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 advisers, and investing.

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

Grove Point offers both brokerage and investment advisory services. Through our brokerage services, our Financial Professionals can recommend and buy and sell securities for you, but you make the ultimate decision regarding all transactions. We offer an array of investment options including mutual funds, exchange traded funds (ETFs), stocks, bonds, variable insurance products and other securities. We do not limit our investment offerings to proprietary products, but we do not offer every product available in the marketplace. We do not impose account size minimums or investment amount minimums but some issuers of the products we offer do. Generally, our customers' accounts are held in custody with our clearing broker-dealer and custodian of choice or directly at the issuer of the securities you purchase (such as a mutual fund or insurance company) or their affiliate. While as a broker-dealer we do not provide ongoing account monitoring services, our Financial Professionals can periodically review your account for purposes of determining whether additional recommendations may be in your best interest. Not all our Financial Professionals can offer all investments and services available through us. In addition, some of our Financial Professionals are not dually registered with both the broker-dealer and the registered investment adviser and may not be able to offer both types of services.

Through our registered investment adviser, our Financial Professionals may offer services including managed portfolios and wrap fee programs (collectively, "Advisor Managed Accounts"), the use of third-party investment managers, financial planning, and financial consulting. We can manage your Advisor Managed Account on either a "discretionary" or "non-discretionary" basis. "Discretionary" means you grant us authority to buy and sell securities in your advisory account, without asking for your consent in advance, while "non-discretionary" means you make the ultimate decision regarding the purchase or sale of investments. Not all our Financial Professionals are approved to offer discretionary services.

As part of our standard services, we monitor Advisor Managed Accounts and accounts with third-party investment managers on an ongoing basis. We do not limit our menu of investments to proprietary products. While we offer advice on a wide variety of investments, we do not offer advice on every product available in the marketplace. Advisor Managed Accounts are generally subject to a minimum investment amount of \$10,000. Accounts with third-party investment managers are subject to minimum investment amounts that vary from no minimum to \$1,000,000. We have Financial Professionals who are not broker-dealer registered and cannot offer brokerage services. **For additional information about the services we offer, please visit our website at [www.grovepointfinancial.com/for-investors/](http://www.grovepointfinancial.com/for-investors/).**

#### Conversation Starters

Ask your Financial Professional:

- *Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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?

For brokerage services, we typically charge you a commission for the execution of securities trades. This fee may be flat cost or a percentage. Also, depending on the investment product you select, we may receive an upfront commission payment from the product provider based on the amount you invest. In many cases, we also receive an on-going payment for as long as you hold the investment through us. Because we are compensated based on the frequency or dollar amount of your investments, we have a financial incentive to encourage you to trade more or make larger transactions. The more frequent your transactions, and typically the more you invest, the more we are compensated. For asset-based investment advisory services, we charge a monthly or quarterly "wrap fee" which bundles fees and costs for trading, management, and other services into one overall fee. The amount of these fees are detailed in your investment advisory agreement and are calculated as a percentage of the value of

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the assets in your advisory account. Asset-based fees incentivize us to encourage you to increase your advisory account assets since the increase in assets will increase our compensation. Hourly or fixed fees are negotiated fees that do not fluctuate with account value.

Fees for financial planning or financial consulting services are negotiated and are based on the scope of the engagement and are charged as a fixed one-time fee, a fixed recurring fee, an hourly rate, or a combination of these. These fees can be paid monthly, quarterly, semi-annually or annually.

For both brokerage and investment advisory services, you will also pay fees for custodial, management or administrative services, either as a direct charge or as part of expense ratios or internal costs built into certain investments, such as mutual funds, ETFs and variable insurance products. You will also pay miscellaneous custodial fees such as transaction charges, account termination, and other operational fees. We receive revenue through accounts with our custodian by marking up the cost of these services. This incentivizes us to place accounts and assets with the custodian.

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. Additional information related to fees and costs you will pay may be found in the product prospectus or offering documents, the Grove Point Advisors ADV, Part 2A (Items 5A-D), investment management agreements, and other applicable documents. They may also be found on our website at [www.grovepointfinancial.com/for-investors/](http://www.grovepointfinancial.com/for-investors/).

### Conversation Starters

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 providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

*When we provide you with a recommendation as your broker-dealer or 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 recommendations and investment advice we provide you. Here are some examples to help you understand what this means.*

- **Sponsor Payments:** Some investments pay us commissions and other fees and they can vary in the amount. This incentivizes us to recommend higher paying products over other products that make no such payments or less of them.
- **Revenue Sharing:** Certain product providers share the revenue they earn with us when you invest in their investment products (primarily mutual funds and variable annuities). This incentivizes us to make these products more prominently available to our Financial Professionals to recommend over those that do not or that share less. Our Financial Professionals do not receive any portion of these payments.
- **Referral of Third-Party Investment Managers:** A referral for you to engage a third-party investment manager introduces additional fees and costs for asset management, and possibly administrative services, which will result in direct compensation or reimbursements for business or marketing expenses for the Financial Professional or the Firm. In some cases, a Financial Professional may themselves be a client of the third-party manager that is being recommended.
- **Marketing Support:** Some vendors make payments to our Financial Professionals to reimburse them for business and marketing expenses. These payments incentivize the Financial Professional to maintain or place more business with specific vendors or Third-Party Investment Managers.

### Conversation Starter

Ask your Financial Professional

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

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### How do your Financial Professionals make money?

For brokerage services, our Financial Professionals earn commissions from the sale of securities. The more a Financial Professional sells through us, the more we pay them as a percentage of those sales. Therefore, your Financial Professional has an incentive to encourage you to trade often and make larger purchases. In addition, some Financial Professionals receive other payments in the form of marketing support from product providers, and some product providers pay higher commissions than others. These payments and their variability from product to product incentivize the Financial Professional to maintain or place more business with product providers that pay them more.

When providing investment advisory services, a portion of the fees we charge for advisory services are paid to your Financial Professional. As assets grow, more fees are shared with Financial Professionals, reducing the amount of fees that we retain and increasing the amount your Financial Professional receives. This incentivizes your Financial Professional to recommend that you open an advisory account or increase the amount of assets in your account. Some third-party investment managers make payments to our Financial Professionals for marketing support. These payments incentivize the Financial Professional to maintain or place more business with specific asset managers.

### Do you or your Financial Professionals have legal or disciplinary history?

Yes. For information about our disciplinary history, please 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

Ask your Financial Professional:

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

If you would like additional information about our services or a copy of this disclosure, please call (301) 944-5900, Option 2, then Option 2, or visit our website at [www.grovepointfinancial.com/for-investors/](http://www.grovepointfinancial.com/for-investors/).

#### Conversation Starter

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?*