

Firm Brochure
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Grecu Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at: 888-504-7328, or by email at: jgrecu@grecucapital.com. 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 Grecu Capital Management, Inc. is available on the SEC's website at www.adviserinfo.sec.gov

May 4, 2011

Grecu Capital Management, Inc.

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 888-504-7328 or by email at: info@grecucapital.com.

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ITEM 4: Advisory Business

Firm Description

Grecu Capital Management, Inc., ("GCM") was founded in 2002.

GCM provides personalized confidential financial planning and investment management to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations or other business entities (i.e.; small businesses). Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

GCM is strictly a fee-only financial planning and investment management firm. The firm does not sell financial products, such as annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted.

GCM does not act as a custodian of client assets. The client always maintains asset control. GCM places trades for clients under a limited power of attorney.

A written evaluation of each client's initial situation is provided to the client, often in the form of an Investment Policy Statement. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

Principal Owners

Jerrold A. Grecu is a 100% stockholder.

Types of Advisory Services

GCM provides investment supervisory services, also known as asset management services; manages investment advisory accounts not involving investment supervisory services; and furnishes investment advice through consultations.

GCM furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, insurance issues and trust services that often include estate planning.

As of December 31, 2010, GCM manages approximately \$0.00 (Zero) in assets for 0 (Zero) clients. \$40.00 (Zero) is managed on a discretionary basis, and \$0.00 (Zero) is managed on a non-discretionary basis.

Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Investment Policy Statements are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

Types of Agreements

The following agreements define the typical client relationships.

Financial Planning Services

A financial plan is designed to help the client with all aspects of financial planning without ongoing investment management after the financial plan is completed.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the discretion of the client.

Ongoing Financial Planning and Investment Management Services

Most clients choose to have GCM manage their assets in order to obtain ongoing in-depth advice and life planning. All aspects of the client's financial affairs are reviewed, including those of their children. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work and fee for an Advisory Service Agreement is provided to the client in writing prior to the start of the relationship. An Advisory Service Agreement includes: cash flow management; insurance review; investment management (including performance reporting); education planning; retirement planning; estate planning; and tax preparation, as well as the implementation of recommendations within each area.

Investment Management Agreement

An *Investment Management Agreement* may be executed when financial planning is not provided as part of the relationship. The minimum fee for an *Investment Management Agreement* is \$5,000 and is negotiable.

Hourly Planning Engagements

GCM provides hourly planning services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements is \$250.

Asset Management

Assets are invested primarily in no-load or low-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades. GCM does not receive any compensation, in any form, from fund companies.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), U. S. government securities, options contracts, futures contracts, and interests in partnerships.

Initial public offerings (IPOs) are not available through GCM.

Financial Planning Agreement

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations. The financial planning may be the only service provided to the client and does not require that the client use or purchase the investment advisory services offered by the Advisor or any of the insurance products or other products and services offered by the associated persons of the Advisor. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the Advisor. There is an inherent conflict of interest between the client and the Advisor whenever a financial plan recommends use of professional investment management services or the purchase of insurance products or other financial products or services. The Advisor or its associated persons may receive compensation for financial planning and the provision of investment management services and/or the sale of insurance and other products and services. The Advisor does not make any representation that these products and services are offered at the lowest available cost and the client may be able to obtain the same products or services at a lower cost from other providers. However, the client is under no obligation to accept any of the recommendations of the Advisor or use the services of the Advisor in particular.

Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying GCM in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, GCM will refund any unearned portion of the advance payment.

GCM may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, GCM will refund any unearned portion of the advance payment.

ITEM 5: Fees and Compensation

Description

GCM bases its fees on a percentage of assets under management, hourly charges, or fixed fees (retainer) .

Some *Retainer Agreements* may be priced based on the complexity of work, especially when asset management is not the most significant part of the relationship.

Financial plans are priced according to the degree of complexity associated with the client's situation.

Fees are negotiable. Lower fees for comparable services may be available from other sources.

GCM is strictly a fee-only financial planning and investment management firm. The firm does not sell financial products, such as annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted.

Fee Billing

Investment management fees are billed quarterly, in arrears, meaning that we invoice you after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Current client relationships may exist where the fees are billed in advance. In those situations, fees are not more than \$5000 per client *and* 6 or more months in advance.

Fees for financial plans are billed 50% in advance, with one half of the balance due in 45 days, and the remaining balance 45 days thereafter.

Fixed Fee (Retainer Fee): Financial Planning Services

Financial planning services are offered based on a retainer fee. Retainer fees are fixed at the beginning of the engagement. GCM may, at its discretion, negotiate fees based on many factors, including but not limited to implementation of the plan through GCM, and size of the overall portfolio and the complexity of the plan. Fixed fee calculation is based upon the following formula:

- 2.00% of the first \$50,000 of annual income, plus
- .75% of the next \$200,000 of annual income, plus
- .25% of annual income in excess of \$200,000, plus
- .10% of investment assets

Annual Income: For the purpose of the retainer fee determination, annual income is defined as salary, wages, self-employment income, Social Security income, pension income, and disability income.

A deposit of 50% of the agreed-upon fee is payable in advance with one half of the balance due in 45 days, and the remaining balance 45 days thereafter.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. The fee range is typically \$1,500 to \$5,000 and is negotiable. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

Ongoing Financial Planning and Investment Management Services

The annual Advisory Service Agreement fee is based on a percentage of the investable assets according to the following schedule:

- 1.00% on the first \$1,000,000;
- 0.85% on the next \$2,000,000 (from 1,000,001 to 3,000,000); and
- 0.70% on the next \$2,000,000 (from 3,000,001 to 5,000,000); and
- 0.50% on the assets above \$5,000,000.

The minimum annual fee is \$5,000 and is negotiable. Current client relationships may exist where the fees are higher or lower than the fee schedule above due to the complexity of each client's situation.

Although the Advisory Service Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed.

Other Fees

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

GCM, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

New Advisory Service Agreement fees are calculated on a formula basis and adjusted for complexity of individual situations. *The formula is based on gross income, gross assets and other financial considerations.*

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.30 means that the mutual fund company charges 0.3% for their services. These fees are in addition to the fees paid by you to GCM.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Past Due Accounts and Termination of Agreement

An advisory client will have a period of five (5) business days from the date of signing the investment advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees. Subsequently, A Client may terminate any of the aforementioned agreements at any time by providing notice to the Adviser in writing. Clients shall be charged pro rata for services provided through to the effective date of termination. If the client made an advance payment, the Adviser will refund any unearned portion of the advance payment.

The Adviser may terminate any of the aforementioned agreements at any time by providing notice to the Client in writing. Clients shall be charged pro rata for services provided through to the effective date of termination. If the client made an advance payment, the Adviser will refund any unearned portion of the advance payment.

The Adviser reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in The Adviser's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded.

ITEM 6: Performance-Based Fees and Side-by-Side Management

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

GCM does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

ITEM 7: Types of Clients

Description

GCM generally provides investment advice to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or other business entities (i.e., small businesses).

Client relationships vary in scope and length of service.

Account Minimums

The minimum account size is \$500,000 of assets under management, which equates to an annual fee of \$5,000.

When an account falls below \$350,000 in value, the minimum annual fee of \$3500 is charged. Depending upon circumstances, GCM will sign an *Hourly Agreement* with the client if assets have diminished significantly below \$200,000.

GCM has the discretion to waive the account minimum. Accounts of less than \$500,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$500,000 within a reasonable time. Other exceptions will apply to employees of GCM and their relatives, or relatives of existing clients.

ITEM 8: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, , and company press releases.

Other sources of information that GCM may use include Morningstar Principia mutual fund information, Dimensional Fund Advisors, Fidelity Investments, academic research from major universities, and the World Wide Web.

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a diversified combination of passively-managed mutual funds or exchange-traded funds. Our investment strategy is based on Modern Portfolio Theory and leading academic research conducted at major universities. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external

factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

ITEM 9: Disciplinary Information

Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

ITEM 10: Other Financial Industry Activities and Affiliations

Financial Industry Activities

GCM is *not* registered as a securities broker-dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor.

Affiliations

GCM does *not* have arrangements that are material to its advisory or its clients with a related person who is a broker-dealer, investment company, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships

At the time of this filing, Jerrold A. Grecu remains a partner with Gasber & Grecu Financial Advisors, LLC. This relationship bears no material conflicts of interest. Upon the approval of Grecu Capital Management's investment adviser submission, Mr. Grecu intends to fully dissolve his interest in Gasber & Grecu Financial Advisors. During this transition period and prior to the full dissolution of interest in Gasber & Grecu Financial Advisors, LLC, Mr. Grecu will continue to receive the appropriate client fees accrued for the months in 2011 when he provided investment advisory services while at Gasber & Grecu Financial Advisors.

ITEM 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

The employees of GCM have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

GCM and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the *GCM Compliance Manual*.

Personal Trading

The Chief Compliance Officer of GCM is Jerrold A. Grecu. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

ITEM 12: Brokerage Practices

Selecting Brokerage Firms

GCM does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. GCM recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

GCM generally recommends Fidelity Investments to clients for custody and brokerage services, which provides institutional services to investment advisors. There is no direct link between GCM's participation in the program and the investment advice it gives to its clients, although GCM receives economic benefits through its participation in the program. These benefits include: receipt of duplicate client confirmations, access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, technology, and practice management products or

services provided to GCM by third party vendors. These benefits received by GCM do not depend on the amount of brokerage transactions directed to Fidelity.

GCM *does not* receive fees or commissions from any of these arrangements.

Best Execution

GCM reviews the execution of trades at each custodian each quarter. The review is documented in the GCM *Compliance Manual*. Trading fees charged by the custodians is also reviewed on a quarterly basis. GCM *does not* receive any portion of the trading fees.

Soft Dollars

GCM receives no soft dollars from a non-client in connection with giving advice to clients.

Order Aggregation

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

ITEM 13: Review of Accounts

Periodic Reviews

Account reviews are performed monthly by Jerrold Grecu. Account reviews are performed more frequently when market conditions dictate.

Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports

Clients receive periodic communications on at least an annual basis. *Advisory Service Agreement* clients, *Investment Management* clients, and *Retainer Agreement* clients receive written quarterly updates. The written updates may include a net worth statement, portfolio statement, tax return (if the client requests tax preparation services), and a summary of objectives and progress towards meeting those objectives.

ITEM 14: Client Referrals and Other Compensation

Incoming Referrals

GCM has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, personal friends and other similar sources. The firm does not directly or indirectly compensate any person who is not a supervised person for client referrals.

Referrals Out

GCM does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them. The firm does not directly or indirectly compensate any person who is not a supervised person for client referrals.

ITEM 15: Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. GCM does not provide custody services to its clients for securities. Clients deposit securities directly with the brokerage or bank custodian.

Performance Reports

GCM provides each client with a quarterly report listing current market values of the portfolios, cost basis, calculation of total return, accompanied by a personal letter reviewing the account. Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by GCM. Each client also receives a year-end report listing all realized capital gains and losses, interest and dividends for taxable accounts.

Net Worth Statements

Clients are frequently provided net worth statements and net worth graphs that are generated from our client relationship management system. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

ITEM 16: Investment Discretion

Discretionary Authority for Trading

GCM accepts discretionary authority to manage securities accounts on behalf of clients. GCM has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, GCM consults with the client prior to each trade to obtain concurrence *if* a blanket trading authorization has not been given.

The client approves the custodian to be used and the commission rates paid to the custodian. GCM does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades that you have approved.

ITEM 17: Voting Client Securities

Proxy Votes

GCM does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, GCM will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

ITEM 18: Financial Information

Financial Condition

GCM does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because GCM does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$500 per client and six months or more in advance.

Business Continuity Plan

General

GCM has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

Loss of Key Personnel

GCM has not yet signed a Business Continuation Agreement with another financial advisory firm to support GCM in the event of serious disability or death of Jerrold Grecu.

Information Security Program

Information Security

GCM maintains an information security program to reduce the risk that your personal and confidential information may be breached.

Privacy Notice

GCM is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

ITEM 19: Requirements of State-Registered Investment Advisers

All material conflicts of interest under CCR Section 260.238 (k) are disclosed regarding the GCM, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Principals, Officers and Management

Jerrold A. Grecu, President

For the above named principals, officers and management personnel's formal education, business background, please refer to ADV Part 2B.

Other Business

At the time of this filing, Jerrold A. Grecu remains a partner with Gasber & Grecu Financial Advisors, LLC. This relationship bears no material conflicts of interest. Upon the approval of Grecu Capital Management's investment adviser submission, Mr. Grecu intends to fully dissolve his interest in Gasber & Grecu Financial Advisors. During this transition period and prior to the full dissolution of interest in Gasber & Grecu Financial Advisors, LLC, Mr. Grecu will continue to receive the appropriate client fees accrued for the months in 2011 when he provided investment advisory services while at Gasber & Grecu Financial Advisors.

Performance Fees

GCM does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Management/Officer/Principal Disclosures

No member of management, an officer or a principal of the Adviser has been involved in an award or otherwise found liable in an arbitration claim alleging damages in excess of \$2500 in an activity involving investment or investment related activity; fraud, false statements or omissions; theft, embezzlement or other wrongful taking of property; bribery, forgery, counterfeiting or extortion; dishonest, unfair or unethical practices.

Further, no member of management, an officer or a principal of the Adviser has been found liable in a civil, self-regulatory organization or administrative proceeding involving investment or investment related activity; fraud, false statements or omissions; theft, embezzlement or other wrongful taking of property; bribery, forgery, counterfeiting or extortion; dishonest, unfair or unethical practices.

Relationship with Issuer of Securities Disclosure

Neither GCM nor any of its employees have any relationship or arrangement with any issuer of securities.

Firm Brochure Supplement

(Part 2B of Form ADV)

JERROLD A. GRECU, CFA, CFP(R)

GRECU CAPITAL MANAGEMENT, INC.

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This brochure supplement provides information about Jerrold A. Grecu that supplements the Grecu Capital Management, Inc. brochure. You should have received a copy of that brochure. Please contact Jerrold A. Grecu, President if you did not receive the Grecu Capital Management Inc. brochure or if you have any questions about the contents of this supplement.

Additional information about Jerrold A. Grecu is available on the SEC's website at

www.adviserinfo.sec.gov.

May 4, 2011

Education and Business Standards

GCM requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and investment management. Examples of acceptable coursework include: an MBA, a CFP®, a CFA, a ChFC, or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

Chartered Financial Analyst (CFA): Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

- Hold a bachelor's degree from an accredited institution or have equivalent education or work experience.
- Successful completion of all three exam levels of the CFA Program.
- Have 48 months of [acceptable professional work experience](#) in the investment decision-making process.
- Fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require [two sponsor statements](#) as part of each application; these are submitted online by your sponsors.
- Agree to adhere to and sign the Member's Agreement, a [Professional Conduct Statement](#), and any additional documentation requested by CFA Institute.

JERROLD A. GRECU, CFA, CFP(R)

Born in 1969

Educational Background:

College for Financial Planning, CFP(r), 2008

Chartered Financial Analyst Institute, CFA, 2002

University of Arizona, Tucson, AZ, BS in Finance, 1991

Business Experience:

Grecu Capital Management, Inc., President, 2001-Present

Gasber & Grecu Financial Advisors, LLC, Partner, 2009-2011

Rosenblum-Silverman-Sutton, Portfolio Manager 1999-2001

Westmount Asset Management, Senior Portfolio Manager, 1998-1999

Caves & Associates, Senior Investment Advisor, 1997-1998

PIMCO, Foreign Bond Settlements Specialist, 1996-1997

Charles Schwab & Company, Affluent Client Coordinator, 1993-1997

Disciplinary Information: None

Other Business Activities: At the time of this filing, Jerrold A. Grecu remains a partner with Gasber & Grecu Financial Advisors, LLC. This relationship bears no material conflicts of interest. Upon the approval of Grecu Capital Management's investment adviser submission, Mr. Grecu intends to fully dissolve his interest in Gasber & Grecu Financial Advisors. During this transition period and prior to the full dissolution of interest in Gasber & Grecu Financial Advisors, LLC, Mr. Grecu will continue to receive the appropriate client fees accrued for the months in 2011 when he provided investment advisory services while at Gasber & Grecu Financial Advisors. **Additional Compensation:** None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None