



FELDSTEIN FINANCIAL GROUP, LLC  
1 Shadowbrook Lane  
Basking Ridge, NJ 07920

and

## **Steven Feldstein & Associates**

### **Client Relationship Summary Disclosure**

Effective March 2022

Feldstein Financial Group LLC (“FFG”) is registered as a broker-dealer with Financial Industry Regulatory Authority, Inc (“FINRA”) and Steven Feldstein & Associates (“SFA”) is an investment adviser with the U.S. Securities and Exchange Commission (“SEC”). (Together they are called “companies” or “we.”)

This disclosure summarizes the differences between our brokerage and investment advisory services and fees. It is important for you to understand these differences (and our conflicts), particularly when you are deciding to open and fund either a brokerage or advisory account with us. Free and simple tools are available for you to research firms at the SEC’s investor education website, Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing. You can find additional information about us and our financial advisors on the Financial Industry Regulatory Authority’s (FINRA) website located at [www.finra.org/brokercheck](http://www.finra.org/brokercheck). This disclosure is provided to comply with the SEC’s Form CRS and Regulation Best Interest disclosure requirements.

#### **PLEASE RETAIN A COPY OF THIS DOCUMENT FOR YOUR RECORDS**

Investment and insurance products offered through FFG, and SFA are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, or guaranteed by, a bank or any bank affiliate, and are subject to investment risks, including possible loss of the principal amount invested. FFG is a member of SIPC.

#### **WHAT INVESTMENT SERVICES AND ADVICE CAN WE PROVIDE YOU?**

Depending on your needs and your investment objectives, we may assist you with brokerage services, investment advisory services, or both.

##### **Our Investment Offerings**

In both our brokerage services and investment advisory services, we offer and recommend a wide range of investments including but not limited to equities, options, treasuries, corporate bonds, municipal securities, mutual funds and variable life insurance and annuities products.

##### **1. Brokerage Services**

Our brokerage services include buying and selling securities (e.g., stocks, bonds and options) at your direction based on our advisory recommendations. Under FFG, we will not provide you with investment recommendations. All recommendations will be under the umbrella of SFA as described in the Investment Advisory Services section below. Unless we are providing you with investment advice for a fee under an investment advisory agreement within SFA, we will be acting in our capacity as a broker-dealer. As a broker-dealer, we do not have a fiduciary obligation to you, but we must act in your best interests at the time we make the recommendation without placing our financial or other interests ahead of yours. We do not offer any proprietary products of any kind.

##### **Limits on Monitoring and Investment Discretion as applicable**

We do not exercise discretionary investment authority in your brokerage account (i.e., make decisions to buy or sell your investments without your direction). We, however, monitor positions in your brokerage account. We have clear exit and entry prices for each position, and we contact you immediately when there is a trigger.

## **Account Minimums**

You need to have a minimum amount of \$200,000 to open a brokerage account with us, but in some cases, we will accept a lesser amount from a new client who has a relationship with an existing client.

More information about our brokerage services is included in our “Brokerage Disclosure Document”, which is available upon request.

## **2. Investment Advisory Services**

Our investment advisory services include financial planning and investment management services on a non-discretionary basis. When we provide you with investment advice for a fee under an investment advisory agreement, including advising you to open or transfer assets to an advisory account, we will be acting in our capacity as an investment adviser. As an investment adviser, we have certain fiduciary obligations to you.

You may utilize another broker-dealer other than FFG. If we provide investment advisory services to you through your introducing firm other than FFG, you should also consult your introducing firm’s separate Client Relationship Summary for more information about your introducing firm’s services.

## **Investment Discretion**

We will provide you with investment recommendations and you will make the ultimate decision regarding your investments (“non- discretionary advice”), or if previously agreed, we will make investment decisions for you without your input (“discretionary advice”). The terms and limits of our discretionary authority are described in your advisory agreement with us.

## **Monitoring**

We periodically (approximately every 60 days) monitor your advisory account for you as part of our advisory services in accordance with the terms of your advisory agreement with us. Our financial planning services include preparation of a financial plan based on the information that you provide and include ongoing monitoring.

## **Account Minimums**

You must meet certain account minimums to open an advisory account. You need to have a minimum amount of \$200,000 to open a brokerage account with us, but in some cases, we will accept a lesser amount from a new client who has a relationship with an existing client.

More information about our investment advisory services and current account minimums for advisory programs are described in our “Advisory Disclosure Documents” (Form ADV, Part 2A brochures), which are available at [financial-advisor.com](http://financial-advisor.com).

Conversation Starters: Questions you may want to ask your financial advisor

- 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 YOU PAY?**

### **1. Brokerage Services**

For our brokerage services, the primary fees you pay are “transaction-based” fees. These fees are typically called

“commissions.” These commissions vary depending on the investment product you select and the size of your transaction and are charged at the time of the transactions. Trading in your account causes us to receive commission, which could be a conflict of interest. However, we mitigate that interest by offsetting the commissions by reducing our advisory fees by the commission amounts.

### **Description of Other Fees and Costs**

In addition to the foregoing fees, our clearing and custody partner, RBC Capital Markets, LLC may assess certain fees associated with your brokerage account, such as account termination fees, and account transfer or liquidation fees, depending on the advisory program. For a schedule of fees charged by RBC CS and your brokerage firm, you may visit Investor Connect through your Financial Professional’s website or directly at [www.investor-connect.com](http://www.investor-connect.com) where a list of fees is included in the most recent electronic statement insert section for the periods ending March, June, September or December. More information is included in your Regulation Best Interest Brokerage Disclosures, which is available upon request. The fees and costs you pay for specific securities transactions are disclosed to you on the confirmation statement you receive after your transaction is executed. The total costs you incur (and compensation we earn) in connection with your brokerage accounts will primarily depend on your investment mix and how frequently you trade.

## **2. Investment Advisory**

For our investment advisory services, you pay a fee (the “Management Fee”). The Management Fee is 1% up to \$1,000,000 in assets, 0.75% on assets between \$1,000,000 and \$2,000,000, and 0.50% on assets above \$2,000,000, for investment advice based on the net asset value of the client’s portfolio, including cash and its equivalents. This means that the more assets you maintain in your account, the more you will pay in fees, and therefore we have an incentive to encourage you to increase your advisory account assets. We mitigate this conflict by using the above sliding scale and therefore giving you incentive to invest more at lower fees. In addition, we offset the commissions earned through FFG against the Management Fee in order to lower your total fees. More information about Management Fees is available in our “Advisory Disclosure Documents,” which are available at [financial-advisor.com](http://financial-advisor.com).

The Management Fee presents a conflict because it creates an incentive for us to not trade in your account since commissions from transactions are deducted from the Management fee.

### **Description of Other Fees and Costs**

In addition to the fees described above, our clearing and custody partner, RBC Capital Markets, LLC may assess certain fees associated with your advisory account, such as account termination fees, and account transfer or liquidation fees, depending on the advisory program. For a schedule of fees charged by RBC CS and your brokerage firm, you may visit Investor Connect through your Financial Professional’s website or directly at [www.investor-connect.com](http://www.investor-connect.com) where a list of fees is included in the most recent electronic statement insert section for the periods ending March, June, September or December. For additional information, please see your Customer’s Agreement and our “Advisory Disclosure Documents” and other applicable documents which are available at [financial-advisor.com](http://financial-advisor.com). The fees and costs you pay for investment advisory services are disclosed to you on the account statements you receive each quarter. The total costs you incur (and compensation we earn) in connection with your advisory accounts will primarily depend on the assets under management.

### **Additional Information**

With respect to both broker- dealer and advisory services, 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.

**Conversation Starter:** Question you may want to ask your financial advisor  
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 to you. Here are some examples to help you understand what this means. Our companies do not offer proprietary products, do not receive compensation from third parties when recommending securities. We do not share revenue with any third parties. We do not trade with you on a principal basis.*

**Example of Conflict of Interest:** The recommendation of SFA that client transactions be placed with FFG create a conflict of interest, as both the advisory firm and the broker-dealer benefit financially when advisory recommendations are implemented through the broker-dealer. However, this conflict is mitigated by the fact that advisory fees are reduced by any commissions paid to FFG by the client. In addition, clients have no obligations to effect trades through FFG. Clients should note however, that effecting transactions through another third-party broker-dealer may cost the client more money as the client may pay higher commissions or receive less favorable prices.

**Conversation Starter:** Question you may want to ask your financial advisor  
How might your conflicts of interest affect me and how will you address them?

## **HOW DO YOUR FINANCIAL ADVISORS MAKE MONEY?**

We are compensated based upon a percentage of assets under management and commissions which are offset by money management fees. This percentage under management does not vary, it is the same for all clients. Commissions vary by products. We are two affiliated companies, where financial advice is given only by Steven Feldstein. FFG has 3 registered representatives, but there is no incentive-based compensation.

## **DO WE OR OUR FINANCIAL ADVISORS HAVE LEGAL OR DISCIPLINARY HISTORY?**

No, neither of our companies nor any of our financial advisors or registered representatives have legal or disciplinary histories. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial advisors. You may research our financial advisor's or registered representatives' experience and licenses on FINRA's BrokerCheck website at [brokercheck.finra.org/](http://brokercheck.finra.org/).

**Conversation Starter:** Question you may want to ask your financial advisor  
As a financial advisor, do you have any disciplinary history? For what type of conduct?

## **ADDITIONAL INFORMATION**

For additional information about our brokerage or investment advisory services, or to obtain an updated copy of this Client Relationship Summary, please visit our website at [financial-advisor.com](http://financial-advisor.com). You may request up-to-date information and request a copy of this Client Relationship Summary by calling us at 908-879-9559 or by contacting us in writing at Steven Feldstein & Associates or Feldstein Financial Group LLC, 1 Shadowbrook Lane, Basking Ridge, NJ 07920.

**Conversation Starter:** Question you may want to ask your financial advisor  
Who is my primary contact person? Is that primary contact person 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?