

Gladowsky Capital Management, Corp. Customer Relationship Summary – Form CRS

Gladowsky Capital Management, Corp. (“GCMC”) is a registered broker/dealer and investment adviser with the Securities and Exchange Commission (“SEC”), Financial Regulatory Authority (“FINRA”) and Securities Investor Protection Corporation (“SIPC”).

Brokerage and investment advisory services and fees differ and it is important for an investor to understand the difference. Free and simple tools to research firms and financial professionals are available at 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?

We offer **brokerage** services including buying and selling securities for retail customers. We do not recommend investments to brokerage clients and operate on a non-discretionary basis. The investor makes the ultimate decision regarding the purchase or sale of investments.

We also offer **investment advisory** services including, but not limited to, developing asset allocation strategies, performance evaluation and monitoring services, and overseeing all other administrative activities to retail investors including individuals, high net worth individuals, trusts and estates. Our firm’s advisory clients participate in one of two wrap fee programs that we sponsor, of which we recommend allocations to either third-party Investment Managers or to Model Portfolios managed by Lockwood Advisors, Inc. based on the developed asset allocation strategy. The Investment Managers generally recommend stocks, exchange traded funds or mutual funds.

Monitoring

Our firm’s senior management personnel are responsible of reviewing all of the Company’s wrap fee accounts. We monitor client accounts on an ongoing basis to detect, among other things, significant security and industry concentrations, securities that have significantly declined in price from quarter to quarter, and securities that have significantly declined from the original cost basis. In addition, the Reviewers generally have ongoing discussions with each Investment Manager to review trading activity and performance. Within the Model Portfolios, the discussion is more from an allocation perspective and not a position specific perspective.

Investment Authority

Our firm interacts with wrap fee advisory clients on a non-discretionary basis, meaning our firm solely recommends allocations to third-party Investment Managers or to Model Portfolios managed by Lockwood, but must gain consent from clients prior to facilitating or implementing such recommendations. Once that manager is facilitated, they will have full discretion of the portfolio. We do not recommend brokers to clients.

Limited Investment Opportunity

Our firm assists Wrap Fee Program clients in allocating their assets to unaffiliated investment managers either through (1) a Program sponsored by GCMC in which client assets are allocated to unaffiliated managers, or (2) Model Portfolios managed by Lockwood Advisors, Inc. ("Lockwood"), an unaffiliated investment adviser, through a Program sponsored by GCMC.

Account Minimums and Other Requirements

Our firm does not specify a minimum investment amount to participate in the Wrap Fee Program it sponsors. However, Investment Managers generally require a minimum account size of \$50,000 - \$300,000, subject to any exceptions granted by particular Investment Managers. For the Program managed by Lockwood, model portfolios generally require a minimum account size of either \$10,000, \$50,000 or \$250,000, but Lockwood reserves the right to waive its minimum initial investment requirements, in its sole discretion.

Additional information about GCMC's services are available on Part 2 of our Form ADV, which is available at <https://adviserinfo.sec.gov/firm/summary/45287>.

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?

In our firm's capacity as broker, GCMC receives compensation bi-monthly based on a percentage of the net asset value of the plan. The percentage charged varies based on negotiations with each specific plan. Depending on the product, you will pay transaction-based fees when a product is purchased, or a fee if the product is surrendered prior to the maturity. A retail investor would be charged more if they make many purchases in a brokerage account and the firm may have an incentive to encourage an investor to trade often. If you have a brokerage account you will be subject to other fees such as a custodian fee, account maintenance fee, and internal expenses of the insurance or mutual fund products.

In our firm's capacity as an Investment Advisor, we charge clients for separately managed accounts an investment management fee that is based on the value of each client's assets under management. Fees are negotiable and range between 0.75% and 3.00% annually, depending on the size and complexity of each client's accounts and the Investment Manager's willingness to negotiate fees. Wrap fees for Investment Strategies typically range from 0.75% to 1.50% of assets under management and Wrap fees for Diversified Strategies typically range from 0.75% to 1.37% of assets under management.

Fees are charged quarterly in advance, based on account values as of the last day of the prior calendar quarter. Additional information about our firm's fees are included in Item 5 of Part 2 of Form ADV, available at <https://adviserinfo.sec.gov/firm/summary/45287>.

Pershing LLC is used for execution purposes and commission rates for transactions are embedded in the total wrap fee, which is based on a percentage of each client's assets under management, provided the transactions are executed through Pershing LLC. In other words, clients do not pay commissions separately, on a transaction-by-transaction basis when transactions are executed using Pershing LLC's trading desk. However, when an Investment Manager, in their discretion, selects an executing broker other than Pershing LLC, our clients generally will incur additional costs including commissions, mark-ups or mark-downs. Investment Managers do have an obligation to seek best execution on behalf of their clients.

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.

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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?

We **do not** provide recommendations as a broker-dealer. 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 services we provide you. Here are some examples to help you understand what this means.

- We manage accounts for multiple clients in our capacity as an adviser and a broker-dealer, and we allocate our time based on each client's needs. Our firm earns more as we expand our client base and grow our assets under management, and we seek to balance our staffing with the individualized needs of each client. GCMC Employees will devote about half their time to broker-dealer related activities.

When we 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 investment advice we provide to you. Here are some examples to help you understand what this means.

- We manage accounts for multiple clients in our capacity as an adviser and a broker-dealer, and we allocate our time based on each client's needs. Our firm earns more as we expand our client base and grow our assets under management, and we seek to balance our staffing with the individualized needs of each client.
- Two GCMC employees serve as insurance agents, which allows them to sell certain life and health insurance products. While clients are under no obligation to purchase insurance products through us, GCMC and these employees will receive commission revenue if insurance products are sold to advisory or brokerage clients.
- We have relationships with a law firm and an affiliated accounting firm. Both these firms refer potential clients to us, and vice versa. Our relationship with these firms means there is an incentive to refer clients to each other as opposed to third-parties that offer similar services.
- Through one of our wrap fee programs, we recommend third-party Investment Managers to clients. While we are not directly compensated by these Investment Managers, we could be incentivized to select an Investment Manager based on our relationship with them, as opposed to the needs of our clients. We believe this conflict is mitigated because we are obligated to recommend Investment Managers based on our clients' needs and clients have complete discretion to decide which Investment Manager(s) to use.
- Investment Managers may place cash awaiting investment in money market funds which incur their own fees and expenses. We may receive, through our relationship with Pershing, 12b-1 fees for client balances

held in certain money market funds. These fees will not offset wrap fees paid by clients. We do not attempt to influence the decisions of Investment Managers for our benefit.

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Conversation Starters – Ask your financial professional-

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

How do your financial professionals make money?

GCMC's financial professionals receive a salary and may receive a discretionary bonus. Compensation is set with the intention of attracting and retaining highly qualified professionals. Compensation is based on a variety of factors, including the number, value and complexity of accounts under management, the performance of those accounts, and client satisfaction and retention.

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

No, none of GCMC's financial professionals have a legal or disciplinary history.

Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starters – Ask your financial professional

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

Investors should visit www.investor.gov/CRS for a free and simple search tool to research you and your financial professionals.

Additional information: If you would like additional, up to date information or a copy of the most recent Form CRS contact Jason Gladowsky (jason@gladowsky.com or 631-360-7200)

Conversation Starters – Ask your financial professional

- Who is my primary contact person?
- Is he or she a representative of an investment adviser or broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?