

*Sparrow Capital Management, Inc.  
Relationship Summary – Form CRS*

**Is an Investment Advisory Account Right for You?**

There are different ways you can get help with your investments. You should carefully consider which types of accounts/services are right for you.

**Depending on your needs and investment objectives, we can provide you with services in an, investment advisory account.** This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. There are some suggested questions on page 2.

<i>Investment Adviser Services Advisory Accounts</i>
<p><b>Types of Relationships and Services.</b> <i>Our accounts and services.</i></p> <ul style="list-style-type: none"> <li>● Sparrow Capital Management, Inc. (“Firm” or “Sparrow”) provides investment advisory services for individuals, banks, corporations, employee benefit programs, estates, professional organizations and trusts, as well as Sparrow Fund L.P. (“SPLP” or the “Private Partnership”) and Sparrow Growth Fund (“Sparrow Fund” and together with SPLP, the “Funds”). We refer to persons or entities to which we provide investment advice as a “Client” or “Clients.”</li> <li>● Sparrow tailors its advisory services to the individual needs of Clients. Sparrow will accept reasonable restrictions on investing in certain securities or types of securities. Sparrow, under the direct supervision of Mr. Gerald R. Sparrow, deals in advisory services in the range of \$100,000 or more of assets for managed accounts; however, smaller accounts are accepted.</li> <li>● Sparrow offers investment advice to certain clients through our participation in “wrap fee” programs. These programs are offered by brokerage firms to provide their clients with access to non-affiliated investment advisers. There are potentially meaningful differences in the management of accounts participating in wrap fee programs, relative to other accounts managed by Sparrow. Sparrow will receive some portion of the wrap fees associated with participation in wrap fee programs.</li> <li>● If you open an advisory account, you will pay an on-going <b>asset-based fee</b> for our services. We will offer you advice on a regular basis. We will discuss your investment goals design with you a strategy to achieve your investment goals, and regularly monitor your account. We will contact you (by phone or e- mail) when we believe material changes are required to discuss your portfolio.</li> <li>● You can choose an account that allows us to buy and sell investments in your account without asking you in advance (a “<b>discretionary account</b>”) or we may give you advice and you decide what investments to buy and sell (a “<b>non-discretionary account</b>”).</li> <li>● Our investment advice will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs.</li> </ul>
<p><b>Our Obligations to You.</b> <i>We must abide by certain laws and regulations in our interactions with you.</i></p> <ul style="list-style-type: none"> <li>● We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy and investments on an ongoing basis.</li> <li>● Our interests can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand, so that you can decide whether or not to agree to them.</li> </ul>
<p><b>Fees and Costs.</b> <i>Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.</i></p> <ul style="list-style-type: none"> <li>● <b>Asset-based fees.</b> Sparrow shall charge an annual fee based upon a percentage of the market value of the assets being managed by Sparrow. Annual management fee schedule for the Large-Cap, World Total Return, Sparrow-Freeland Healthcare, and Balanced Portfolios: On the first: \$500,000 the fee is 2.00%, on the next \$500,000 the fee is 1.80%, on the next \$1,000,000 the fee is 1.60%, over \$2,000,000 the fee is 1.40%.</li> <li>● There is a \$2,000 minimum annual fee on accounts in the Large-Cap, World Total Return, Sparrow-Freeland Healthcare, and Balanced portfolios. There is no penalty for terminating the Client’s account. The Client will receive a refund all prepaid unearned fees on a pro-rata basis upon termination of the agreement.</li> <li>● In addition to Sparrow’s advisory fee, Clients may incur operating and transaction fees, costs and expenses associated with maintaining their accounts imposed by custodians, brokers, futures commission merchants, prime brokers and other third parties. Examples of these charges include but are not limited to custodial fees, margin, deferred sales charges, “mark-ups” and “mark-downs” on trades, odd-lot differentials, transfer taxes, handling charges, exchange fees (including foreign currency exchange fees), interest to cover short positions, wire transfer fees, electronic fund fees, conversion fees for American Depository Receipts (“ADRs”) and other fees and taxes on brokerage accounts and securities transactions. Sparrow does not receive any portion of these commissions, fees or costs.</li> </ul>

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- Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as “surrender charges” to sell the variable annuities, you may have to pay fees such as “surrender charges” to sell the investment.

**Conflicts of Interest.** *We benefit from the services we provide to you.*

- Sparrow is the investment adviser to Sparrow Fund. Gerald Sparrow serves as the Sparrow Fund’s Trustee, President, Secretary, Treasurer, and Chief Compliance Officer. Sparrow does not believe the advisory services it provides to the Sparrow Fund create material conflicts of interest with Sparrow’s other Clients. Gerald R. Sparrow is a sub-investment advisor with BYW Investment Advisors, Inc. (“BYW”). The accounts under BYW and Sparrow may invest in the same securities at certain times.
- Sparrow does recommend that Clients buy or sell any security in which a related person to Sparrow or Sparrow has a material financial interest. From time to time, representatives of Sparrow may buy or sell securities for themselves that they also recommend to Clients. This may provide an opportunity for representatives of Sparrow to buy or sell the same securities before or after recommending the same securities to Clients resulting in representatives profiting off the recommendations they provide to Clients. Such transactions may create a conflict of interest. Sparrow will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the Client’s disadvantage when similar securities are being bought or sold.
- Allocation of Investment Opportunities: As stated herein above, Sparrow acts as investment adviser to more than one Client that may have similar investment objectives and pursue similar strategies. Certain investments identified by Sparrow may be appropriate for multiple Clients. When it is determined by Sparrow that it would be appropriate for more than one Client to participate in an investment opportunity, Sparrow will generally allocate such investment opportunity among the Clients in proportion to the relative amounts of capital available for new investments, taking into account such other factors as it may, in its sole discretion determine appropriate.

**Additional Information.** *We encourage you to seek out additional information.*

- For additional information about our services, visit Investor.gov, our website (<https://www.sparrowcapital.com/>), and your account agreement. For additional information on advisory services, see our Form ADV brochure on IAPD, on Investor.gov, or on our website (<https://reports.adviserinfo.sec.gov/reports/ADV/106616/PDF/106616.pdf>) and any brochure supplement your financial professional provides. To report a problem to the SEC, visit Investor.gov or call the SEC’s toll-free investor line at (800) 732-0330.

**Key Questions to Ask.** *Ask our financial professionals these key questions about our investment services and accounts.*

1. How much would I expect to pay per year for an advisory account?
2. What additional costs should I expect in connection with my account?
3. What are the most common conflicts of interest in your advisory accounts?