



**FORM CRS – Client Relationship Summary**

**Introduction:**

North Star Investment Management Corporation ("NSIMC") is an investment adviser registered with the Securities and Exchange Commission. We feel it is important for you to understand how advisory and brokerage services and fees differ in order to determine which type of account is right for you. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

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

Our Firm offers investment advisory services. Our advisory services for retail investors include:

**Discretionary Services.** We offer discretionary investment management services and discretionary wrap fee accounts. Generally, our minimum account size requirement is \$100,000. We monitor these accounts on an on-going basis (at least monthly). We have discretionary authority, which means we don't need to contact you when buying or selling in your account. You will sign an investment management agreement giving us this authority. This agreement remains in effect until you or we terminate the relationship. We offer wrap fee accounts only to brokerage customers of Mid-Atlantic Capital Corporation.

**Financial Planning Services.** For financial planning services, we develop an investment plan, which includes investment recommendations. When we make a recommendation, you make the ultimate decision whether to buy or sell the security. We don't monitor your accounts after we provide you with the investment plan.

**Family Office Services.** We offer family office and concierge services to high net worth and affluent families. The extent and scope of these services are dictated by the unique needs of each family. We and the family agree to the specific services and frequency of monitoring at the start of the relationship. The agreement remains in effect until terminated by us or the family.

Additional information about our advisory services is located in Items 4 and 7 of our Firm Brochure and in Items 4A and 5 of Appendix I of our Brochure, which are available online at <https://nsinvest.com/>.

**Questions to Ask Us:**

- ✓ Given my financial situation, should I choose an investment advisory service? 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?**

**Discretionary Services.** For discretionary investment management services, we generally charge an ongoing quarterly fee based on the value of the investments in your account. Our fee schedule ranges from an annualized 0.75% to 1.50% of the account's value. Some clients pay a monthly tiered fee ranging from an annualized 0.30% to 1% of the account's value with an annual minimum fee of \$10,000. The broker-dealer (and/or custodian that holds your assets) can charge you a transaction fee when we buy or sell an investment for you. The broker-dealer's transaction fees are in addition to our fee for our investment advisory service. The fee schedule for the wrap fee account is higher – ranging from 1.25% to 2% – because our fees for these accounts cover most transaction costs charged by the broker-dealer for placing the securities transactions. Our fees are negotiable. The quarterly fees will be automatically deducted from your account. We have an incentive to encourage you to increase the assets in your account. We also have an incentive to increase the value of your account over time which will increase our fees over time.

**Financial Planning Services.** The negotiated fixed fee ranges from \$1000 to \$3000 depending on the complexity of the plan.

**Family Office Services.** The negotiated quarterly fee is based on the time we believe we will devote to the engagement and the complexity and scope of services in combination with a negotiated hourly rate. Fees are invoiced.

With the exception of the wrap fee program, our fees do not cover brokerage transaction costs. Our fees do not cover: (1) product-level fees (such as sales loads or charges), administrative fees, account maintenance fees, and other fees charged by

the custodian, distributor, or issuer of the securities bought or sold; (2) administrative fees charged by the broker-dealer or clearing firm; (3) odd-lot differentials; (4) transfer taxes; (5) postage and handling fees; or (6) advisory fees and expenses of mutual funds, closed-end investment companies, or exchange-traded funds (“ETFs”) held in your account. See Item 5 of our Brochure at <https://nsinvest.com/>, which provides more detailed information about fees and costs. 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.

**Question to Ask Us:**

- ✓ Help me understand how these fees and costs might affect my investments. If I give \$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 acting as my investment adviser?  
How else does your firm make money and what conflicts of interest do you have?***

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 you. Here are some examples to help you understand what this means:

- For the discretionary accounts, there may be periods of time with low or no transaction activity. In these low turnover situations, you would likely have paid lower fees overall if you had purchased the same securities in a brokerage-only account with a traditional pay-per-trade commission structure.
- We are the adviser to certain mutual funds (see the list at <https://nsinvestfunds.com/>). We will likely allocate (or recommend that you allocate) all or a portion of your investments into these funds. These funds generally have expense ratios that are at or above their category peers. We don't charge advisory fees on that portion of your portfolio invested in these North Star funds. However, your total fees (including the fund expenses) will likely be higher than the fees you would have paid if your portfolio was not invested in the North Star funds. We have an incentive to invest your money in, and recommend, the North Star funds.

See our Web site at <https://nsinvest.com/>, which includes our Brochure, for more information about conflicts of interest.

**Question to Ask Us:**

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

***How do your financial professionals make money?***

We typically pay each of our financial professionals a percentage of the advisory fees we collect from the accounts they manage. Financial professionals who are also registered with Mid Atlantic Capital Corporation (MACC) will receive commissions, bonuses or other compensation from MACC based on the sale of securities products in your account. Financial professionals who are insurance agents will receive commissions from the insurance companies issuing the products purchased by you.

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

No, we do not have reportable legal or disciplinary history. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

**Question to Ask Us:**

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

***Additional Information***

**You may request additional information** about our investment advisory services, request up-to-date information, and request a copy of our most recent relationship summary by **contacting us** at [aeisenberg@nsinvest.com](mailto:aeisenberg@nsinvest.com) or calling us at 312.580.0900.

**Questions to Ask Us:**

- ✓ 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?

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Date: 03/24/2021

**Exhibit A – Material Changes to Client Relationship Summary**

*What fees will I pay?* This section has been updated to include tiered fees.