

# **Income & Asset Advisory, Inc**

## **Form ADV, Part 3 Form CRS: *Client Relationship Summary* | December 2022**

### **Item 1: Introduction**

Income & Asset Advisory, Inc. is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you, the retail investor, to understand the differences. Our intention is that the following information will clarify our investment advisory services. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides education materials about broker-dealers, investment advisors and investing.

### **Item 2: Relationships and Services**

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

We offer investment advisory services to individuals, trusts, estates, charitable organizations, tax-exempt funds (such as individual retirement accounts, pension and profit-sharing plans), 401(k) plans, corporations, and other business entities. We tailor our advisory services to your individual needs and take into consideration your investment objectives, risk tolerance, liquidity needs, income tax consequences, and investment time horizons. Our investment recommendations will generally include advice regarding the following securities, depending on their suitability with your goals and risk tolerance: Mutual funds, Exchange-traded funds (ETFs), Exchange-listed securities, Securities traded over-the-counter, Certificates of deposit, Municipal securities, United States governmental securities, Closed-end funds, Variable life insurance, Fixed or Variable annuities, Real Estate investment trusts (REITs), individual Bonds, non-traded REITS, Business Development Companies (BDCs) and Interests in limited partnerships.

Your account is monitored by us. The frequency of account reviews depends on several factors, including market conditions and your requests, but reviews occur no less than quarterly. We provide investment advisory services on a discretionary basis - we do not need to speak with you before making investment changes. You will sign an investment management agreement giving us this authority until either you or we terminate that agreement. FOR ADDITIONAL INFORMATION about our advisory services, please see Items 4 and 7 of our Form ADV Part 2A: Firm Brochure.

#### **CONVERSATION STARTERS. *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?*

### **Item 3: Fees, Costs, Conflicts and Standard of Conduct**

#### **What fees will I pay?**

Our fees vary depending on the services you receive. The amount of assets in your account affects our advisory fee; the more assets you have in your advisory account, the more you will pay us and thus we have an incentive to increase those assets in order to increase our fee. The annualized fee for advisory services is payable on a monthly basis in arrears, it is calculated based on the fair market value of the managed assets at the close of business on the last day of the preceding month. An advisory fee is charged on cash balances in the account. We do not, however, charge an advisory fee on interests in certain limited partnerships, or other non-managed assets. Some clients pay higher or lower rates than those shown in our current fee schedule depending on the complexity and nature of the services provided or other circumstances. Our advisory fee is typically not the only fee you will pay. Some investments (e.g., mutual funds, variable annuities, etc.) impose additional fees (e.g., transactional fees and product-level fees) that reduce the value of your investment over time. The same goes for any additional fees you pay to a custodian. For hourly fee arrangements, each additional hour (or portion therefore) we spend working for you would increase the advisory fee. You may also pay fees to third-party managers, but if this were to be the case all fees would be disclosed before entering into a third party arrangement. We do not receive a

share of those fees. 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. FOR ADDITIONAL INFORMATION about our fees, please see Item 5 of our Form ADV Part 2A: Firm Brochure.

**CONVERSATION STARTERS. Questions to ask us:**

*Help me understand how the 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? How might your conflicts of interest affect me, and how will you address them?*

**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 examples to help you understand what this means: For AUM fees, the more assets you have in your advisory account, the more you will pay us and thus we have an incentive to increase those assets in order to increase our fee. For hourly fees, each additional hour we spend working for you would increase the advisory fee and thus we have an incentive for you to agree to have us complete more work for you

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

Our financial professionals benefit from the advisory services we provide to you because of the advisory fees we receive from you. Some of our financial professionals are owners of our firm and therefore also benefit from the overall profits of the firm and may have an incentive to make recommendations to you that increase the firm's profitability. Some of our financial professionals also have the ability to receive commissions when clients purchase annuity and insurance products through our firm (life and long-term care). FOR ADDITIONAL INFORMATION about our firms potential conflicts of interest, please see Items 6, 10 and 11 of our Form ADV Part 2A: Firm Brochure.

**Item 4: Disciplinary History**

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

No. As noted on Form ADV Part 2A, Item 9. Also visit [Investor.gov](http://Investor.gov) for a free and simple search tool to research our firm and our financial professionals.

**CONVERSATION STARTERS. Questions to ask us:**

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

**Item 5: Additional Information**

If you would like additional information about our firm, you can find it on our website ([www.theadvisory.com](http://www.theadvisory.com)) or in our Form ADV Part 2A: Firm Brochure, along with the brochure supplement on each of our financial professionals, on [IAPD](#) and on [Investor.gov](http://Investor.gov). If you have a problem with your investments, investment account or a financial professional, require a copy of this relationship summary or need additional, up-to-date information, you may contact our firm at (914) 273-6800.

To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC's toll-free investor assistance line at (800) 732-0330.

**CONVERSATION STARTERS. Questions to ask us:**

*Who is my primary contact person? Who can I talk to if I have concerns about how a person is treating me?*

## **Exhibit A: Material Changes**

- There have been no material changes, the document has been edited to provide additional clarification.