

January 28, 2021

Client Relationship Summary (Form ADV, Part 3 - Form CRS)

**Item 1 - Introduction**

Karn, Couzens & Associates, Inc. (“KC&A”, “we”, or “us”) is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Investment advisory services and compensation structures differ from that of a broker-dealer, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

**Item 2 - Relationships and Services**

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

We provide discretionary management services, as well as financial planning and consulting to individuals, trusts and estates (our “retail investors”) on a wrap-fee or non-wrap-fee basis. If you are receiving this brochure, your financial professional has determined that a financial plan or an advisory account meets your needs and objectives. However, we can also provide brokerage accounts through our relationship with Royal Alliance Associates, Inc. Brokerage accounts have a different cost structure. If you are interested in learning about brokerage accounts, please ask your financial professional for information. Our authority over your account(s) shall continue until our engagement is terminated.

When a retail investor engages us to provide investment management services we shall monitor, on a continuous basis, the investments in the accounts over which we have authority as part of our investment management service. Furthermore, we manage your assets on a discretionary basis, which means we shall have the authority, without prior consultation with you (unless you impose restrictions on our discretionary authority), to buy, sell, trade and allocate the investments within your account(s) consistent with your investment objectives.

We do not limit the scope of our investment advisor services to proprietary products or a limited group or type of investment.

We generally impose a \$250,000 minimum aggregate portfolio value for our investment advisory services.

**Additional Information:** For more detailed information about our Advisory Business and the Types of Clients we generally service, please See Items 4 and 7, respectively in our ADV Part 2A. Also, refer to Items 4 and 6 in the Wrap Brochure of any third-party investment manager that we may recommend for additional information regarding their services.

Conversation starters

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?

A Copy of our Form ADV Part 2 is available at:

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=674620](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=674620)

**Item 3 - Fees, Costs, Conflicts, and Standard of Conduct**

**What fees will I pay?**

We provide our investment advisory services on a fee basis. When engaged to provide investment management services, we shall charge an annual asset-based fee calculated as a percentage of your assets under our management. Our annual fees are negotiable and do not exceed 1%. We typically deduct our fee from one or more of your accounts quarterly, in arrears, based upon the average daily balance of the assets in the clients’ account during the applicable billing quarter. Other fee deduction methods that may apply, include billing in advance for certain programs or third-party money managers, and/or billing based on quarter end value of assets. Because our fee is calculated as a percentage of your assets under management, the more assets you have in your advisory account, the more you will pay us for our investment management services. Therefore, we have an incentive to encourage you to increase the assets maintained in accounts we manage. We offer our Financial Planning services on either a fixed fee basis, up to generally between \$3,000 and \$10,000, or on an hourly rate basis, generally \$500 per hour. The fee for subsequent work shall be agreed to prior to commencing the engagement.

For some advisory accounts, called wrap fee programs, the asset-based fee includes most transaction costs and custody services, and as a result wrap fees are typically higher than typical advisory fees. For advisory programs that are not wrap-fee, you will pay to the broker-dealer or bank custodian, a transaction charge when we buy and sell investments for you.

Certain additional custodial fees paid to the custodian include (as applicable) low balance, check writing, wire, IRA custodial, termination, and overnight delivery fees. If a third-party investment adviser is used, you will pay an additional fee to the third-party adviser as detailed in their disclosure documentation.

Some investments (such as mutual funds and annuities) impose additional fees that reduce the value of retail investors' investments over time (e.g. management fees and other fund expenses). Also, with certain investments such as variable annuities, you may have to pay fees such as "surrender charges" to sell or redeem the investment.

*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. Please refer to our Form ADV Part 2A, Item 5, or Item 4 in the Wrap Brochure of any third-party investment manager that we may recommend, for detailed information regarding their fees and charges.*

Conversation starter

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 acting as my investment adviser? How else does your firm make money and what other conflicts of interest do you have?**

When we act as your investment adviser, we must act in your best interest and not put our interests 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. As examples, we receive benefits from mutual fund companies in the form of travel and meal or entertainment expenses when they invite our financial professionals to training and education events. In addition, the broker-dealer that we use to facilitate your transaction activity provides similar benefits to our financial professionals who meet certain sales goals. Therefore, we will benefit when you place more assets with us.

*Please refer to our Form ADV Part 2A for more detailed information regarding conflicts of interest. The Form specifically notes conflicts of interest in Items, 4, 5, 7, 10-12, and 14.*

Conversation starter

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

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

We benefit from the advisory services we provide to you. Our financial professionals are paid a portion of the annual asset-based fee charged on your account(s) and any financial planning fees you pay for a written financial plan. The amount you pay and the amount your financial professional receives depends, for example, on the services you receive, the complexity of your financial situation, and the amount of assets in your account.

Our financial professionals are registered representatives of a broker-dealer and insurance agents; therefore, they receive commissions on sales of those products outside your advisory account(s). Financial professionals also receive non-cash compensation from the sale of mutual funds as noted above. This incentive to sell products that provide benefits to investment professionals creates a conflict of interest. You should discuss your financial professional's compensation directly with your financial professional.

**Item 4 - Disciplinary History**

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

No, our financial professionals do not have any legal or disciplinary history. You can find information on our financial professionals by using Investor.gov/CRS, which is a free and simple search tool. You should ask your financial professional:

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

**Item 5 - Additional Information**

Additional information about our firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may contact our Chief Compliance Officer at any time to request a current copy of our ADV Part 2A or our *relationship summary*.

Our Chief Compliance Officer may be reached by phone: (860) 676-2727

Who is my primary contact person? Is he or she 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?