

March 29, 2024

Independent Investors, Inc.

Our firm 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 the retail investor to understand the differences. There are free and simple tools to research firms and financial professionals available at [Investor.gov/CRS](https://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?*** *Our firm was founded in 1983 and provides investment advisory services to retail investors.* We provide portfolio management services, primarily on a discretionary basis, and, to a lesser extent, on a non-discretionary basis to individuals, high net worth individuals, trusts, charitable foundations and corporations. Discretionary authority allows the portfolio manager to make investment decisions on behalf of the client; non-discretionary authority allows the client to make the ultimate decision regarding the purchase or sale of investments. Discretionary powers allow the portfolio manager to execute transactions in a timely fashion. Non-discretionary powers require communication with the client prior to executing a transaction. Due to market fluctuations, this could impact the final purchase or sale price of a security. In some instances, discretionary authority may be limited. For example, there may be occasions where we would seek the retail investor's approval before implementing or changing investment strategies or executing certain transactions.

The minimum account size at Independent Investors, Inc. is one million dollars. On occasion we do waive the minimum account size, based usually on a family relationship.

All accounts are screened several times each month by the portfolio managers who examine each account to ensure that asset allocation and selection are following the client's stated objectives and are included as part of our standard service. Independent Investors, Inc. will provide quarterly written reports to clients reflecting original costs, current price and market values, year-to-date realized gains/loss schedules and estimated annual income and current yield on bonds. Clients also receive supplementary advices and monthly statements from the Custodial Bank or Broker. Pursuant to Rule 206(4)-2 under the Investment Advisers Act of 1940, we urge clients to compare the information set forth in the statement they receive from us with the statements they receive directly from their custodian to ensure that all account transactions are proper.

***Given my financial situation, should I choose an investment advisory service? Why or why not?*** Investing in securities involves the risk of loss that clients should be prepared to assume. We strive to limit any loss to our clients but the fact is that all asset classes bear some risk and investments made for clients are subject to a variety of market risks including macroeconomic, geopolitical, acts of nature, pandemics, currency, interest rate fluctuations, sector and company-specific risks.

***How will you choose investments to recommend to me?*** Independent Investors, Inc. employs two portfolio managers, each of whom participates in analysis of the securities utilized in client portfolios. We do not select other investment advisors outside of our firm. Depending on a client's risk tolerance and the current state of the financial markets, we strive to invest in a diversified portfolio of appropriate securities to generate the highest potential reward, while mitigating risk to the practical extent possible. We believe that a long-term view of the financial markets is the most appropriate strategy for our clients and our style of investing, but we do utilize short-term trading opportunities, on occasion. While we focus mainly on fundamental analysis, we do utilize research materials prepared by outside firms, including technical analysis and charting.

***What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?***

***What fees will I pay?*** Independent Investors, Inc. charges a fee of 1% of assets under management. Fees are

charged and billed at the end of each quarter. The investment advisory fee is based on the full market value of the investment account and the fee is directly debited from the client's custodial account. Fees are payable after services have been rendered. A potential conflict of interest could arise based on the fact the more assets there are in a retail investor's advisory account, the more a retail investor will pay in fees, and the firm may therefore have an incentive to encourage the retail investor to increase the assets in his or her account. Clients also pay custody fees directly to their chosen custodian broker or bank. Certain money market funds, mutual funds or exchange traded funds (ETF's) are subject to additional fees by the various issuers. While clients do pay a commission to the broker utilized for the purchase or sale of any security in their account, Independent Investors, Inc. does not have any arrangement with any firm that financially benefits our firm or employees based on products purchased for client accounts. We do not charge performance-based fees or compensate other firms or individuals for referrals. The client and the investment advisor have equal powers to terminate service at any time upon written notice of termination to the other. In the case of termination, fees will be prorated. 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 click on or type/paste in your browser search bar the following link for our complete ADV and Part 2A Brochure: <https://adviserinfo.sec.gov/firm/summary/105677>

***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 conflicts of interest do you have?*** When we act as your investment adviser, we have a duty 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 is an example to help you understand what this means. Our investment advisory firm charges an asset-based fee. The more assets there are in a retail investor's advisory account, the more a retail investor will pay in fees, and the firm may therefore have an incentive to encourage the retail investor to increase the assets in his or her account.

***How might your conflicts of interest affect me, and how will you address them?*** Influencing you to invest more than you are comfortable with would be a violation of our fiduciary duty. We inform our clients of the numerous risks associated with investing in financial markets.

***How do your financial professionals make money?*** Our portfolio managers and all employees are compensated on a salary basis.

***Do you or your financial professionals have legal or disciplinary history?*** No. You may go to [Investor.gov/CRS](https://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

***As a financial professional, do you have any disciplinary history? For what type of conduct?*** Neither Independent Investors, Inc., nor the management nor any employee, has ever been subject to a legal or disciplinary event. You may request up-to-date information and request a copy of CRS by calling our office at 1-800-237-9044.

***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?*** Please contact Margaret Moloney, President of Independent Investors, Inc., at 1-800-237-9044. She is a representative of an investment adviser. If you have any concerns please contact Michael Andersen, Chief Compliance Officer at Independent Investors, Inc., at 1-800-237-9044.