

Daniel Krug & Associates, Inc. is registered with the U.S. Securities and Exchange Commission ("SEC") as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. There are free and simple tools available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS). This website also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Daniel Krug & Associates, Inc. (DK&A) offers investment advisory services to retail investors. Our representatives meet with clients to determine financial needs and objectives based upon the general background and financial information (the "Investment Guidelines") the client provides. Some of the investment advisory services we make available are investment strategies, including model portfolios, offered through an unaffiliated wrap fee program; advisory programs offered by third-party investment advisory firms (sub-advisors); ongoing financial planning and consulting service; independent, third-party investment advisory firms providing Turn-Key Asset Management Programs ("TAMPS") and other advisory services. Clients that elect to use third party service will sign a separate agreement with that service provider.

Once we recommend a strategy, we monitor and adjust our recommendations as market conditions or financial situations change. As part of our standard services, we monitor client accounts and investments on an ongoing basis, however, reviews occur at least quarterly. Financial plans are reviewed annually, or as needed based on the review schedule agreed upon with each client.

We accept discretionary authority to determine, without obtaining your specific consent, the type of securities and the amount of securities that can be bought or sold for a client's portfolio. However, it is our policy to consult with client's prior to making significant changes in the account even when discretionary trading authority is granted. Clients can also grant us discretionary authority to establish and/or terminate a relationship with a sub-advisor. Sub-advisors will have discretionary authority to manage the portion of the client's assets allocated by us to such sub-advisor. Some of our investment advisory accounts are nondiscretionary, which means the client is required to preapprove each investment transaction that we recommend.

We do not offer proprietary products. We recommend a wide variety of third-party investment strategies and do not limit investment advice to a particular type of investment or product. We generally require a minimum account of \$500,000. We, in our sole discretion, may waive our stated minimum.

For additional information regarding our Advisory Business, the Types of Clients we service, and Investment Discretion, please see Items 4, 7, and 16 of our [Form ADV Part 2A](#), respectively.

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?

What fees will I pay?

Clients will pay 1) our asset-based investment advisory fee, 2) Advisory Fees to third party financial professionals such as sub-advisers, and 3) a Platform Fee. The Platform Fee is a "wrap fee" since it pays for advisory and administrative services and most, but not all, costs and fees charged by your custodian and the broker-dealer and/or banks that have custody of and trade your assets. Therefore, fees can be higher than a typical asset-based advisory fee. There are additional charges for certain activity on an account (such as custodian termination fees or fees for wires or returned checks). Minimum account fees are applicable to certain strategies. Our fee, Advisory Fees to third party financial professionals and the Platform Fee are assessed quarterly in advance and are a percentage of the value of your account, including accrued interest and dividends, at the end of each quarter.

A conflict arises whenever a client seeks advice from us on a financial matter that would reduce the amount of assets under our management - because reducing the assets under our management will, in turn, reduce our fees. Fees may be negotiated (higher or lower), based on unusual circumstances, pre-existing relationships, or complexity of planning.

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 regarding our Fees and Compensation, please see Item 5 of our [Form ADV Part 2A](#).

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 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 interest. 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. We receive a portion of the advisory fees a client pays from third party investment advisory firms we recommend to clients. We require clients of the Wrap Fee Program to establish one or more brokerage accounts through Fidelity's National Financial Services LLC. Under these circumstances, we receive financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. We receive a benefit because we do not have to produce or pay for such research or services. These benefits cause a potential conflict of interest as we have an incentive to encourage clients to utilize these firms.

Conversation Starter:

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

For additional information regarding our Brokerage Practices and Other Compensation, please review Items 12 and 14 of our [Form ADV Part 2A](#), respectively.

How do your financial professionals make money?

Our financial professional's compensation is based on the assets each person manages. Certain financial professionals receive commissions from the sale of life insurance products. This potential for additional compensation provides an incentive for these financial professionals to encourage you to maintain and even increase the size of your investment account with us and/or to purchase life insurance. See Item 5 of your financial professional's Brochure Supplement for more information about your individual financial professional's compensation.

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

No. Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and our financial professionals.

Conversation Starter:

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

You can find additional information about DK&A's investment advisory services on the SEC's website at www.adviserinfo.sec.gov. You may contact Rocky Istvan at 248.625.2788 or by emailing at rocky@mydkna.com to request a current copy of our ADV Part 2A or this relationship summary.

Conversation Starters:

- 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?