

Independent Investors, Inc.

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This brochure provides information about the qualifications and business practices of Independent Investors, Inc. If you have any questions about the contents of this brochure, please contact Margaret E. Moloney at mmoloney@independent-investors.com or 800-237-9044. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Independent Investors, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

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Item 2. Material Changes

We last updated Part 2A of Form ADV in March 2022. Although our business activities have not changed materially since the time of that update, we have updated this Part 2A as required or appropriate. We encourage our clients and prospective clients to review this brochure in its entirety.

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Item 4. Advisory Business

Independent Investors, Inc. is an investment advisory firm founded by Patrick N. Moloney in 1983 after 23 years of employment at Chemical Bank. Patrick N. Moloney passed away on May 14, 2014, and his wife, Elizabeth, became the sole owner of Independent Investors, Inc. As explained to clients in a letter dated May 22, 2014, Margaret Moloney, who joined the firm in 1991, assumed the role of President and will guide the firm going forward. In addition to her role as President, Ms. Moloney serves as a portfolio manager. Vice President and portfolio manager Kevin Moloney joined the firm in 2004.

Independent Investors, Inc. provides 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. As of December 31, 2022, Independent Investors, Inc. managed \$394,511,580, of which \$355,280,720 was on a discretionary basis and \$39,230,860 was on a non-discretionary basis. We believe the independent structure of our firm provides us with the capability to tailor our advisory services to the individual needs, risk tolerances and investment objectives of each client. We strive to provide customized portfolios and work with clients regarding their preferences of asset type, sector distribution and even specific company restrictions.

Privacy Policy

Independent Investors, Inc. is committed to maintaining the privacy of our current, former and prospective clients. We recognize that you entrust us with important personal financial information, and we assure you that protecting and safeguarding that information is one of our highest priorities.

In the course of providing products and services, we collect nonpublic personal information about our clients. This information may be obtained from applications, forms, questionnaires, agreements or other sources during the course of establishing a customer relationship. This information may include your name, address, e-mail address, social security number, financial situation and other personal information. We request such information in order to handle your account properly, and to provide you with the highest level of service possible.

We do not disclose any nonpublic personal information about our clients, prospective clients or former clients to any nonaffiliated parties, except as necessary to service our clients or as required by law. For example, on occasion, we may be required to provide information about you and your accounts and transactions to governmental agencies and self-regulatory organizations in order to fulfill legal and regulatory requirements. We must and will comply with these laws, to the extent we are required to do so.

We do not disclose any nonpublic personal information about our clients, former clients or prospective clients to any outside organization for marketing purposes.

We restrict access to nonpublic personal information about you to those employees, agents and other parties who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards to protect your nonpublic information. For questions regarding this policy, please contact Margaret E. Moloney at (800) 237-9044.

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Item 5. Fees and Compensation

Independent Investors, Inc. is compensated for portfolio management services based on a fee of 1% of assets under management. Fees are charged and billed quarterly in arrears at the end of each quarter. The investment advisory fee is based on the full market value of a client's investment account, including any assets in the account bought or held as an accommodation to the client, and the fee is directly debited from the client's custodial account. The client and investment advisor have equal powers to terminate service at any time upon written notice of termination to the other. In case of termination, fees will be prorated.

The minimum account size at Independent Investors, Inc. is one million dollars and, therefore, the minimum annual advisory fee is \$10,000.00. However, fees and minimum account size may be negotiated at the discretion of the advisor. Clients also pay custody fees directly to their chosen custodian bank or broker. In addition, cash balances are swept into money market funds at the custodian broker or bank. Our clients, as investors in such funds, pay their pro rata share of the fees and expenses charged by those funds. Mutual funds or exchange traded funds (ETFs) purchased for, or held in, client accounts are also subject to additional fees and expenses charged by the mutual fund or exchange traded fund. 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.

Item 6. Performance-Based Fees and Side-By-Side Management

Not applicable. Independent Investors, Inc. does not charge performance-based fees.

Item 7. Types of Clients

Independent Investors, Inc., provides portfolio management services to individuals, high-net-worth individuals, trusts, charitable foundations and corporations. The minimum account size at Independent Investors, Inc., is one million dollars and, therefore, the minimum annual investment advisory fee is \$10,000.00. On occasion we do waive the minimum account size, based usually on a family relationship. Since we do not advertise, our business has grown through client referrals, sometimes from family members. We appreciate the trust placed in our firm and have waived minimums in the past and foresee the possibility of doing so again, at our discretion, in the future.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Independent Investors, Inc. employs two portfolio managers, each of whom participate in analysis of the securities utilized in client portfolios. While we focus mainly on fundamental analysis, we do utilize research materials prepared by outside firms, including technical analysis and charting. The sources of information we utilize in our evaluation include financial newspapers, magazines and other financial information sources, subscription research services, inspections of corporate activities, research materials prepared by others, investment conferences and conference calls with corporate management, security analysts and economists, corporate rating services, company-specific annual reports, prospectuses, filings with the SEC, and press releases.

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We recommend investments in equity securities, including exchange-listed securities, over-the-counter traded securities, and securities of foreign issuers via ADRs, warrants, corporate debt securities, certificates of deposit, municipal securities, investment company securities, mutual fund shares, exchange traded funds, structured products and United States government and agency securities.

Investing in securities involves the risk of loss that clients should be prepared to assume. This point seems obvious, and we endeavor 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, but not limited to, company specific risks, sector and industry specific risks, geopolitical risks, acts of nature and pandemic related risks, acts of war, currency risks, interest rate fluctuations, and risks related to foreign investments.

Depending on a client's risk tolerance, investment objectives, guidelines and restrictions, 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 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.

Independent Investors, Inc. has invested in private placements in the past and anticipates the possibility of doing so again in the future, but, only for clients with long-term horizons and more aggressive objectives. Independent Investors, Inc. will obtain client approval, even for discretionary accounts, before investing in private placements as these investments carry additional risks, including their lack of liquidity.

Item 9. Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal disciplinary events that would be material to your evaluation of Independent Investors, Inc. or the integrity of Independent Investors Inc.'s management. Neither Independent Investors, Inc., nor any employee, has ever been subject to a legal or disciplinary event.

Item 10. Other Financial Industry Activity and Affiliations

10 A & B. Not applicable. Neither Independent Investors, Inc., nor any management persons, are registered, or have an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

10 C. Not applicable. Neither Independent Investors, Inc., nor any management persons, have any relationship or arrangement that is material to our advisory business with any other firm.

10 D. Not applicable. Independent Investors, Inc. does not select other investment advisors for our clients.

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Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Independent Investors, Inc. serves as an investment adviser under the Investment Advisers Act of 1940, and has adopted a Code of Ethics in compliance with Rule 204A-1 for all supervised persons of the firm, which describes the firm's fiduciary duty to its clients. The Code of Ethics is designed to ensure our firm and our employees understand the need to abide by all applicable securities laws and regulations, put the interests of clients ahead of their own interests, report any perceived violations to our Chief Compliance Officer, and avoid any practice that creates, or gives the appearance of, a material conflict of interest. Among other things, the Code of Ethics governs the personal securities transactions, activities and interests of the employees of Independent Investors, Inc. so that such transactions, activities and interests do not interfere with making decisions in the best interest of advisory clients and implementing such decisions while, at the same time, allowing employees to invest for their own accounts provided any personal investing is consistent with Independent Investors, Inc.'s fiduciary duty to its clients and consistent with regulatory requirements.

A copy of our Code of Ethics will be provided to any client or prospective client upon request.

Compliance with Laws and Regulations & Standards of Business Conduct

It is unlawful for any employee of Independent Investors, Inc. in connection with the purchase or sale, directly or indirectly, of a security held or to be acquired by a client:

- To defraud such client in any manner;
- To mislead such client, including making a statement that omits or misrepresents material facts;
- To engage in any act, practice or course of conduct which constitutes, or would constitute, as a fraud or deceit upon such client;
- To engage in any manipulative practice with respect to such client; or
- To engage in any manipulative practice with respect to securities, including price manipulation.

Independent Investors, Inc. recognizes that all employees owe a fiduciary duty to its clients and will follow the standards of business conduct below:

- The duty at all times is to place the interests of our clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code of Ethics, and to avoid any actual, or potential, conflict of interest or any abuse of an employee's positions of trust and responsibility;
- The fiduciary principle that investment advisory personnel should not take inappropriate advantage of their positions; and
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential.

The standards discussed in this section shall govern all conduct, whether or not the conduct also is covered by more specific standards and procedures.

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Personal Trading Procedures

All employees of Independent Investors, Inc. are required to abide by the Code of Ethics as it pertains to employee and employee-related trading.

Employees must request and obtain prior approval for all personal security trades in Covered Securities from the Chief Compliance Officer. Although there is no prohibition on employees holding personal investments in the same securities that our clients hold, as part of the approval process, our Chief Compliance Officer will not approve any requests for personal trading authorization that are expected to give rise to a material conflict of interest with any client.

Personal securities trades include self-directed activity for oneself, as well as for one's spouse, minor children, or any person who lives with the employee, as well as any other account in which an employee may have any direct or indirect beneficial ownership. "Covered Securities" include any stock, bond, future, investment contract or any other investment that is considered a "security" under the Investment Advisers Act. The term "Covered Security" is very broad, and includes items such as options on securities, indexes and currencies and foreign unit trusts.

Covered Securities do not include (i) direct obligations of the U.S. government (e.g. treasury securities), (ii) bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements, (iii) shares issued by money market funds, (iv) shares issued by open-end investment companies (i.e., mutual funds), (v) shares issued by any broad based exchange-traded fund (i.e., ETF), (vi) interests in 529 college savings plans and (vii) shares issued by unit investment trusts that are invested exclusively in one or more open-end registered investment companies.

The procedures governing personal trading under the Code of Ethics do not apply to transactions concerning (i) non-controlled accounts, which are accounts over which the employee has no direct or indirect influence or control, (ii) purchases that are part of an automatic dividend reinvestment plan, (iii) the acquisition of a new security from the issuer of a security held or previously held by an employee (i.e., Spin-Offs), (iv) purchases effected upon the exercise of rights issued by an issuer to all holders of a class of securities, and (v) the making of personal or charitable gifts or bequests of securities.

Reporting

All employees must instruct the custodian of their personal accounts and any related accounts to mail trade confirmations and monthly brokerage statements directly to Independent Investors, Inc. or provide copies of such brokerage statements upon request for review by the Chief Compliance Officer.

Violations

Upon being apprised of facts that indicate that a violation of the Code of Ethics may have taken place, the Chief Compliance Officer shall determine whether, in its judgment, the conduct being considered did in fact violate the provisions of the Code of Ethics. If it is determined that a violation of the Code of Ethics has occurred, sanctions appropriate to the circumstances will be

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imposed.

11 B. Not applicable. Independent Investors, Inc. does not buy or sell for client accounts securities in which the firm or any related person has a material financial interest, i.e. (1) we do not buy securities from or sell securities to our clients, (2) we do not act as general partner in a partnership in which we solicit client investments, or (3) we do not act as an investment advisor to an investment company that we recommend to clients.

Item 12. Brokerage Practices

As an investment advisory firm, Independent Investors, Inc. has a duty to seek best execution for client transactions. Independent Investors, Inc., as a matter of policy and practice, seeks to obtain best execution for client transactions, i.e., seeking to obtain not necessarily the lowest commission, but the best overall qualitative execution in the circumstances particular to each transaction. Our firm has discretion to select the counterparties used to trade clients' accounts. Independent Investors, Inc. considers the full range and quality of a broker-dealer's services in placing orders, including among other factors, execution capability, commission rates, financial responsibility and stability, good trading facilities and responsiveness to the investment advisor including timely notice when trades are completed.

Independent Investors, Inc. has no order routing inducements, payment for order flow, equity interest in market centers, or reciprocal order flow arrangements that would influence the obligation of best execution. While there are no conditions and no reciprocal agreements (i.e. soft dollar agreements) regarding research, Independent Investors, Inc. does receive access to institutional trading, custody services, research and software from brokers and custodian banks which are not typically available to retail investors.

Each of our clients has elected for its account to be held in custody at a single custodian. Some of those custodians have affiliated broker-dealers with whom we have negotiated preferential transaction fees on behalf of our clients. Generally, all applicable client trades are placed through that affiliated broker-dealer using its trading platform. We may, however, on occasion transact with other counterparties if we are unable to complete a desired transaction utilizing the affiliated broker-dealer's trading platform. In the case where a client account is custodied at a custodian that does not have an affiliated broker-dealer or other trading capability, we transact with other counterparties and seek best execution for each transaction as described above.

Aggregating Transactions

If more than one client is trading the same security on the same day and is custodied at the same custodian, we generally seek to aggregate the orders so that all participating clients receive the same average price and pay their pro rata share of any transaction costs. Whether or not client trades are aggregated, we will seek to allocate trades in a manner that is fair to all clients, taking into account all relevant factors, including, without limitation, each client's account size, diversification, cash availability, liquidity needs, tax consequences, investment objectives, guidelines and restrictions, risk profile, eligibility to participate in the investment, and any other relevant factors. We typically allocate partially filled orders pro rata based on the size of each participating client's initial order. However, we may deviate from our general allocation policy to avoid de minimis position sizes, or in other circumstances if our Chief Compliance Officer

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determines that a deviation is fair to all affected clients.

Directed Brokerage Arrangements

Our clients generally do not direct us to trade through any particular counterparty. A client's insistence on the use of one or more particular counterparties in connection with the trading of its account can have a materially adverse effect on the quality of execution that is available to the client. Among other things, clients that direct our use of trading counterparties may pay higher transaction costs, be excluded from aggregated orders, and trade after our other clients have traded.

Item 13. Review of Accounts

All accounts are screened several times each month by the portfolio managers who examine each account to ensure that asset allocation and selection are in compliance with each client's stated objectives and guidelines. Any news items affecting a corporation within the applicant's security universe will automatically trigger special reviews – i.e. earnings reports, mergers and acquisitions, management changes, annual meetings, stock dividends/splits, increase/decrease in reported dividends, etc.

Independent Investors, Inc. provides quarterly written reports to clients reflecting original costs, current price and market values, estimated annual income and current yield on bonds. Quarterly realized gains/loss schedules are also provided where applicable or when requested.

Clients receive supplementary advices and monthly statements from their Custodial Bank or Broker. Pursuant to Rule 206(4)-2 under the Investment Advisers Act of 1940, the Securities and Exchange Commission requires all investment advisors to urge clients to compare the information set forth in the statement they receive from their investment advisor with the statements they receive directly from their custodian to ensure that all account transactions are proper. We encourage our clients to compare statements received from their broker/custodian to the quarterly statement received from us and to reach out to us with any questions.

Item 14. Client Referrals and Other Compensation

Not applicable. Independent Investors, Inc. does not compensate other firms or individuals for referrals.

Item 15. Custody

Since senior officers of Independent Investors, Inc. have agreed to serve in the capacity of Trustee, Executor, or Power of Attorney for certain client accounts, the firm is deemed to have custody of some client funds. As a result, and pursuant to SEC regulations, we hire an independent accounting firm to conduct a surprise examination of the accounts where we are deemed to have custody on an annual basis. In addition, all client accounts are held at qualified custodian bank or brokerage offices. Clients receive monthly statements directly from their qualified custodian and quarterly statements from Independent Investors, Inc. Clients should compare the information set forth in the statements they receive from Independent Investors,

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Inc. with the statements they receive directly from their custodian to ensure that all account transactions are proper.

Item 16. Investment Discretion

Independent Investors, Inc. accepts discretionary authority to manage securities accounts on behalf of clients. Clients must sign a Discretionary Agreement before Independent Investors, Inc. assumes this authority. Clients may place restrictions on discretionary authority based on account composition, investment objectives, asset type and/or security selection. Independent Investors, Inc. adheres to the client's investment objectives and restrictions when selecting securities for client accounts.

In certain cases, clients do not bestow discretionary authority and in such cases Independent Investors, Inc. makes investment recommendations to the client. Upon approval of a recommendation by a client, Independent Investors, Inc. executes the purchase or sale order on behalf of the client.

Item 17. Voting Client Securities

Independent Investors, Inc. has adopted policies and procedures designed to ensure that we vote proxies in the best interest of our clients and that describe how we address any material conflicts that may arise between us and our clients with respect to proxy voting. The advisor will make copies of its proxy voting policies and procedures available to clients upon request.

Proxy Voting Procedures

In connection with common stock held in client accounts, Independent Investors, Inc. receives stock voting proxies and detailed proxy voting material. Senior officers of Independent Investors, Inc. review and discuss the proxy voting materials, including the voting recommendations of the board of directors contained therein, and after careful deliberation vote the proxies electronically on behalf of clients on the relevant proxy voting website.

Independent Investors, Inc. exercises diligence and care in the process of reviewing and analyzing the individual proposals presented by each company. Officers of Independent Investors, Inc. do not sit on any company boards or have any conflicts of interest that would prevent us from voting in what we believe to be the best interests of our clients. Unless we find special or specific reasons for opposing a particular proposal, we vote the proxy in accordance with the board of director's recommendations. If a client feels strongly about a specific issue, and notifies us accordingly, we will vote their proxy in accordance with such client's wishes. In those instances where we are asked to mail particular annual reports and statements to the client, we will do so. Should clients request that all of their proxies be mailed directly to them for voting we will accommodate their wishes. Any client who wishes to have proxies forwarded directly to them should contact us and we will arrange for all proxy material to be mailed directly to them by the company or companies in question. Should a client wish to vote any or all proxies for their account, they should contact us directly at 800-237-9044.

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Resolving Material Conflicts of Interest

In order to track potential conflicts, we require all employees to confirm annually whether they have any relationships with any publicly traded companies that could conflict with our fiduciary duty to vote proxies in the best interest of our clients. Although we do not anticipate having any material conflicts of interest with regard to proxy voting, any such material conflicts would be handled on a case-by-case basis and resolved in a manner consistent with our fiduciary duty to, and in the best interest of, our clients.

Vote and Policy Disclosure

In order to obtain a record of votes cast on their behalf, clients may, upon request, receive a report detailing the specifics regarding proxy votes made on their behalf.

Item 18. Financial Information

Not applicable. Item 18 requires investment advisors to provide clients with certain financial information or disclosures about their firm's financial condition that is reasonably likely to impair their ability to meet contractual commitments to clients. Independent Investors, Inc. has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding.

Item 19. Requirements for State-Registered Advisors

Not applicable. Independent Investors, Inc. is a federally registered investment advisor.