

Penn Investment Advisors, Inc.
Form CRS, Customer Relationship Summary 6/30/2020

Penn Investment Advisors, Inc. (PIA) is registered with the Securities and Exchange Commission (SEC) as an investment advisor. Brokerage and investment advisory services and fees differ 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, which also provides educational materials about broker-dealers, investment advisor, and investing.

Relationships and Services (What Investment services and advice can we provide you?)

PIA offers a combination of investment advisory services to investors based on the client's individual goals and circumstances. PIA offers a number of proprietary portfolio options to retail investors based on a client's risk tolerance which is determined by our client profile questionnaire and ongoing discussions with our advisors. Depending on the portfolio to which the client is assigned, the client will be invested in a selection of equities, mutual funds (no-load), ETFs, and/or fixed income positions. All portfolios are monitored on an ongoing basis. All clients give PIA discretionary authority over their accounts and trust that we will act in the client's best interest when it comes to their investments. As PIA has discretion over the client account trades are performed in the event of a portfolio rebalance due to changing market conditions or when the client makes a request for distributions from their account. A review is performed on an annual basis to examine whether you have experienced any major changes in your life and whether or not we need to address how your money is invested.

PIA also offers retirement services to their clients such as 401k plans, profit sharing and pension plans. Penn Investment Advisors will prepare written Investment Policy Statements (IPS) stating needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance. PIA will review various investments, generally consisting of equities, mutual funds and exchange traded products (both index and actively managed) to determine which of these investments are appropriate to implement the client's IPS. For pension, profit sharing and 401(k) plan clients wherein there are individual accounts with participants exercising control over assets in their own account PIA also provides regular educational support and investment workshops designed for the plan participants.

For additional information, please see our [Form ADV, Part 2A brochure](#) (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1) and other applicable documents.

Key questions you should ask your financial professional:

- *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?

For retail investors, PIA charges a fee based on assets under management. This means we will charge you a percentage-based fee dependent on the amount of money you, the client, decide to invest with us. This fee is negotiable and will be outlined on page 3 of the investment advisory agreement you sign with us. All fees are assessed at the end of the month and charged directly to the client account. In addition to the advisory fees charged by PIA, the custodians who hold your investments may also charge a fee, please discuss these fees with your advisor so you are fully aware of all expenses pertaining to your account. The investments in your portfolio such as mutual funds may also indirectly incur expenses which do not directly charge your account, but will be a

small reduction in performance from your investments. When meeting with your investment advisor, you will be shown the investment options as well as the underlying expense ratios that may affect your performance.

Retirement plans are also charged fees based on assets under management that are negotiated with the plan advisor. Many of these accounts also experience the same fees that our retail investors do, with the difference that retirement plans are self directing, meaning the client can decide how to invest their retirement accounts based on when they wish to retire. Some retirement plans also participate in revenue sharing which may reduce the amount of fees the investor experiences. Please ask your advisor if your plan has a revenue sharing option and whether or not this would make sense for you to take advantage of.

You will pay fees whether you make money or lose money in your investments. Fees will reduce any amount of money you make on your investments over time. Please be sure you understand what fees and costs you are paying and feel free to discuss these with your advisor.

Key questions you should ask your financial professional:

- *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? How much will I pay over time?*

Legal Obligations

When we act as your investment advisor, 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 to you.

Some of our representatives are also registered with a third-party broker dealer, PKS Investments and can provide access to mutual funds and insurance products such as various types of annuities. Please feel free to ask about these products as well as the associated fees.

Key questions you should ask your financial professional:

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

How our Investment Advisors make money

All of our financial advisors earn a base salary. As part of this salary, our advisors receive healthcare benefits as well as a percentage match of the money they save towards their 401k plan. Our financial advisors also earn a percentage of the monthly fee that their clients are charged to their investment accounts. Our advisors do not receive any additional year-end bonuses or compensation.

Do we have legal or disciplinary history?

Our financial professionals do not have any legal or disciplinary history.

Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

Key questions you should ask your financial professional:

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

Additional Information

For additional information, please visit our website at www.pennadvisors.com. All of our major disclosures such as this Form CRS, [Form ADV Brochure](#) and [Privacy Policy](#) can be found on the front page of our website.

We can also be reached during normal business hours at 800-626-1027 to answer any investment questions you may have.

Key questions you should ask your financial professional:

- *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?*