

June 26, 2020

## **Item 1 – Introduction**

On June 5, 2019, the Commission adopted a new rule to require registered investment advisers and registered broker-dealers to provide a brief client relationship summary – Form CRS – to retail investors. The relationship summary contains important information about the adviser or broker. Carret Asset Management, LLC (“we”, “us” or “our”) is registered with the U.S. Securities Exchange Commission (“SEC”) as an investment adviser which differs from a broker in several ways, including but not limited to the services provided and the compensation structures for those services. It is important that you understand the differences. The client relationship summary will help you understand the differences. You can also visit [www.Investor.gov/CRS](http://www.Investor.gov/CRS) for free and simple tools to research firms and financial professionals. The site 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 investment advisory services, including discretionary and non-discretionary investment management services to individuals, trusts and estates (our “retail investors”). We also provide discretionary investment management services as a sub-adviser in wrap fee programs sponsored by third parties (“Sponsors”), as well as to other unaffiliated investment advisers. When a retail investor engages us to provide investment management services, we shall monitor, on a continuous basis (no less than quarterly), the investments in the accounts over which we have authority as part of our investment management service. Furthermore, when engaged on a discretionary basis, 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. If you engage us on a non-discretionary basis, we cannot effect any transactions in your account without obtaining prior consent. Our authority over your account(s) shall continue until our engagement is terminated. We offer limited consulting services as part of our standard investment advisory engagement. However, we may also be engaged to provide limited consulting services on a separate fee basis. When we provide limited consulting services, we rely upon the information provided by the client for our financial analysis and do not verify any such information while providing this service. We do not limit the scope of our investment advisor services to proprietary products or a limited group or type of investment.

**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.

*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?*

## **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 a fee calculated as a percentage of your assets under our management (our “AUM Fee”). Our annual AUM Fee is negotiable, but generally ranges from 0.65% to 1.25%. AUM Fees for fixed income only accounts are typically less. We, in our sole discretion, may reduce our investment management fee, charge a flat fee, or reach some other mutually agreeable fee arrangement based upon certain criteria as described in our disclosure brochure. We typically deduct our AUM Fee from one or more of your accounts on a quarterly basis, in arrears or in advance, based upon the market value of the assets on the last day of the previous business quarter. Because our AUM Fee is calculated as a percentage of your assets under management, the fee that you pay for investment management services will increase as assets in your advisory account increase. Therefore, we have an incentive to increase the assets maintained in accounts we manage, either through additional contributions by you or through our performance. Fees for limited consulting services shall be negotiated with the client based upon the scope and

A copy of our Part 2A is available at:

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=635337](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=635337)

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complexity of the engagement.

Qualified clients may be elect to invest in our proprietary Leveraged Opportunity Strategy. The management fee for this strategy includes performance-based fees (in addition to the management fee) on portfolio gains. We do not have a minimum account size or minimum fee that must be paid.

**Other Fees and Costs:** Your investment assets will be held with a qualified custodian. Custodians generally charge brokerage commissions and/or transaction fees for effecting certain securities transactions. In addition, relative to all mutual fund transactions, certain charges will be imposed at the fund level (e.g. management fees and other fund expenses). In managing fixed income strategies, we typically trade away when buying and selling bonds for your account, and the third-party broker-dealers charge mark-ups or mark-downs to the prices of the bonds. If you participate in a wrap fee program, the wrap fee you pay to the Sponsor will not include trading costs if we “trade away,” or place orders with broker-dealers other than the Sponsor. Brokerage firms may also impose other custodial fees, as more particularly described in their custodial fee schedule. Fees and costs will reduce any amount of money you make on your investments over time. In addition, you will pay fees and costs whether you make or lose money on your investments. Please make sure you understand what fees and costs you are paying.

**Additional Information:** For more detailed information about our fees and costs related to our management of your account, please See Item 5 in our ADV Part 2A.

*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 interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. As an example, we may recommend a particular custodian to custody your assets, and we may receive support services and/or products from that same custodian, certain of which assist us to better monitor and service your account while a portion may be for the benefit of our firm. We may also recommend that you roll over your retirement plan assets into an account managed by us and which we may earn new or, an increase in, current compensation as a result of the rollover.

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

Adviser representative are compensated through a portion of the management fee paid by their respective clients. 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. We encourage you to visit [www.Investor.gov/CRS](http://www.Investor.gov/CRS) to research our firm and our financial professionals. Furthermore, we encourage you to ask your financial professional:

*As a financial professional, do you have any disciplinary history? If so, 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 your ADV Part 2A or our *relationship summary*. Our Chief Compliance Officer may be reached by phone: (212) 593-3800.

*Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

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[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=635337](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=635337)