

Is an Investment Advisory Account Right for You?

Kathleen S. Wright Associates, Inc. (d/b/a Wright Associates) is a SEC registered investment adviser founded in 2002. We are a fee-only **standalone investment adviser** providing financial planning and discretionary investment management services. The services we provide to clients are regular and ongoing. We work as a fiduciary on behalf of our clients, making sure their best interests come first.

There are different ways you can get help with your investments, through a standalone investment adviser, standalone broker-dealer or dual registrant. Fees differ and it is important for you to know the difference. You should carefully consider which types of accounts and services are right for you.

This document gives you a summary of the types of services we provide and how you pay. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS). Please ask us for more information. There are some suggested questions at the end of this document.

What Investment Services and Advice Can You Provide Me?

Wright Associates is a **fee-only** investment management and financial planning firm. That means we offer investment advisory services to retail investors. We are independent meaning we can help clients with a wide variety of services and solutions regardless of source or provider. The only fees we collect are those paid by clients. We receive no outside commissions, sales-related compensation or revenue from any other source.

We charge two types of fees, and clients are able to choose the service level that best suits their needs. Our fee options are as follows:

- Financial planning fees are assessed and due when services are rendered. It is a **periodic fee** that is either billed **hourly** or as a **flat fee**. We only accept cash payments.
- Investment management fees, are **asset-based fees**. They are due quarterly in advance. It is an **on-going fee**. Client may choose to pay by check or cash or have the fees debited directly from their investment accounts.

We offer advice and provide services on a **regular** and **ongoing basis**. We monitor client accounts and investments on a continual, regular and ongoing basis.

Our **financial planning services** help clients organize their personal finances. Financial planning is an individualized service specifically designed to address and meet the needs of the client being served. Financial planning covers topics such as, but not limited to, estate planning, tax planning, education funding planning, insurance and risk management planning, investment planning, retirement planning, philanthropic planning and employee benefit planning. Clients pay based on how much effort and how many topic areas require review. After completion of the initial plan, clients will be contacted periodically, but no less than annually to review progress toward their goals.

Our **investment management services** help clients interact with the capital markets to reach their goals. We help them develop an investment strategy designed to meet pre-determined objectives. We discuss a client's investment goals prior to implementation and summarize the strategies employed in an investment policy statement, that each client receives. Investment management is continuous and on-going. Although, we review and monitor investments continuously, that does not mean action is necessary.

Our investment management services are performed on a **discretionary** basis. This means clients grant us the authority to buy and sell investments in a client’s account without prior approval.

The advice offered under our automated investment program severely limits a client’s investment options. Portfolios will be constructed with a **limited** number of exchange traded funds. Other firms could provide advice on a wider range of choices, some of which may have lower costs. The automated investment program has a lower asset-based fee than the active investment program. The active management program is **unconstrained** with respect to security selection and access to professional services.

Clients who engage with Wright Associates will receive commentary, in the form of an email blog every two weeks, performance reports quarterly and have access to dedicated professionals with quality professional designations whenever they have questions. We send detailed market commentary and a newsletter titled “Adding Value” with the quarterly performance reports. Clients should expect to hear from us no less than once per year. Clients are able to meet and speak with us as much or as little as they desire.

More detailed information about our services is available in our Form ADV, Part 2A. A copy is available on our website at www.kswrightassociates.com.

What Are Your Legal Obligations to Me as My Investment Adviser?

We must abide by certain laws and regulations in our interactions with you.

We are held to a **fiduciary standard** that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy and investments on an ongoing basis. A fiduciary standard means we must put your interests above our own and fully disclose all conflicts of interest, including use of proprietary funds.

What Fees Will I Pay?

Our fee options are as follows:

	ALA CARTE PRICING		COMPREHENSIVE PRICING	
Minimum Annual Fee	\$500		\$10,000	
Initial Planning	\$500 – 1 FP Function & Investment Plan \$2,000 – 2-3 FP Functions & Investment Plan \$5,000 – All FP Functions & Investment Plan		\$0.00 (included)	
Recurring Updates	\$300/Hour – Adam K. Wright, CFA, CFP® \$400/Hour – Kathleen S. Wright, CFA \$400/Hour – A. Gregory Lintner, CFA		\$0.00 (included)	
	%AUM (Automated)		%AUM (Active)	
Discretionary Investment Management	First \$2,000,000	0.40%	First \$1,000,000	1.00%
	Next \$3,000,000	0.35%	Next \$4,000,000	0.75%
	Thereafter	0.25%	Next \$5,000,000	0.50%
			Over \$10,000,000	0.30%
Access	We recommend 1 planning meeting per year. The automated investment program includes 1 meeting per year.		Unlimited	

Fees and costs affect the value of your account over time. You will pay fees whether you make or lose money on your investments. Please make sure you understand what fees and costs you are paying. Ask your financial professional to give you personalized information on the fees and costs that you will pay.

Our investment management service fees, which are **asset-based fees**, reduce the value of your account over time when they assessed. As noted above, these are **on-going fees** paid quarterly in advance.

We do not charge wrap fees. We do not collect any sales-related commissions or compensation.

Investment management clients will also be exposed to fees charged by mutual funds or exchange-traded funds. These fees and expenses are described in each fund's prospectus which clients will receive from the independent custodian with each initial purchase of the fund. These fees will generally include a management fee, other fund expenses, and a possible redemption fee. Fees on funds can range of 0.04% for an index fund to 1.40% for an actively managed fund. The difference in fund fees is based on the effort level to execute a strategy.

Clients also pay transaction fees. There are no transaction costs for exchange traded products such as exchange traded funds or stocks. Mutual funds cost \$25.00 to \$49.95 to buy and sell. We do not trade often.

On a case by case basis, fee arrangements are negotiable, based on both the nature and total dollar value of the relationship with a client. Such determinations are made by Wright Associates at its sole discretion.

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 to you. Here are some examples to help you understand what this means.

For instance, we benefit from the advisory services we provide to you. The more of your money we manage under our investment management services the higher our absolute fee. Since we charge an **asset-based fee**, which we label as %AUM, the more assets you have in the advisory account, including cash, the more you will pay us. Similarly, your fees will go down if your portfolio balance decreases. While we have an incentive to increase the assets in your account to increase our fees, you may also be benefiting from a higher account balance. Our asset-based fee declines at certain breakpoints. We charge our asset-based fees quarterly whether the market goes up or down and even if we do not buy or sell securities.

How Do Your Financial Professionals Make Money?

The financial professionals at Wright Associates are paid a base salary and, if appropriate business conditions exist, a yearend cash bonus. Salary and bonus are solely based on firm size and profits the firm earns from its advisory services. We do not use sales-based awards to incentivize our financial professionals. None of our financial professional collect commissions or sales-based compensation from any third party or outside institution.

Do Your or Your Financial Professionals Have a Legal or Disciplinary History?

Wright Associates does not have a legal or disciplinary history, and no financial professional at Wright Associates has a legal or disciplinary history.

Where May I Find Additional Information?

We encourage you to seek out additional information.

All clients and prospective clients should read and review our ADV Part 2 annually. The most recent copy is posted on website (www.kswrightassociates.com) along with our Code of Ethics and Privacy Policy. Up-to-date information may also be requested by calling our offices at 412.854.2100. We will happily send you copies.

Visit investor.gov for a free and simple search tool to research our firm and our financial professionals.

Clients and prospective clients may also find additional information about our investment advisory services by searching for our firm Kathleen S. Wright Associates, Inc. at adviserinfo.sec.gov.

To report a problem to the SEC, visit Investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. If you have a problem with your investments, investment account, or a financial professional, contact us in writing at 61 McMurray Road, Suite 204, Pittsburgh, PA 15241.

What Other Questions Should I Ask?

Ask our financial professionals these key questions about our investment services and accounts.

- 1) Given my financial situation, why should I choose an advisory account?
- 2) Do the math for me. How much would I pay per year for an advisory account? What would make those fees more or less? What services will I receive for those fees?
- 3) What additional costs should I expect in connection with my account?
- 4) Tell me how you and your firm make money in connection with my account. Do you or your firm receive any payments from anyone besides me in connection with my investments?
- 5) What are the most common conflicts of interest in your advisory accounts? Explain how you will address those conflicts when providing services to my account.
- 6) How will you choose investments to recommend for my account?
- 7) How often will you monitor my account's performance and offer investment advice?
- 8) Do you or your firm have a disciplinary history? Explain.
- 9) What is your relevant experience, including your licenses, education and other qualifications? Please explain what the abbreviations in your licenses are and what they mean.
- 10) Who is the primary contact person for my account, and is he or she a representative of an investment adviser or broker-dealer? What can you tell me about his or her legal obligations to me? If I have concerns about how this person is treating me, who can I talk to?