



KINETIC INVESTMENT MANAGEMENT, INC.

Form ADV Part 3 Client Relationship Summary

February 21, 2024

Introduction

Kinetic Investment Management, Inc. is an investment adviser registered with the Securities and Exchange Commission offering advisory accounts and services. Brokerage and investment advisory services and fees differ, and it is important that you understand the differences. This document gives you a summary of the types of services and fees we offer. Please visit www.investor.gov/CRS for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Our firm primarily offers the following investment advisory services to retail clients: portfolio management (we review your portfolio, investment strategy, and investments); financial planning (we assess your financial situation and provide advice to meet your goals); selection of other advisers (we select a third-party adviser for you to use). As part of our standard services, we typically monitor client accounts on an annual basis. Our firm offers both discretionary advisory services (where our firm makes the decision regarding the purchase or sale of investments) as well as non-discretionary services (where the retail investor makes the ultimate decision). We limit the types of investments that are recommended since not every type of investment vehicle is needed to create an appropriate portfolio. Our firm does not have a minimum account size. **Please refer to our Form ADV Part 2A ("[Brochure](#)"), specifically Items 4 & 7.**

Questions to ask us: *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?

Our fees vary depending on the services you receive. Additionally, the amount of assets in your account affects our advisory fee; the more assets you have in your advisory account, the more you will pay us and thus we have an incentive to increase those assets in order to increase our fee. For hourly fee arrangements, each additional hour (or portion thereof) we spend working for you would increase the advisory fee. Our fixed fee arrangements are based on the amount of work we expect to perform for you, so material changes in that amount of work will affect the advisory fee we quote you. Advisory fees are paid quarterly in advance or monthly in arrears. Fees are normally withdrawn directly from your accounts with written authorization from you but may instead be invoiced and billed directly at your election. The timing, frequency, and method of paying fees for the elected third-party managers will depend on the specific third-party adviser selected and will be disclosed to you prior to your entering into a relationship with the third-party adviser. For advisory fees that are paid quarterly in advance, we use the value of the account as of the last business day of the prior billing period, after taking into account deposits and withdrawals,

for purposes of determining the market value of the assets upon which the advisory fee is based. For advisory fees that are paid monthly in arrears, we use the average daily value of the account for the billing period, after taking into account deposits. You pay our fees even if you do not have any transactions and the advisory fee paid to us generally does not vary based on the type of investments selected. **Please refer to our Form ADV Part 2A ("[Brochure](#)")**, specifically Items 4, 5, 6, 7 & 8.

Some investments (e.g. mutual funds, etc.) impose additional fees (e.g. transactional fees and product-level fees) that reduce the value of your investment over time. The same goes for any additional fees you pay to a custodian. Additionally, you will pay transaction fees, if applicable, when we buy or sell an investment for your account. 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. Please also see our Brochure for additional details.

Questions to ask us: *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. Here are some examples to help you understand what this means. Certain individuals of Kinetic Investment Management, Inc. are also licensed insurance agents. From time to time, they will offer clients advice or products from this activity. You should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. **Please refer to our Form ADV Part 2A ("[Brochure](#)")**, specifically Item 10.

Questions to ask us: *How might your conflicts of interest affect me, and how will you address them?*

How do your financial professionals make money?

Primarily, we and our financial professionals receive cash compensation from the advisory services we provide to you because of the advisory fees we receive from you. This compensation may vary based on different factors, such as those listed above in this Item. **Please refer to our Form ADV Part 2A ("[Brochure](#)")**, specifically Items 10.

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

Yes, we do have legal and disciplinary events. Visit <https://www.investor.gov/CRS> for a free, simple search tool to research us and our financial professionals.

Questions to ask us: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional Information

You can find additional information about our services in our Form ADV Part 2A ("[Brochure](#)"). You may request updated information and a copy of our Relationship Summary by contacting us at (800) 711-4818.

Questions to ask us: *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?*