

Kensington Financial Advisors LLC

January 25, 2023

FORM CRS

Kensington Financial Advisors LLC is registered with the Securities and Exchange Commission as an investment adviser and, as such, we provide advisory services rather than brokerage services. Brokerage and investment advisory services and fees differ and it is important for you, our client, to understand the differences. Additionally, free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing. This document is a summary of the services and fees we offer to "retail" investors, which are natural persons who seek or receive services primarily for personal, family, or household purposes.

What investment services and advice can you provide me?

We offer the following investment advisory services to retail investors: **Financial Planning Services; Portfolio Management Services; Pension Consulting Services; and Advisory Consulting Services.** For a description of each service listed above, refer to our Form ADV Part 2A disclosure by clicking the following link <https://adviserinfo.sec.gov/firm/brochure/136346>. Refer to Items 4, 7, 8, 13 and 16.

Account Monitoring: If you open an investment account with our firm, as part of our standard service we will monitor your accounts on an ongoing basis and will conduct account reviews at least annually and upon your request to ensure that the advisory services provided to you and/or the portfolio mix are consistent with your stated investment needs and objectives.

Investment Authority: We manage investment accounts on a discretionary basis whereby we will decide which investments to buy or sell for your account. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. We also offer non-discretionary investment management services whereby we will provide advice, but you will ultimately decide which investments to buy and sell for your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Investment Offerings: We provide advice on various types of investments. Our services are not limited to a specific type of investment or product. We do not primarily recommend one specific type of investment over another as each client has their own investment objectives, risk tolerance needs and goals.

Account Minimums and Requirements: In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

Key Questions to 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?

The following summarizes the principal fees and costs associated with engaging our firm for investment advisory services. For detailed information, refer to our Form ADV Part 2A, Items 4, 5 and 6 by clicking this link <https://adviserinfo.sec.gov/firm/brochure/136346>.

- **Asset Based Fees** - Standard Investment Management fees are payable quarterly in advance based on the value of your accounts on the last day of the previous quarter. Fees for Pension Consulting Services and Advisory Consulting Services are payable quarterly either in advance or arrears. Since the fees we receive are asset-based (i.e. based on the value of your account), we have an incentive to increase your account value which creates a conflict especially for those accounts holding illiquid or hard-to-value assets;
- **Hourly Fees** - We require that you pay the fee upon the completion of the services rendered
- **Fixed Fees** - Financial Planning Services fixed fees are payable 50% in advance and 50% upon completion of the

services rendered.

- **Other Advisory Fees** - In addition to our fees, we are also compensated by advisory fees charged by third party money managers. We share in the fee charged by the third party money manager (TPMM). This poses a potential conflict of interest as we may recommend a TPMM over another based on the fees we earn.
- Clients may also pay additional fees and/or expenses. Common fees and costs applicable to our clients are: Custodian fees; Account maintenance fees; mutual fund and ETF fees; Transaction charges when purchasing or selling securities; and other product-level fees associated with your investments.

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.

Key Questions to 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?**

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.

- Because our revenue is derived from asset-based fees, we have an incentive to grow your account as much as possible. This could cause us to take overly aggressive positions in conflict with your interests in an attempt to increase the value of your account.

How do your financial professionals make money?

Our Company and the financial professional servicing your account(s) are compensated by receiving a percentage of company revenue and/or salary. Certain financial professionals' compensation is based on the revenue the firm earns from the person's services or recommendations.

Refer to our <https://adviserinfo.sec.gov/firm/brochure/136346>, Items 5, 10, 11, 12, and 14 to help you understand what conflicts exist.

Key Questions to Ask Your Financial Professional

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

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

No, our firm and our financial professionals have no legal or disciplinary history to disclose. Visit Investor.gov/CRS for a free and simple research tool.

Key Questions to Ask Your Financial Professional

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

You can find additional information about your investment advisory services and request a copy of this relationship summary by calling 201-201-0439 or click the link <https://adviserinfo.sec.gov/firm/brochure/136346>.

Key Questions to 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?**

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Exhibit to Form CRS

Kensington Financial Advisors LLC is required to update its Form CRS when information in the Form CRS becomes materially inaccurate. This Exhibit summarizes the following material changes to the firm's Form CRS:

- Account Monitoring - If you open an investment account with our firm, as part of our standard service we will monitor your accounts on an ongoing basis and will conduct account reviews at least annually and upon your request to ensure that the advisory services provided to you and/or the portfolio mix are consistent with your stated investment needs and objectives.
- Asset Based Fees - Standard Investment Management fees are payable quarterly in advance based on the value of your accounts on the last day of the previous quarter. Fees for Pension Consulting Services and Advisory Consulting Services are payable quarterly either in advance or arrears. Since the fees we receive are asset-based (i.e. based on the value of your account), we have an incentive to increase your account value which creates a conflict especially for those accounts holding illiquid or hard-to-value assets.
- Hourly Fees - We require that you pay the fee upon the completion of the services rendered.
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- Other Advisory Fees - In addition to our fees, we are also compensated by advisory fees charged by third party money managers. We share in the fee charged by the third party money manager (TPMM). This poses a potential conflict of interest as we may recommend a TPMM over another based on the fees we earn.
- Because our revenue is derived from asset-based fees, we have an incentive to grow your account as much as possible. This could cause us to take overly aggressive positions in conflict with your interests in an attempt to increase the value of your account.
- Our Company and the financial professional servicing your account(s) are compensated by receiving a percentage of company revenue and/or salary. Certain financial professionals' compensation is based on the revenue the firm earns from the person's services or recommendations.
- You can find additional information about your investment advisory services and request a copy of this relationship summary by calling 201-201-0439 or click the link <https://adviserinfo.sec.gov/firm/brochure/136346>.