

Customer Relationship Summary

November 29, 2022

Kensington Capital Corp. (“KCC”) is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer. It is also a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). **As a broker-dealer we provide brokerage accounts and services rather than advisory accounts and services.**

Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and sample tools are available to research firms and financial professionals at www.investor.gov/crs, which also provides educational materials about broker-dealers, investment advisers, and investing.

This document gives you a summary of the types of services we provide and how you pay. There are some suggested questions that follow each description.

What investment services and advice can you provide me?

We offer our brokerage services mainly to retail customers but also offer them to institutional clients. The primary accounts we offer are cash and margin accounts, but we also offer retirement and custodial accounts via our clearing broker relationships (collectively, “brokerage accounts”). We do not impose any minimums to open or maintain an account.

Our services consist of buying and selling of public and private securities, which may include investment banking transactions. Our focus is in US equities, though we have the ability to offer Exchange Traded Funds (“ETF”s), equity options, fixed income securities and mutual funds within your account. For any of these brokerage accounts, recommendations are offered to retail investors as part of our services, but we do not monitor investments. You may select investments, or we may recommend investments for your account, but the ultimate investment decision as to your investment strategy and the purchase or sale of investments will be yours.

We do not limit the selection of investments, and we do not offer any proprietary products.

Conversation Starter

Ask this Question: Given my financial situation, should I choose a brokerage account? Why or why not?

Ask this Question: How will you choose investments to recommend to me?

Ask this Question: 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.

What fees will I pay?

The fee you pay is based on the specific transaction and not the value of your account and will generally be charged as a fee per amount of securities purchased or sold or a part of the price you pay for the security.

With equities or exchange-traded funds, this fee is usually a separate commission. Fees range and are generally charged on a per share or fixed fee basis.

With other investments, such as transactions in public offerings this fee might be part of the price you pay for the investment (called a “selling concession”). With other investments, such as mutual funds, a fee typically called a load or a Contingent Deferred Sales charge is charged by the Clearing Firm and paid by the mutual fund which reduces the value of your investment. If we buy a security from you, or sell a security to you from our own account (as “principal”) in some instances you may be charged a mark-up or mark- down on bonds or a commission on stocks or ETFs, which affects the price you pay.

There are other service fees that may apply to brokerage accounts carried by our clearing firm, Hilltop Securities, which can change from time-to-time, but may be found by referring to its service fees in its Customer Information Brochure and its Brokerage Services Disclosure Brochure service fees [HERE](#).

The more and larger transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in larger and more frequent transactions.

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.

Conversation
Starter

Ask this Question: 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 providing recommendations? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation, 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 recommendations we provide you. Here is an example to help you understand what this means.

When we process transactions, both purchases and sales, in an account, the amount and frequency of trading can increase the commissions you pay to us. It is a conflict of interest for us to make suggestions for more trading as we receive more compensation. We can buy investments from you, and sell investments to you, from our own accounts. Because we can receive other benefits in principal transactions, we have an incentive to trade with you on a principal basis and to recommend securities that we hold in our own account.

In addition to the fees you pay KCC directly, there other fees, rebates or revenue sharing we receive indirectly from other parties based on the investments you make. For example, KCC receives the following fees: mutual fund 12b-1, mutual fund shareholder, sub-transfer agent, inactive account, and postage handling. KCC also receives rebates or revenue sharing from money market fund assets, and margin interest.

KCC acts as the introducing broker-dealer. We receive economic benefits from our clearing brokers such as a share of the interest on credit balances and margin account balances, which are based size of the accounts and balances carried with our clearing brokers. Receipt of economic benefits by us, our management personnel, or our financial professionals creates a conflict of interest when recommending these products or services.

Conversation
Starter

Ask this Question: How might your conflicts of interest affect me, and how will you address them?

How do your financial professionals make money?

Our Financial Professionals are either paid commissions/sales credits charged on individual client transactions or are salaried employees that receive discretionary bonuses based on commissions/sales credit charged on individual client transactions, firm performance and the Finance Professional's performance.

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

Yes. Our firm and some Financial Professionals do have legal or disciplinary history. This history can be reviewed on BrokerCheck (BrokerCheck.Finra.org), which is FINRA's free tool to research background information of brokers, advisers and firms.

Conversation

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Ask this Question: As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information. We encourage you to seek additional information.

For additional information about our brokers and services, visit Investor.gov, BrokerCheck (BrokerCheck.Finra.org), our web site (www.kenscap.com), and your account agreement. You may reach us at 718-436-2111.

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Ask this Question: 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?