KENSINGTON
Asset Management

KENSINGTON PREMIUM OPPORTUNITIES ETF (KPO)

Advisor Overview

KENSINGTON PREMIUM OPPORTUNITIES ETF (KPO)

KENSINGTON
Asset Management

The Kensington Premium Opportunities ETF (KPO) is expected to launch following effectiveness of its registration statement.

The fund has filed a registration statement with the Securities and Exchange Commission but it is not yet effective. An investment in the fund cannot be made, nor money accepted, until the registration statement is effective. An investor should consider the investment objectives, risks, and charges and expenses of the fund carefully before investing. A preliminary prospectus which contains this and other information about the fund may be obtained by calling 877.891.1206 / link to the preliminary prospectus. The information in the preliminary prospectus is not complete and may be changed. The final prospectus should be read carefully before investing, and when available may be obtained from the same source. This communication is not an offer to sell fund shares and is not soliciting an offer to buy fund shares in any state where the offer or sale is not permitted.

See glossary for term definitions: www.kensingtonassetmanagement.com/glossary

OBJECTIVE

KPO seeks long-term capital appreciation.

STRATEGY AT A GLANCE

KPO is designed for investors seeking differentiated equity exposure through an options-based framework referencing the S&P 500 Index and Nasdaq-100 Index. The strategy incorporates systematic hedging within its overall portfolio construction framework.

A DIFFERENT WAY TO CONSTRUCT EQUITY EXPOSURE

KPO was developed around the idea that equity exposure can be constructed in different ways, not just owned directly.

The strategy is designed to bring together several key elements within a single ETF structure:

- Exposure to the S&P 500 and Nasdaq-100 through an actively managed options-based framework
- Capital-efficient portfolio construction using synthetic exposure rather than direct ownership of equities
- Systematic hedging component within the strategy design
- Options premiums that may contribute to overall strategy results
- Daily liquidity through the ETF structure

A STRUCTURED APPROACH TO EQUITY EXPOSURE

KPO was developed around a portfolio construction philosophy that seeks to combine multiple components, including synthetic exposure through options positions, Treasury and other cash equivalent collateral, options premiums, and systematic hedging, within a single framework.

The strategy is designed to integrate these components within a single portfolio structure rather than relying solely on direct ownership of underlying securities.

Because KPO utilizes synthetic exposure rather than direct ownership of equities, Treasury and other cash equivalent collateral remains part of the overall portfolio structure while the strategy seeks equity market exposure through options.

KENSINGTON PREMIUM OPPORTUNITIES ETF (KPO)

HOW THE STRATEGY SEEKS EXPOSURE (MECHANICS)

KPO’s exposure framework includes two primary components:

Upside Participation

- Monthly out-of-the-money call options on the S&P 500 and Nasdaq-100 are used to seek participation in potential index gains beyond the option strike prices
- Options premiums are intended to contribute to overall results within the strategy’s risk framework

Systematic Hedging: Built Into the Structure

- Quarterly put spreads are implemented as part of the strategy’s systematic hedging approach
- The put-spread framework is intended to help manage portfolio outcomes during periods of significant market declines
- The hedging framework is maintained on a quarterly basis as part of the portfolio’s overall options structure

Key Considerations

- KPO utilizes synthetic exposure rather than direct ownership of underlying securities
- Strategy outcomes may differ significantly from the performance of the underlying indices
- The put-spread framework is intended to help manage outcomes during significant market declines
- While the Fund’s systematic hedging seeks to protect against significant declines in the market, there is no absolute floor and in certain market scenarios investors can experience substantial losses

Potential Considerations for Advisors

- Long-term investors who understand short-term volatility and options based exposures
- Investors interested in alternative approaches to equity exposure
- Moderate-to-aggressive risk profiles
- Investors evaluating satellite allocations within a diversified portfolio

Who Should Approach with Caution

- Investors with short time horizons or near-term liquidity needs.
- Investors with low risk tolerance or significant sensitivity to volatility
- Investors seeking a hedging framework that offers capital protection or a guaranteed floor
- Investors considering KPO as a concentrated or outsized allocation

KENSINGTON PREMIUM OPPORTUNITIES ETF (KPO)

FREQUENTLY ASKED QUESTIONS

Why reference both the S&P 500 and Nasdaq-100?
Utilizing both indices provides the portfolio managers with greater flexibility in constructing exposure, implementing the strategy, and managing the portfolio over time. Referencing both benchmarks allows the portfolio to access a broader opportunity set across two widely followed segments of the U.S. equity market, as opposed to being constrained to a single index's composition, sector concentrations, or investment characteristics.

Does KPO track the indices?
No. KPO does not seek to replicate or track either index. Because the strategy utilizes an options-based framework rather than direct holdings, strategy outcomes may differ, sometimes significantly, from index performance.

What role does collateral play?
Treasury and other cash equivalent collateral remains part of the portfolio structure while the strategy seeks market exposure through an options-based framework and is one component of KPO's overall portfolio construction approach.

Why use an ETF rather than implementing options directly?
The ETF structure provides access to a professionally managed options-based strategy without requiring investors to implement and manage options positions themselves.

How active is the strategy?
KPO is actively managed. Portfolio managers oversee the implementation and maintenance of the strategy's options positions and hedging framework in accordance with the Fund's investment approach.

Is leverage involved?
Yes. KPO utilizes synthetic exposure through options positions, which creates risk and return characteristics that differ from traditional long-only equity investments. The Fund's strategy results in economic exposure in excess of its net assets (i.e., leveraged exposure), which increases volatility and magnifies gains and losses.

Is KPO the same as an unhedged leveraged product?
No. KPO incorporates a systematic put-spread framework intended to help manage outcomes during significant market declines. However, there is no absolute floor and in certain market scenarios investors can experience substantial losses.

How should advisors evaluate portfolio fit?
KPO is generally intended to be evaluated within the context of a client's overall portfolio, investment objectives, risk tolerance, and time horizon.

The team behind KPO:
Adviser: Kensington Asset Management, LLC
Sub-Adviser: Liquid Strategies, LLC
Portfolio Managers: Shawn Gibson; Adam Stewart, CFA; Elio Chiarelli, Jr., Ph.D., AIF®, CPFA
Distributor: Quasar Distributors, LLC (Not affiliated with Kensington Asset Management, LLC or Liquid Strategies, LLC)

KENSINGTON PREMIUM OPPORTUNITIES ETF (KPO)

Disclosures

Investing in KPO involves risk, including possible loss of principal. The Fund's options-based strategy is subject to, but not limited to, market risk, derivatives risk, options risk, and hedging risk. The Fund's capital-efficient structure may magnify exposure to market gains and losses, and synthetic exposure and hedging techniques may not perform as intended. Put spreads and other components of the Fund's systematic options hedging strategy may not protect against losses. The Fund is also subject to active management risk and ETF-related risks, including shares trading at a premium or discount to NAV and secondary market liquidity risk.

Options Risk: An option gives the holder the right, but not the obligation, to buy (call) or sell (put) an asset at a specified price. Options are speculative. The Fund may lose the premium paid if the underlying asset's price doesn't move favorably. Writing put options risks declines in the asset's value, while writing call options may require delivering the asset below market price. Uncovered call options carry the risk of unlimited loss.

For additional information, including the Fund's investment objective, principal investment strategies, risks, charges, and expenses, please review the preliminary prospectus. A preliminary prospectus which contains this and other information about the fund may be obtained by calling 877.891.1206 or by visiting [www.kensingtonassetmanagement.com/solutions/etfs-kpo/#materials.](www.kensingtonassetmanagement.com/solutions/etfs-kpo/#materials)