

DECEMBER

2005

On The

Published for the friends of Kensington Financial Services — "Your Planning Partner."

Open House Celebration!

Kensington Financial's Annual Open House event was held on Thursday, October 20th, 2005 and all who attended had a great time. All ages and demographics were represented. From bikers to businessmen, homemakers to construction workers, and babies to golden agers, not one group was unaccounted for.

"At Kensington Financial services, this is what we are all about, **family!** With so many wonderful members of our extended family in attendance, the day proved to be a phenomenal success," says President/CEO, **Ralph Phillips.**

The President of Capital Analysts Incorporated, Bob Cogan and the Vice-President of Marketing, Rob Burnham spent the entire day meeting and greeting everyone who walked through the door. The Mayor of Lower Burrell, Don Kinosz and Attorney Chuck Weston, among others, were also in attendance.

In addition to special guests, numerous current clients, many new clients, and a great number of passers-by stopped in for a tour of the new office, some great food, and even greater conversation. A complimentary gift bag and a chance on a large gift basket was given to everyone.

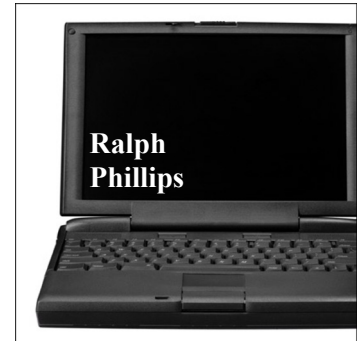
"We strive to make everyone feel welcome and at home. At Kensington Financial, we go above and beyond to make everyone feel like a family member and we thank all of you for making our Open House a huge success" — **Danielle Guthrie** — Adm. Asst. Kensington Financial

"The atmosphere in the room was a very comfortable one...there were a lot of people but they were all very approachable, very easy to talk to, easy to get along with and you didn't have to talk about technical or difficult things, they were very personable. I had a really good time and enjoyed meeting all of the people that were there. I left there feeling really good." **Aimee Tatrn** — Client



Above: Bob Cogan (CAI) & Bonnie Polgar (long-time client/friend)

FROM THE DESK OF



Education Savings Accounts

A Coverdell Education Savings Account (ESA) is a savings account geared to help parents and students save for education expenses. It can be opened in the United States at any bank or other IRS-approved institution that offers Coverdell ESAs. Any student who is under age 18 can have a Coverdell ESA.

Any individual with an income less than \$110,000 single or \$220,000 joint can contribute to the account, including the student. The contribution can be made to one or several ESAs for the same student. The maximum contribution is limited to \$2,000 per year, and grows tax-free until withdrawn. Contributions must be in cash and made by the due date of the contributor's tax return.

Distributions from the Coverdell ESA are tax-free as long as they are used for qualified education expenses such as tuition, books, fees, room and board (determined by the school), etc. at an eligible education institution. If the distributions exceed education expenses, a portion will be taxable to the student and an additional 10% tax. There will be no additional 10% tax in the case of the death or disability of the student or if the student receives a scholarship.

If there is a balance in the Coverdell ESA when the student reaches 30, it must be distributed within 30 days. At this point, the distribution is taxable with an extra 10% tax. These taxes may be avoided if the full balance is rolled over to another Coverdell ESA for another family member.

Have questions?
Call today at 724-334-1950



Write Money On The

"Kensington Financial's Dollars & Sense"

"Kensington Financial's Dollars & Sense" is a new cable show featuring Ralph Phillips and Aimee Tatr. It will air in the Kittanning/Ford City area on Adelphia channel 23 starting Wednesday, January 4th and on Comcast channels 8 and 13 on Thursday, January 5th.

The show hopes to provide a basic overview of all aspects of Financial Planning and to educate the community so that everyone can become "financially fit". Some of the topics included in the series are, saving for college, the new government prescription plan for our elderly, saving for retirement, mortgage protection, estate planning, and a huge concern today... **Identity Theft.**

"Ralph is very knowledgeable and experienced and you won't want to miss what he has to tell you. We are especially excited about the show because of the many expert guests that have so graciously

agreed to be a part of the show. These important guests include, but are not limited to, PA State Representative — John Pallone; an Identity Theft Expert — Donna Sinor; Dean of The Eberly College of Business at IUP — Dr. Robert Camp, and many more." — Aimee Tatr, co-host.

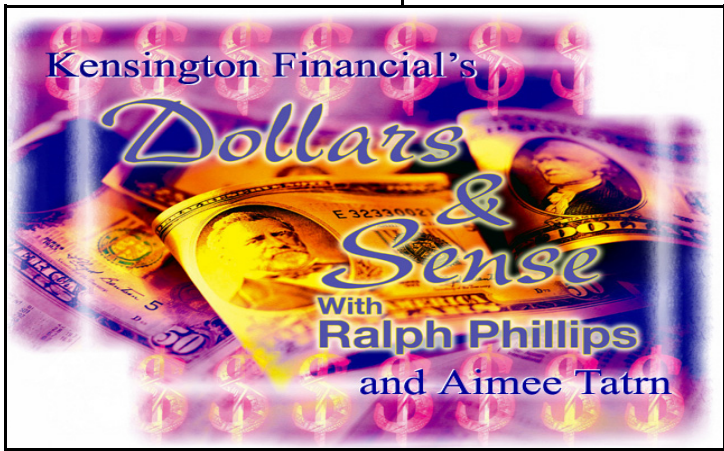
Please tune in on January 4th or 5th, 2006, depending on your area, and meet the **Kensington Family.** You won't be disappointed. There really is something good on T.V. these days!

SCHEDULE

Comcast
Channels 8 & 13
 Thursdays @ 7 pm
 and replaying
 Mondays @
 3:30 pm

Adelphia
Channel 23
 Wednesdays @
 7:30 pm and
 replaying
 Thursdays at 12:30
 am and 8 am

Advertising opportunities on "Kensington Financial's Dollars & Sense" are still available. For more information, please call Aimee Tatr or Ralph Phillips at (724) 334-1950 today.



C•A•I

Capital Analysts Incorporated
Privacy Protection Policy

We Respect Your Privacy

Capital Analysts Incorporated (CAI) and its affiliates have always placed a high value on the trust and confidence our clients place in us. We believe that confidence must be earned and validated through time. In today's world, when technology allows sharing of information at light speeds, trust must be backed up by our sincere pledge to take the steps necessary to ensure that the information you share with us is treated with respect and confidentiality.

Our pledge to Our Clients

- ◆ We collect only the information we need to serve you and administer our business.
- ◆ We are committed to keeping your information confidential and we place strict limits and controls on the use and sharing of your information.
- ◆ We make every effort to ensure the accuracy of your information. We collect, retain and use customer information to manage the assets that you have entrusted us with and when we believe it will help us improve our service to you.
- ◆ We are also required to collect certain types of information in order to comply with government laws and regulations.
- ◆ This information comes to us from a variety of sources which can include information you provide on applications or forms such as your name, address, social security number, date of birth, income level, beneficiaries or trustees and information about your account transactions with us (such as purchases, sales and account balances).

We Place Strict Limits and Controls on the Use and Sharing of Your Information

We do not disclose any nonpublic personal information about you to anyone, except as permitted by law. Specifically, so that CAI and/or our registered associates may continue to offer you products and services that best meet your investing needs, and to effect transactions that you request or authorize, we may disclose the information we collect, as described above, to companies that perform administrative or marketing services on our behalf, such as product sponsor companies, NFSLLC (our clearing company), reporting agencies (pursuant to Anti-Money Laundering requirements), transfer agents, or printers and mailers that assist us in the distribution of investor materials. As stated in our agreements, these companies will use this information only for the services for which we have specified, and are not permitted to use or share this information for any other purpose.

- ◆ Only authorized employees who require the information to administer your business have access to nonpublic personal information about you.
- ◆ We maintain physical, electronic and procedural safeguards that comply with federal standards to protect this information.
- ◆ We do not disclose any nonpublic personal information about our clients or former clients to anyone except as required or permitted by law or as described in this document.
- ◆ Under no circumstance do we sell any information to any person or entity.
- ◆ If you decide at some point to close your account or become an inactive client, we will continue to adhere to the privacy policies and practices described in this notice.

We May Provide Information to Service Your Account

Sometimes it is necessary to provide information about you to an entity that we have a joint marketing agreement with. We may do this when it assists us in providing service to you.

These organizations have a legitimate business need to see some of your personal information in order to complete the transactions that you request. We may disclose to these service providers the information that we collect as described previously. In accordance with the Gramm-Leach Bliley Act, our joint marketing agreements require the third party to maintain the confidentiality of the information. In addition to maintaining confidentiality, we require that these companies, including our own affiliates, strictly abide by all applicable laws including the Fair Credit Reporting Act and California Senate Bill 1 (SB 1). This policy is applicable to Capital Analysts Incorporated, modified June 10, 2005 and is available at www.capitalanalysts.com.

Important Additional Information Relating to Product Compensation

Important investor information, including **Product Compensation** and Business Continuity, can be viewed on CAI's website at www.capitalanalysts.com under the "Investor Information" tab.

www.kensingtonfinancial.com

KENSINGTON
FINANCIAL SERVICES, INC.
"Your Planning Partner"



"Kensington Financial's Dollars & Sense" Debuts January 5th!

In partnership with AKLC Studios, Kensington Financial Services is proud to announce the debut of "Kensington Financial's Dollars & Sense," a new, locally produced half-hour television talk show set to begin January 5, 2006 on Comcast and Adelphia Cable Systems.

"Kensington Financial's Dollars & Sense" promises to be a refreshing alternative for viewers looking for local content on television. Kensington Financial's own Ralph Phillips will serve as host for a series of shows that will include guest appearances from members of the community, informative financial discussions, and of course, lively banter and family-based fun. Aimee Tatrnr will serve as co-host for many of the shows, which are being written and produced by AKLC studios.



The show will be broadcast each week to more than 57,500 households in Western Pennsylvania. Each week's show will premiere at 7 pm Thursdays on Comcast channels 8 and 13 and at 7:30 pm Wednesdays on Adelphia channel 23.



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FINANCIAL SERVICES, INC.
"Your Planning Partner"

2664 Leechburg Road
Lower Burrell, PA 15068

724-334-1950 — Fax: 724-334-1954