

Form ADV Part 2A: Firm Brochure

Kessler Energy, LLC

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Firm Contact

Robert Kessler – Chief Executive Officer

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This brochure provides information about the qualifications and business practices of Kessler Energy, LLC (the “Company”). For information on the background and qualifications of the Company’s Founder, please reference the Brochure Supplement. If you have any questions about the contents of this brochure, please contact us at 713-225-6400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration of an Investment Adviser does not imply any specific level of skill or training. Additional information about the Company is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There have been no material changes to this Form ADV since it was last updated March 10, 2022.

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Item 4 – Advisory Business

The Company was formed in 2010. The firm is beneficially owned in its entirety by Robert Kessler, by virtue of his 100% ownership of Kessler Holdings Delaware, LLC. This brochure provides clients with information regarding our firm and the qualifications, business practices and nature of advisory services that should be considered before becoming an advisory client of the Company.

We provide energy data and analytics research to our clients, which include sophisticated institutional clients. Our services are generally limited to the preparation of investment research reports for our clients regarding energy-related securities and commodities. We may also undertake customized research based on requests from individual clients.

We publish approximately 30 research products per month, including macro-economic energy sector presentations, oil and natural gas well-, basin- and global-level supply/demand models and data, field production and valuation schedules, and company-level reports and valuation models. We also provide security rating and pricing services in relation to the research that we provide.

Our interactive website analytics and proprietary software also offer clients the ability to directly access, manipulate and analyze energy-sector data, including well- and field-level production, development and completion information. Under our standard contract, we provide our clients non-exclusive, non-transferable limited licenses to the use of our products which are subscribed for, which may include use of our proprietary software and website analytics.

Through our reports, we may provide opinions on the desirability and timing of buying, selling or holding specific commodities or securities, including the following:

Equity Securities (exchange-listed and OTC)	Crude oil and/or natural gas futures contracts
Corporate Debt	Option Contracts
Mutual Funds/Exchange Traded Funds	Commercial Paper
Real Estate Partnerships or Investment Trusts	Alternatives
Master Limited Partnerships	

We do not provide portfolio management services or manage investment advisory accounts or other client assets on either a discretionary or nondiscretionary basis. We do not review or supervise client assets or accounts, nor do we participate in any wrap fee program.

The information that we provide to clients contains analysis and commentary that is typically general in nature, and is intended to be used as research. Any advice offered in our research is general in nature and does not purport to meet the objectives or needs of specific institutions, funds, mandates or accounts. It is the client's ultimate responsibility to accept or reject the information provided in any of our research reports, and clients should make their own investment decisions based upon their specific investment objectives and financial situations.

Item 5 – Fees and Compensation

Kessler Energy, LLC (“Kessler Energy”) offers three options to access its research. The first is a subscription package that provides either access to either (i) all Kessler Energy content for \$40,000 per year or (ii) only U.S. Well Data for \$27,000 per year. Kessler Energy also provides schedules for custom work and access on a pay-per-view basis.

Custom Work	
Customized Contract Review	\$5,000
Bespoke Presentation	\$8,000 + T&E
Bespoke Analyst Work	\$250-1,000 / hr

Pay-Per-View	
In-Depth Thematic Report	\$3,000
Summary Presentation	\$2,300
Full Excel Worksheets underlying the preparation of a report	\$10,000
Moderate use of interactive analytical tools accompanying a report	\$2,400

Notwithstanding the above, Kessler Energy reserves the right to enter into other customized relationship with its clients. This reflects Kessler Energy’s business of providing research reports and other deliverables to clients based on such client’s needs. Kessler Energy’s research development process includes the assignment of internal value to each item published, including all related support. The quantity and complexity of the underlying data used to prepare each item and research time involved vary considerably. Kessler Energy accepts various payment structures for its services, including hourly charges for work performed, subscription fees for the receipt of periodic research reports, fixed fees for discrete work product, and other payments negotiated directly with the client.

To best reflect this practice, Kessler Energy negotiates its fees on a client by client basis, taking into account the different services and materials desired by each client. Typically, clients are invoiced for services provided and payment is due on such invoices within thirty (30) days of

receipt of invoice. Any amounts not paid within thirty days are assessed interest at a rate of one percent (1%) per month on any outstanding balance.

The Kessler Standard Master Agreement extends for a period of three (3) months, and is automatically renewed for additional one (1) month periods provided that the contract is not terminated by either party on generally thirty (30) days' notice.

Below, find a chart listing various example fees which are representative of a general engagement. However, note that these fees are intended to be used for illustrative purposes only, and are not intended to be an offer or commitment to render services at the costs listed. The fee for individual line-items listed below may be more or less than indicated based on the work provided. All fees are subject to individual negotiation.

Example Fee Schedule (single-user copy)	
In-Depth Thematic Report	\$3,000
Summary Presentation	\$2,300
Full Excel worksheets underlying the preparation of a report	\$10,000
Moderate use of the interactive analytical tools accompanying a report	\$2,400
Analyst time and tools to prepare client-specific material	\$250-\$1,000 / hour
Account Administrative Fees	\$5,000 / year

Certain employees of Kessler Energy and its affiliates are compensated through commissions on the sale of research services. As such, it is possible that this would give rise to a conflict of interest in that these employees may be incentivized to recommend research services based upon the compensation received, and not based on the client's needs. Note, however, that such commission payments are tied to the research provided, and not to whether a client purchases or sells any underlying security.

Item 6 – Performance-Based Fees and Side-by-Side Management

Not applicable.

Item 7 – Types of Clients

We generally offer our investment advisory services to institutional clients. These may include but are not limited to: hedge funds, registered investment companies, pension plans and other institutional money managers such as banks, investment advisers, corporations or other business

entities. We may also provide our investment advisory services to private equity investors, individual investors who have experience from the institutional-investment industry and/or individual investors that in our judgment demonstrate institutional-level sophistication.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

Our research methods are based on objective, empirical analysis and consider a wide range of data. Our research methods include but are not limited to: Fundamental and statistical analysis, general economic releases, company presentations and management commentary.

The primary sources of information we use include: SEC filings, company presentations, oil and gas industry and regulatory data.

In general, our clients determine their own investment strategies to implement our investment advice.

All investments are subject to risk, including the possible loss of principal. Our research and advice do not protect clients from a risk of loss. Clients should not assume that our research, by itself, is the only guide a client should use when determining which investments to make. Different types of energy-related investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment or investment strategy referenced directly or indirectly in research materials provided by us will be profitable, equal any corresponding indicated performance level or be suitable for every investor. Risk is inherent in any investment program and, as a result, the investment returns in client portfolios will fluctuate and accounts may lose value. Clients should be prepared to bear the risk of any loss associated with investments in securities, including the possible loss of some or all of their invested principal.

Our research may omit or deemphasize important factors that impact performance of a company or industry. Historical information may not be useful in evaluating future results. Expectations for company performance or economic conditions may be incorrect. Information provided by individual companies, data providers or analysts may be inaccurate either deliberately or inadvertently.

The energy industry as a whole is subject to certain risks. For instance, the weather may have a material impact on the demand for, and supply of, oil, natural gas, and other energy sources which would impact the industry as a whole. In addition, to the extent weather conditions are affected by climate change, consumer's energy use could increase or decrease depending on the duration and magnitude of the changes.

In addition, investors should be aware of the risks of the financial markets in general, which include the risk of structural market failures, financial panics, liquidity crises, the macro economic effects of government policies, protectionism, wars, and depressions. Investment results will vary, cannot be guaranteed, and investors may lose money.

Item 9 – Disciplinary Information

Neither we nor any member of the firm’s management has ever been the subject of any legal or disciplinary event that would be material to a client’s or a prospective client’s evaluation of our business or the integrity of our management.

Item 10 – Other Financial Industry Activities and Affiliations

Except as otherwise noted below, neither we nor any of our management persons participate in any other financial industry business activities and do not have any financial industry affiliations that would be material to clients.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We have adopted a Code of Ethics, the full text of which is available to clients or prospective clients upon request. Our Code of Ethics sets forth policies to help protect clients’ interests and to address potential conflicts of interest that may arise between us and our clients. The Code of Ethics generally prohibits fraudulent or manipulative practices in connection with our investment recommendations, and it establishes policies with respect to securities transactions of us and our representatives.

In general, individuals associated with us may invest in commodities and investment products identical to those that we recommend to clients or the public in research reports or other forms of communication, provided such transactions comply with our Code of Ethics. However, our Code of Ethics prohibits our supervised persons from engaging in energy-related securities transactions without the pre-approval of the Chief Compliance Officer.

Item 12 – Brokerage Practices

We do not hold, manage or trade securities or commodities on behalf of our clients, and we do not select broker-dealers for client transactions.

Item 13 – Review of Accounts

We do not hold, manage or trade securities or commodities on behalf of our clients and do not accept any form of trading authorization over our clients’ assets. Instead, we provide research and other information regarding the energy industry or particular energy companies to our clients. Accordingly, as the services that we provide to clients are discreet and impersonal in nature, we do not review client accounts.

Item 14 – Client Referrals and Other Compensation

We do not receive economic benefits from third parties who are not clients for providing investment advisory services to any client.

Item 15 – Custody

We do not serve as custodian for any of our client assets.

Item 16 – Investment Discretion

We do not accept discretionary authority to manage assets on behalf of client.

Item 17 – Voting Client Securities

We do not hold securities on behalf of our clients and do not vote proxies on behalf of our clients.

Item 18 – Financial Information

Currently, we have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and have not been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

Education Background and Business Experience of Robert A. Kessler

Our Chief Executive Office and Founder is Robert A. Kessler. Mr. Kessler was born in Uvalde, Texas and graduated from The University of Texas at Austin in 2000 with BBA and Master in Professional Accounting degrees. Mr. Kessler's experience includes acting as a registered representative of: Tudor, Pickering, Holt & Co. Securities, Inc. from 2011 to May 2014; Simmons & Company International from 2004 to 2010; and Banc of America Securities LLC from 2001 to 2004.

Other Business Activities

In his role as President of Kessler Holdings, LLC, Robert Kessler's work includes services performed for Kessler Holdings, LLC clients that may include programming, consulting, finance and general accounting work, but not audit or attestation. Such services are not performed for

clients of Kessler Energy, LLC and no such services are performed for companies covered by research prepared by Kessler Energy, LLC.

Performance Fees

We do not charge performance-based fees for our investment advisory services. Our fees are described in “Fees and Compensation” above.

Disciplinary Information

Neither the firm nor any member of the firm’s management has ever been the subject of any legal or disciplinary event required to be disclosed under this item.

Material Relationships with Issuers of Securities

Neither we nor Mr. Kessler has any relationships or arrangements with any issuer of securities.